



Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402-2801

MAY 19 2004

10 CFR 73.21

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, D.C. 20555-0001

Gentlemen:

In the Matter of	)	Docket Nos.	50-259	50-390
Tennessee Valley Authority	)		50-260	50-391
			50-296	
			50-327	
			50-328	

NUCLEAR REGULATORY COMMISSION (NRC) - USE OF ENCRYPTION SOFTWARE FOR ELECTRONIC TRANSMISSION OF SAFEGUARDS INFORMATION (SGI) FOR BROWNS FERRY, SEQUOYAH, AND WATTS BAR NUCLEAR PLANTS

Pursuant to the requirements of 10 CFR 73.21(g)(3), Tennessee Valley Authority (TVA) requests approval to process and transmit SGI using PGP Software (Enterprise, Corporate, or Personal) Desktop Version 8.0 or the latest validated version, developed with PGP SDK 3.0.3. National Institute of Standards and Technology Certificate 394 validates compliance of this SDK with FIPS 140-2 requirements.

An information protection system for SGI that meets the requirements of 10 CFR 73.21(b) through (i) has been established and is being maintained. Prior to the first use of encryption software for SGI material, written procedures shall be in place to describe, as a minimum: access controls; where and when encrypted communications can be made; how encryption keys, codes and passwords will be protected from compromise; actions to be taken if the encryption keys, codes or passwords are, or are suspected to have been, compromised (e.g., notification of all authorized users); and how the identity and access authorization of the recipient will be verified.

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TVA intends to exchange SGI with the NRC, Nuclear Energy Institute, and other SGI holders who have received NRC approval to use PGP software. Bonnie A. Schnetzler, Manager of Nuclear Security, is responsible for the overall implementation of the SGI encryption program at TVA. Ms. Schnetzler is also responsible for collecting, safeguarding, and disseminating the software tools needed for encryption and decryption of SGI.

Pursuant to 10 CFR 73.21(g)(3), the transmission of encrypted material to other authorized SGI holders who have received NRC approval to use PGP software would be considered a protected telecommunications system. The transmission and dissemination of unencrypted SGI is subject to the provisions of 10 CFR 73.21(g)(1) and (2).

If you have any questions or require additional information, please contact Bonnie A. Schnetzler at (423)751-4969.

Sincerely,

  
Mark J. Burzynski  
Manager  
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