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8/16/04
2:05 pm (S)



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

August 13, 2004

4/19/04
69 FR 43277

Chief, Rules and Directives Branch
Mail Stop TG-D59
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

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Gentlemen:

**COMMENTS ON DRAFT SUPPLEMENT TO STANDARD REVIEW PLAN
DECOMMISSIONING FUNDING INSURANCE FOR POWER REACTORS (VOLUME
69 FEDERAL REGISTER 43,278, DATED JULY 19, 2004)**

TVA appreciates the opportunity to comment on the draft Supplement to Standard Review Plan (SRP) on Decommissioning Funding Insurance for Power Reactors and the development of this guidance. Insurance is recognized as a proper method of providing decommissioning funding assurance under NRC's regulations. TVA is aware that several companies are developing innovative insurance products to help meet nuclear industry needs while ensuring the certainty of available funds to serve the interests of the public, NRC, and the industry. An appropriate SRP will help prospective insurers understand the full range of NRC's interests in providing this coverage, which will in turn provide additional options for utilities to provide financial assurance for decommissioning. TVA strongly encourages the NRC to recognize new, viable insurance coverage through the issuance of appropriate guidance.

The Nuclear Energy Institute (NEI) has provided detailed comments that were developed in consultation with the sponsors of decommissioning insurance proposals pending before the NRC. NEI's comments address a full range of issues important to developing and implementing a usable decommissioning insurance product in a balanced manner. TVA endorses the comments provided by NEI.

template = ADM-013

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FRIDS = ADM-03
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TVA urges the NRC to recognize the important considerations that will allow insurance to become a more viable, worthwhile decommissioning funding mechanism.

If you have any questions, please contact me at (423) 751-2508.

Sincerely,



Mark Barzynski
Manager
Nuclear Licensing

cc: U.S. Nuclear Regulatory Commission
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