



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION I  
475 ALLENDALE ROAD  
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

January 19, 2006

Docket Nos.	03003572	License Nos.	01-06113-04
	03033440		01-25284-01
	03009944		41-08165-08
	03035695		41-08165-18
Control Nos.	137027		
	137030		
	137029		
	137028		

Karl W. Singer  
Chief Nuclear Officer and Executive Vice President  
TVA Nuclear  
1101 Market Street  
Chattanooga, TN 37402-2801

SUBJECT: TVA NUCLEAR, REQUEST FOR ADDITIONAL INFORMATION CONCERNING FINANCIAL ASSURANCE DOCUMENTS, CONTROL NOS. 137027, 137030, 137029, AND 137028

Dear Mr. Singer:

On January 6, 2005, we issued you a Request for Additional Information concerning the financial assurance for decommissioning for Nuclear Regulatory Commission License Nos. 01-06443-04, 01-25284-01, 41-08165-08, and 41-08165-18. Specifically, we requested that you provide a Certification of Financial Assurance, as mandated by 10 CFR 30.35(b), for each license for which financial assurance is required. In accordance with NUREG-1757, Vol.3, "Consolidated NMSS Decommissioning Guidance: Financial Assurance, Recordkeeping, and Timeliness", a Certification of Financial Assurance requires a licensee:

- A. Certify that it has obtained financial assurance in the appropriate amount,
- B. State the type of license (e.g. Part 30, 40 and/or 70), and
- C. List the types and amounts of materials authorized by the license

Your response, dated May 6, 2005, stated the license types and provided a listing of the materials and amounts authorized by each license. However, your response did not include a certification that financial assurance had been obtained for the license. On July 21, 2005, NRC staff discussed this deficiency with Mr. Terry Knuettel and Mr. Ed Viguicci of your staff. During this phone call, the TVA representatives raised two concerns regarding the NRC request:

1. Whether the Statements of Intent provided to the NRC as the financial assurance instrument for each license meet the requirement for the Certification of Financial Assurance because the language in the two documents is similar.

2. If a separate Certification is required, can the language be modified from the recommended language in NUREG-1757, Vol.3, Appendix A.2.4? The model Certification of Financial Assurance in this guidance document states that financial assurance has been obtained. However, a Statement of Intent is a commitment to request and obtain decommissioning funds when they are needed.

The Division of Waste Management and Environmental Protection, in conjunction with the Office of General Counsel, have considered your requests and provided a response (Enclosed). Briefly, in response to TVA's first concern, the staff has determined that the Statement of Intent does not meet the regulatory requirement for a Certification Statement, and that a separate Certification of Financial Assurance must be provided. In response to TVA's second concern, the staff does not object to a modification to the language of the model Certification. TVA may alter the statement to read:

"I also certify that a statement of intent in the amount of [insert the total] has been obtained for the purpose of decommissioning as prescribed by 10 CFR Part [insert 30, 40, or 70]."

Please provide a Certification of Financial Assurance, following the guidance in NUREG-1757, Vol. 3, Appendix A.2 (Enclosed) for each license listed on this letter. The Certification should follow the model provided in Section A.2.4 of the NUREG, with the language of the certification statement modified as described above.

Current NRC regulations and guidance are included on the NRC's website at [www.nrc.gov](http://www.nrc.gov); select **Nuclear Materials; Medical, Industrial, and Academic Uses of Nuclear Material**; then **Toolkit Index Page**. Or you may obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-888-293-6498. The GPO is open from 7:00 a.m. to 9:00 p.m. EST, Monday through Friday (except Federal holidays).

We will continue our review upon receipt of this information. Please reply to my attention at the Region I Office and refer to Mail Control Nos. 137027, 137030, 137029, and 137028. If you have any technical questions regarding this deficiency letter, please call Marjorie McLaughlin of my staff at (610) 337-5240.

Sincerely,

***Original signed by Marie Miller***

Marie Miller, Chief  
Decommissioning Branch  
Division of Nuclear Materials Safety

Enclosures:

1. NMSS/DWMEP Review of Tennessee Valley Authority Financial Assurance (ADAMS Accession No. ML052210277)
2. "Certification of Financial Assurance" (NUREG-1757, Vol. 3, Appendix A.2)

K. Singer  
TVA Nuclear

3

cc:  
Terry Knuettel  
Edward Viglucci, Office of General Counsel

DOCUMENT NAME: E:\Filenet\ML060250212.wpd

**SISP Review Complete: MMiller**

After declaring this document "An Official Agency Record" it will be released to the Public.

To receive a copy of this document, indicate in the box: "C" = Copy w/o attach/encl "E" = Copy w/ attach/encl "N" = No copy

OFFICE	DNMS/RI	N	DNMS/RI	N	DNMS/RI			
NAME	MMcLaughlin/MMM		MMiller/MTM					
DATE	1/19/06		1-19-06					

OFFICIAL RECORD COPY