

July 25, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Annette L. Vietti-Cook, Secretary **/RA/**

SUBJECT: STAFF REQUIREMENTS - SECY-07-0096 - POSSIBLE
REACTIVATION OF CONSTRUCTION AND LICENSING
ACTIVITIES FOR THE WATTS BAR NUCLEAR PLANT UNIT 2

The Commission has approved the staff's recommendations for the licensing and inspection program approach to be used for Watts Bar, Unit 2 if the Tennessee Valley Authority (TVA) decides to reactivate Unit 2 construction, subject to the comments noted below.

Should TVA decide to reactivate its Operating License application for Watts Bar Unit 2, the staff should issue a further notice of opportunity for hearing on the application.

The staff should keep the Commission informed of any significant issues that arise concerning the implementation of the Commission policy on deferred plants.

The Commission supports a licensing review approach that employs the current licensing basis for Unit 1 as the reference basis for the review and licensing of Unit 2. Further, TVA and the NRC staff should review any exemptions, reliefs, and other actions which were specifically granted for Unit 1 to determine whether the same allowance is appropriate for Unit 2. Significant changes to that licensing approach would be allowed where the existing backfit rule would be met or as necessary to support dual unit operation. The staff should encourage the licensee to adopt updated standards for Unit 2 where it would not significantly detract from design and operational consistency between Units 1 and 2.

There are current generic safety issues at the resolution stage, such as GSI-191 or security issues, that will be much easier to resolve before plant operation. The staff and TVA should, during the licensing period, look for opportunities to resolve such issues where the unirradiated state of Watts Bar 2 makes the issue easier to resolve than at Watts Bar 1.

cc: Chairman Klein
Commissioner McGaffigan
Commissioner Jaczko
Commissioner Lyons
OGC
CFO
OCA
OPA
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR