

TENNESSEE VALLEY AUTHORITY

KNOXVILLE, TENNESSEE 37902

May 14, 1971

OFFICE OF THE BOARD OF DIRECTORS



Dr. P. A. Morris, Director  
Division of Reactor Licensing  
United States Atomic Energy Commission  
Washington, D. C. 20545

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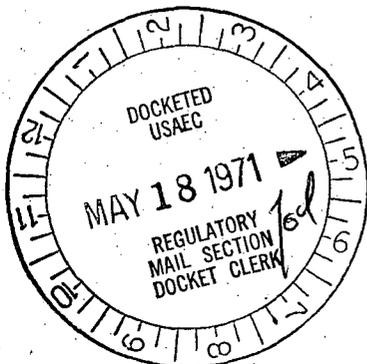
Dear Dr. Morris:

Subject: LICENSE APPLICATION - WATTS BAR NUCLEAR PLANT UNITS 1 AND 2

Pursuant to the Atomic Energy Act of 1954, as amended, and the Commission's Regulations thereunder, the Tennessee Valley Authority hereby applies for construction permits and class 103 licenses necessary for the construction and operation of a two-unit nuclear power plant to be located at its Watts Bar site in Rhea County, Tennessee. Twenty-eight copies of the application are enclosed, three of which are signed originals. Operators' licenses, special nuclear material license, source material license, and byproduct material license are not requested at this time but will be covered by separate applications as and when required.

The information required to be furnished as part of this application is set out in this letter and in (1) an accompanying statement of general information furnished pursuant to 10 CFR Section 50.33 of the Commission's Regulations, and (2) an accompanying Preliminary Safety Analysis Report (PSAR) pursuant to 10 CFR Section 50.34 of the Commission's Regulations.

Included as part of the PSAR is a separate proprietary document entitled Appendix 7A, Instrumentation and Control Logic Diagrams, Drawing 5655D30 Sheets 1 through 17. Westinghouse Electric Corporation, supplier of the nuclear steam supply system, has informed us that all of these drawings contain information on work performed at considerable Westinghouse expense, and that the release of this information to the public would be detrimental to Westinghouse and would seriously affect their competitive position. Accordingly, it is hereby requested pursuant to 10 CFR Part 2, Section 2.790 of the Commission's Regulations, that these drawings be withheld from public disclosure.



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The draft environmental statement required by Section 102 of the National Environmental Policy Act of 1969 has been prepared by TVA and is being submitted to Federal and state agencies for review and comment in accordance with the guidelines of the Council on Environmental Quality. This statement includes the information required by Appendix D to 10 CFR 50 and 150 copies are enclosed.

No restricted data as defined in Section 50.2 of the Commission's Regulations are included in the material now being furnished. In the event restricted data are included in any supplement or amendment to the application, the restricted data will be appropriately separated from any unclassified information.

It is noted that in accordance with the provisions of Part 170 of the Commission's Regulations, TVA as a government agency is exempt from the requirement of fees in connection with this application.

Pursuant to Section 50.37 of the Commission's Regulations, the applicant agrees that it will not permit any individual to have access to any restricted data until the Civil Service Commission shall have made an investigation and report to the Atomic Energy Commission on the character, associations, and loyalty of such individual and the Atomic Energy Commission shall have determined that permitting such individual to have access to restricted data will not endanger the common defense and security.

With regard to the requirement of paragraph 50.33(i) of the Commission's Regulations, Section 15d(f) of the TVA Act imposes on the TVA Board of Directors responsibility for charging rates for power sufficient to produce gross revenues to cover specified items and a margin considered desirable by the Board. The Act also makes the Board responsible for determining provisions to be included in TVA contracts relating to power service. Neither TVA's rates nor services are subject to the jurisdiction of regulatory bodies. Accordingly, this part of § 50.33(i) is not applicable to TVA.

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In accordance with Section 2.101(b) of the Commission's Regulations, a copy of the application will be served promptly on Judge Malcolm Gholdstone who is the chief executive officer of Rhea County. When this has been done, we will forward you an affidavit from the person effecting the service.

It is requested that any correspondence with respect to this application be sent to the applicant at the following address:

Mr. James E. Watson  
Manager of Power  
Tennessee Valley Authority  
818 Power Building  
Chattanooga, Tennessee 37401

Sincerely yours,



Aubrey J. Wagner  
Chairman

Enclosures

State of Tennessee )  
 )  
County of Knox )

On the 14<sup>th</sup> day of May, 1971,  
Aubrey J. Wagner personally appeared before me and, first being  
duly sworn, stated that he is Chairman of the Tennessee Valley  
Authority and that he is duly authorized to execute and file  
the foregoing application in the name and on behalf of the  
Tennessee Valley Authority, and that the statements in said  
application are true to the best of his knowledge and belief.

s/ Shirley W. Kerr  
Notary Public

My Commission expires 4/23/74