

TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 37401

5N 157B Lookout Place

JUL 05 1990

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

Gentlemen:

In the Matter of the Application of )  
Tennessee Valley Authority )

Docket No. 50-390

WATTS BAR NUCLEAR PLANT (WBN) UNIT 1: CLARIFICATION OF RESPONSES TO UPDATED  
REGULATORY GUIDE 9.3 INFORMATION

Reference: NRC letter, same subject, to TVA dated June 6, 1990

The reference letter requested responses to questions and clarifications  
regarding our updated response to Regulatory Guide 9.3 dated December 5,  
1989. The requested information is presented as the enclosure to this letter.

If you have any further questions or need for information, please telephone  
R. H. Shell at (615) 751-2474.

Very truly yours,

TENNESSEE VALLEY AUTHORITY



E. G. Wallace, Manager  
Nuclear Licensing and  
Regulatory Affairs

Enclosure

cc: See page 2

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PDR ADOCK 05000390  
A PDC

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U.S. Nuclear Regulatory Commission

JUL 05 1990

cc (Enclosure):

Ms. S. C. Black, Deputy Director  
Project Directorate II-4  
U.S. Nuclear Regulatory Commission  
One White Flint, North  
11555 Rockville Pike  
Rockville, Maryland 20852

Mr. W. M. Lambe, Senior Antitrust Policy Analyst  
Policy Development and Technical Support Branch  
Program Management, Policy Development  
and Analysis Staff  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

NRC Resident Inspector  
Watts Bar Nuclear Plant  
P. O. Box 700  
Spring City, TN 37321

Peter S. Tam  
U.S. Nuclear Regulatory Commission  
One White Flint, North  
11555 Rockville Pike  
Rockville, Maryland 20852

Mr. B. A. Wilson, Project Chief  
U.S. Nuclear Regulatory Commission  
Region II  
101 Marietta Street, NW, Suite 2900  
Atlanta, Georgia 30323

ENCLOSURE

Question (Page 9)

Have any power transfers taken place over TVA lines from Big Rivers to Oglethorpe pursuant to the agreement reached between Big Rivers and TVA in the summer of 1989?

Response

In August 1989 TVA began transmission service with Big Rivers for delivery of 200 MW of power across the TVA system to Oglethorpe. The agreement provides for the deliveries to continue through July 1992.

Question (Page 9)

What is the status of the draft transmission agreement submitted by Cajun in May 1989?

Response

Possible transmission service arrangements with Cajun are under consideration by the parties but no agreement has been signed.

Question (Page 11)

Indicate any power sales to or purchases from East Kentucky Power Cooperative pursuant to inquiries made by East Kentucky in the 1980's?

Response

There have been various types of exchange power transactions under the interchange arrangements between TVA and East Kentucky during the 1980's time period. These transactions include those based on system economics, i.e., when one system has power available that is cheaper than the generation on the neighboring system and other surplus energy transactions. Fiscal year totals for the amounts received by TVA and the amounts delivered to East Kentucky are as follows:

	<u>Received (kWh)</u>	<u>Delivered (kWh)</u>
1980	446,996,000	0
1981	496,437,000	0
1982	150,331,000	0
1983	316,209,000	385,000
1984	236,063,000	2,400,000
1985	1,011,451,000	995,000
1986	4,027,393,000	9,290,000
1987	2,958,914,000	0
1988	3,243,223,000	1,087,000
1989	671,335,000	13,213,000

Question (Page 12)

Discuss any power sales or exchanges between TVA and Entergy Services, Inc. pursuant to the replacement energy service schedule that became effective August 1989.

Response

There have been various power transactions between TVA and Entergy under Service Schedule RE since Service Schedule RE became effective in 1989. Such transactions are based on system economics. For the period September 1989 through April 1990 TVA purchased 298,429,000 kWh from Entergy and sold 26,703,000 kWh to it.

Question (Page 13)

What is the status of the proposed TVA/GSU excess power agreement initiated in May 1989?

Response

The agreement has not been signed; however, discussions between TVA and Gulf States are continuing regarding the possible sale of excess power to TVA.

Question (Page 13)

Discuss any purchases by TVA of excess power from Hoosier Energy Rural Electric Cooperative pursuant to the Hoosier/TVA agreement dated February 2, 1982.

Response

There have been no transactions under this agreement.

Question (Page 14)

Identify MIP, Inc. and the status of the wheeling negotiations between MIP, Inc. and TVA.

Response

MIP, Inc. is a company organized under the laws of the State of Illinois which contacted TVA regarding the possibility of TVA wheeling power for it across the TVA system. MIP has had no discussions with TVA concerning MIP's proposal since February 1990.

Question (Page 17)

Explain the nature and outcome of arrangements by which TVA made or makes power available to Tampa Electric Co. by way of Georgia Power Co.

Response

TVA does not have any arrangements with Tampa under which power is made available to Tampa. The territorial limitations contained in section 15d(a) of the TVA Act prohibit any arrangement that would make TVA a source of power outside the area prescribed in the Act. However, since Georgia Power had exchange arrangements with TVA, Georgia might be in a position to sell additional power from its system to Tampa.

Question (Page 18)

What firms (other than Quadrex Corp) have approached TVA pursuant to the purchase or lease of the Bellefonte Plant?

Response

Quadrex and CMS Enterprises Company approached TVA with preliminary proposals to complete Bellefonte under various arrangements with TVA. TVA has evaluated these proposals but has not altered its plans for TVA to itself complete and operate Bellefonte.

Question (Pages 8-18)

Has TVA's rejection of a prospective customer because of its Section 15d(a) restriction ever been successfully challenged in a legal or regulatory proceeding? If so, please give details and distinguish such cases from the rejections summarized in the updated response to Regulatory Guide 9.3 dated December 5, 1989.

Response

There has been only one such challenge, and it was not successful Jackson Purchase Rural Elec. Coop. v. Tennessee Valley Authority and Ky. Utils. Co., CA No. 1275 (W.D. Ky, Sept. 19, 1967) (order granting plaintiff's motion to dismiss).