



Tennessee Valley Authority, Post Office Box 2000, Spring City, Tennessee 37381-2000

March 6, 2008

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Mail Stop: OWFN P1-35  
Washington, D.C. 20555-0001

Gentlemen:

In the Matter of )  
Tennessee Valley Authority )

Docket No. 50-391

**WATTS BAR NUCLEAR PLANT (WBN) - UNIT 2 – REQUEST FOR EXTENSION  
OF CONSTRUCTION PERMIT CPPR-92**

By letter dated October 24, 2000 (Reference 1), NRC extended the expiration date for Construction Permit CPPR-92 (WBN Unit 2) to December 31, 2010. The purpose of this letter is to request NRC further extend the construction permit to March 31, 2013.

At the time the current extension was requested and approved, WBN Unit 2 was being maintained in a deferred status pending TVA's determination of generation needs to meet future electric power demands. On November 14, 2006 (Reference 2), TVA notified NRC of its intent to perform a study of the feasibility of completing WBN Unit 2 under the existing Unit 2 construction permit. TVA described its plans to prepare a Detailed Scoping Estimating and Planning (DSEP) document which would provide cost estimates and engineering, construction and potential startup schedules for TVA's use in making an informed decision on whether to complete WBN Unit 2. Within this same time, TVA began its preparation of a Supplemental Environmental Impact Statement (SEIS) for the completion and operation of WBN Unit 2. This SEIS would supplement the original 1972 Environmental Impact Statement (EIS) titled "Final Environmental Statement, Watts Bar Nuclear Plants Units 1 and 2" and NRC's "Final Statement Related to the Operation of Watts Bar Nuclear Plant Units 1 and 2, Supplement No. 1, NUREG-0498 (NRC 1995b), which TVA adopted on July 10, 1995.

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In a letter to the NRC dated April 3, 2007, TVA outlined the key regulatory assumptions underlying the possible reactivation and completion of construction at WBN Unit 2 (Reference 3). In a June 7, 2007, memorandum to the Commission (SECY-07-0096) the NRC's Executive Director for Operations (EDO) sought the Commission's approval of the NRC staff's approach for the possible reactivation of construction, licensing, and inspection activities for WBN Unit 2. In a July 25, 2007, Staff Requirements Memorandum to the EDO, the Commission approved the Staff's recommendation for the licensing and inspection program to be used for WBN Unit 2.

The environmental analyses conducted for TVA's Final Supplemental Environmental Impact Statement (FSEIS) indicated that no significant impacts would be expected as a result of completing and operating WBN Unit 2. Based upon the results of these reviews and other studies that examined future power needs, cost and schedule, environmental impact, and financing and risks, TVA's Board of Directors authorized completion of WBN Unit 2 on August 1, 2007. In a Record of Decision published in the Federal Register on August 15, 2007 (72 Fed. Reg. 45859), TVA stated that proceeding with the completion and operation of WBN Unit 2 is the best decision for TVA and the Tennessee Valley in terms of power supply, power price, generation mix, return on investment, use of existing assets, and avoidance of environmental impacts. TVA's decision to complete WBN Unit 2, the Record of Decision explained, has the three-fold benefits of assuring future power supplies without environmental effects resulting from operation of fossil fuel generating plants (including increased emissions), avoiding even larger capital outlays associated with totally new construction, and avoiding the environmental impacts resulting from siting and constructing new power generating facilities elsewhere.

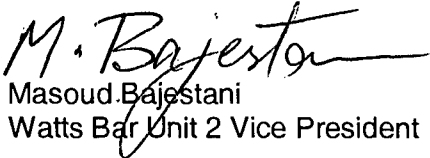
On August 3, 2007, TVA informed the NRC of its intention to reactivate and complete construction activities at WBN Unit 2 (Reference 4). In that letter, TVA notified NRC of its plan to resume unrestricted construction in support of completion of WBN Unit 2 on December 3, 2007, and its plan to complete construction and request an operating license prior to April 1, 2012. TVA also submitted its FSEIS, "Completion and Operation of Watts Bar Nuclear Plant Unit 2," to the NRC on February 15, 2008 (Reference 5). Reference 6 describes the regulatory framework for the completion of construction and licensing activities for WBN Unit 2.

As mentioned above, TVA expects to complete construction and request an operating license for WBN Unit 2 prior to April 1, 2012. TVA has now resumed and will conduct all completion activities in a deliberate and careful manner, mindful and taking full account of those measures necessary to ensure the continued safe operation of WBN Unit 1. TVA's completion schedule supports full power operation by October 2012. The requested extension includes a reasonable amount of time to allow for any adjustments to the schedule as may become necessary.

In view of the above, TVA submits that pursuant to the requirements of 10 CFR § 50.55(b), good cause exists for the extension of the WBN Unit 2 Construction Permit CPPR-92 and that the extension is for a reasonable period of time.

If you have any questions, please contact me at (423) 365-2351.

Sincerely,

  
Masoud Bajestani  
Watts Bar Unit 2 Vice President

cc: (see page 4)

References:

1. NRC letter dated October 24, 2000, "Watts Bar Nuclear Plant, Unit 2 – Order Extending Construction Completion Date (TAC NO. MA6947)"
2. TVA letter dated November 14, 2006, "Watts Bar Nuclear Plant (WBN) - Unit 2 - Feasibility Study for the Completion of Construction Activities"
3. TVA Letter dated April 3, 2007, "Watts Bar Nuclear Plant (WBN) - Unit 2- Key Assumptions for the Possible Completion of Construction Activities"
4. TVA letter dated August 3, 2007, "Watts Bar Nuclear Plant (WBN) – Unit 2 – Reactivation of Construction Activities"
5. TVA letter dated February 15, 2008, "Watts Bar Nuclear Plant (WBN) – Unit 2 – Final Supplemental Environmental Impact Statement for the Completion and Operation of Unit 2"
6. TVA letter dated January 29, 2008, "Watts Bar Nuclear Plant (WBN) – Unit 2 – Regulatory Framework for the Completion of Construction and Licensing Activities for Unit 2"

U.S. Nuclear Regulatory Commission  
Page 4  
March 6, 2008

cc: Lakshminarasimh Raghavan  
U.S. Nuclear Regulatory Commission  
MS 08H4A  
One White Flint North  
11555 Rockville Pike  
Rockville, Maryland 20852-2738

Joseph Williams, Senior Project Manager (WBN Unit 2)  
U.S. Nuclear Regulatory Commission  
One White Flint North  
11555 Rockville Pike  
Rockville, Maryland 20852-2738

Loren R. Plisco, Deputy Regional Administrator for Construction  
U. S. Nuclear Regulatory Commission  
Region II  
Sam Nunn Atlanta Federal Center, Suite 23T85  
61 Forsyth Street, SW,  
Atlanta, Georgia 30303-8931

U. S. Nuclear Regulatory Commission  
Region II  
Sam Nunn Atlanta Federal Center  
61 Forsyth Street, SW, Suite 23T85  
Atlanta, Georgia 30303-8931

NRC Resident Inspector Unit 2  
Watts Bar Nuclear Plant  
1260 Nuclear Plant Road  
Spring City, Tennessee 37381