



Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402-2801

March 14, 1996

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Gentlemen:

In the Matter of)	Docket Nos.	50-259	50-327
Tennessee Valley Authority)		50-260	50-328
			50-296	50-390
				50-391

EROWNS FERRY (BFN), SEQUOYAH (SQN), AND WATTS BAR (WBN) NUCLEAR PLANTS -
INSURANCE STATUS

Federal Regulation 10 CFR 50.54(w) states that all licensees of operating nuclear units shall take reasonable steps to obtain onsite property damage insurance at a minimum coverage limit for the reactor station site of either 1.06 billion dollars, or whatever amount of insurance is generally available from private sources, whichever is less. This regulation also requires each licensee to verify annually, by April 1, its compliance with this nuclear property insurance requirement.

In accordance with this regulation, we have purchased onsite property damage insurance for BFN, SQN, and WBN. Enclosed for your information is the status of our property insurance coverage for these facilities.

If you have any questions, please contact me at (423) 751-2051.

Sincerely,

Raul R. Baron
General Manager, Nuclear Licensing

cc (Enclosure):

Mr. D. E. LaBarge, Senior Project Manager
U.S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Rockville, Maryland 20852

cc: Continued on page 2

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U.S. Nuclear Regulatory Commission

Page 2

March 14, 1996

cc (Enclosure):

Mr. M. S. Lesser, Chief
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NRC Resident Inspector
Watts Bar Nuclear Plant
1260 Nuclear Plant Road
Spring City, Tennessee 37381

NRC Resident Inspector
Browns Ferry Nuclear Plant
10833 Shaw Road
Athens, Alabama 35611

NRC Resident Inspector
Sequoyah Nuclear Plant
2600 Igou Ferry Road
Soddy Daisy, Tennessee 37379

U.S. Nuclear Regulatory Commission

Page 3

March 14, 1996

PPC:DVW:LYM

cc (Enclosure):

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R. D. Machon, PAB 1E-BFN
J. P. Maciejewski, LP 3B-C
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R. H. Shell, OPS 4C-SQN
B. S. Schofield, ADM 1L-WBN
RIMS, CST 13B-C

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ATTACHMENT

A. BROWNS FERRY NUCLEAR PLANT

<u>Insurance Carriers</u>	<u>Limit of Coverage</u>	<u>Policy Numbers</u>	<u>Deductible</u>
1. Nuclear Mutual Limited (NML)	\$500 million	P95-033	\$100 million
2. Nuclear Electric Insurance Limited (NEIL)	\$560 million in excess of \$500 million	X95-048	\$600 million

B. SEQUOYAH NUCLEAR PLANT

<u>Insurance Carriers</u>			
1. Nuclear Mutual Limited (NML)	\$500 million	P95-043	\$100 million
2. Nuclear Electric Insurance Limited (NEIL)	\$560 million in excess of \$500 million	X95-049	\$600 million

C. WATTS BAR NUCLEAR PLANT

<u>Insurance Carriers</u>			
1. Nuclear Mutual Limited (NML)	\$500 million	P95-060	\$100 million
2. Nuclear Electric Insurance Limited (NEIL)	\$560 million in excess of \$500 million	X95-085	\$600 million