

October 29, 2008

Mr. Ashok S. Bhatnagar, Senior Vice President
Nuclear Generation Development and Construction
Tennessee Valley Authority
1101 Market Street
Chattanooga, Tennessee 37402-2801

SUBJECT: CHANGE IN SCHEDULE OF BELLEFONTE UNITS 3 AND 4 COMBINED
LICENSE APPLICATION HYDROLOGY REVIEW

Dear Mr. Bhatnagar:

In a letter dated October 22, 2008, the Tennessee Valley Authority (TVA) requested that the U. S. Nuclear Regulatory Commission (NRC) staff reschedule the safety review of the hydrology portion of the Bellefonte Units 3 and 4 Combined License Application (COLA). TVA requested that the review be resumed in Fiscal Year (FY) 2010. The rescheduling would include all of the sections that fall under Standard Review Plan (SRP) Section 2.4, "Hydrologic Description." This letter informs you that the NRC staff will:

1. Place on hold its review of Section 2.4 with the exception of performing work to ensure an orderly shutdown and to develop the confirmatory tools necessary for the NRC to perform its independent evaluation when the hydrology review restarts.
2. Restart its review after:
 - a. TVA has met the conditions outlined in your letter.
 - b. The NRC staff has conducted a quality assurance review of your completed work to verify through inspection that the probable maximum flood (PMF) and dam breach reanalysis meets 10 CFR 50 Appendix B quality assurance requirements.

TVA's letter requests that the review be rescheduled in this particular area beginning in Fiscal Year 2010. The letter provides background for the request and notes that the NRC conducted an inspection of quality assurance for the calculation supporting the PMF level provided in the COLA. The NRC documented the inspection results, including notice of violations, in a March 19, 2008, letter (ADAMS accession number ML080640487). As noted in TVA's October 22, 2008, letter, TVA has not been able to meet many of the schedule deliverable milestones established in its plan to correct the problems identified in the inspection.

In addition to rescheduling of the review of Section 2.4 until FY 2010, the NRC intends to take the following steps associated with other portions of the Bellefonte 3 and 4 COLA review:

- Continue its review of the hydrology portions of the environmental review; however, because the description of the hydrologic resource in the environmental impact statement must be consistent with the staff's safety evaluation report (SER), your ability to resolve issues associated with the safety review in this area is likely to impact the schedule for the issuance of the draft and final environmental impact statements (DEIS/FEIS).

- Continue its safety review of sections of the application falling outside SRP section 2.4; however, because there is an assumption that the site does not flood, the staff is evaluating other sections of the application assuming that flood protection is not needed. The staff will revisit and revise the safety schedule if it is determined that the site floods and the sections of the SER outside of SRP 2.4 that involve flood protection have to be redone.
- Document the work already completed by the staff for sections of SRP 2.4 that are unaffected by the PMF and dam breach analysis. The purpose of documenting this work is to allow the staff to more effectively resume the review when the PMF and dam breach analysis review restarts. The documentation will be for internal use only, and will have the following attributes:
 - it will be in draft form,
 - it will not have management review or Office of General Counsel (OGC) review,
 - it will not include portions of SRP section 2.4 that are affected by the dam breach and PMF analysis,
 - it will not be checked for consistency between sections because the dam breach and PMF analysis will not be available, and
 - it will not be shared with TVA or other stakeholders due to its draft nature.
- Continue its development of simplified/bounding calculations and confirmatory numerical tools necessary to complete NRC's independent evaluation of the PMF and dam breach analyses when the hydrology review restarts.

In its October 22, 2008, letter, TVA proposes to update the NRC with progress against the revised plan milestones that are presented in the letter on a regular basis. The letter states that TVA anticipates that by the second quarter of Fiscal Year 2009, sufficient progress will have occurred to verify TVA's confidence in the revised schedule. At this point, TVA intends to discuss re-engagement of the NRC review resources. The staff supports frequent communications regarding the status of TVA's efforts. As stated earlier in this letter, the hydrology review will be restarted when the staff has verified through inspection that the PMF and dam breach reanalysis meets 10 CFR 50 Appendix B quality assurance requirements. In particular, TVA must satisfactorily address the issues identified in NRC's inspection report and notice of violation issued March 19, 2008. On the basis of the results of the inspection, and the re-availability of hydrology review resources, we will then provide TVA with a schedule for performing the hydrology review and issuing the DEIS and FEIS.

Consistent with what was stated in an NRC letter dated July 17, 2008, the Bellefonte review schedule would delay the reviews for the subsequent COLAs because of issues with the hydrology portion of FSAR Chapter 2. Therefore, the staff intends to develop a Phase 4 (SER with no open items) schedule for the Bellefonte reference COLAs for all chapters except Chapter 2. This will allow the non-Chapter 2 safety evaluation inputs that are common to all the AP1000 COLA to be developed so that they can be used in subsequent COLAs. The staff will provide TVA with the revised Phase 4 schedule once it has been developed.

A. Bhatnagar

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Should you have any questions regarding the safety review, please contact Joseph Sebrosky, the lead project manager for the safety review of the Bellefonte COL application, at (301) 415-1132 or jms3@nrc.gov.

Sincerely,

/RA/

Thomas A. Bergman, Deputy Director
for Licensing Operations
Division of New Reactor Licensing
Office of New Reactors

Docket Nos.: 52-014, 52-015

cc: See next page

Should you have any questions regarding the safety review, please contact Joseph Sebrosky, the lead project manager for the safety review of the Bellefonte COL application, at (301) 415-1132 or jms3@nrc.gov.

Sincerely,

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Docket Nos.: 52-014, 52-015

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