



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

September 1, 2009

Mr. Preston D. Swafford
Chief Nuclear Officer and Executive Vice President
Tennessee Valley Authority
3R Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN – WATTS
BAR NUCLEAR STATION UNIT 1**

Dear Mr. Swafford:

On August 12, 2009, the NRC staff completed its performance review of the Watts Bar Nuclear Station, Unit 1. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from July 1, 2008 through June 30, 2009. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and the enclosed inspection plan do not include security information. A separate letter designated and marked as "Official Use Only – Security Related Information" will include the Security cornerstone performance review and resultant inspection plan.

Plant performance for the most recent quarter, at Watts Bar Unit 1, was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through December 31, 2010. In addition to ROP baseline inspection activities, we also plan on conducting several infrequently performed inspections, which include Temporary Instruction (TI) 2515/172, Reactor Coolant System Dissimilar Metal Butt Welds; TI 2515/173, Review of the Implementation of the Industry Ground Water Protection Volunteer Initiative; and operator licensing examinations. The inspection plan is provided to minimize the resource impact on your staff and to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the end-of-cycle review meeting.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

As you may know, the NRC is currently evaluating the scope and frequency of all the baseline inspection procedures. If the results of the evaluation, or any other circumstances, cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 404-562-4662 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Eugene F. Guthrie, Chief
Reactor Projects Branch 6
Division of Reactor Projects

Docket Nos. 50-390, 50-391
License No. NPF-90 and Construction
Permit No. CPPR-92

Enclosure: Watts Bar Inspection/Activity Plan

cc w/encl: (See page 3)

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 ADAMS X Yes ACCESSION NUMBER: _____ X SUNSI REVIEW COMPLETE

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Letter to Preston D. Swafford from Eugene F. Guthrie, dated September 1, 2009

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN – WATTS
BAR NUCLEAR STATION

Distribution w/encl:

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L. Slack, RII EICS (Linda Slack)

OE Mail (email address if applicable)

RIDSNRRDIRS

PUBLIC

RidsNrrPMWattsBar1 Resource

RidsNrrPMWattsBar2 Resource

Institute of Nuclear Power Operations (INPO)