



**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. Ashok S. Bhatnagar
Senior Vice President
Nuclear Generation Development and Construction
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

**SUBJECT: MID-CYCLE ASSESSMENT LETTER – WATTS BAR NUCLEAR PLANT
UNIT 2 (NRC INSPECTION REPORT 05000391/2009601)**

Dear Mr. Bhatnagar:

On August 13, 2009, the NRC staff completed its performance review of the Watts Bar Nuclear Plant Unit 2 construction project. Our technical staff reviewed 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.

Overall, Watts Bar Nuclear Plant Unit 2 construction activities were conducted in a manner that complied with the Commission's rules and regulations, the conditions of your construction permit, and the Unit 2 regulatory framework commitments. Our inspections indicated that your construction program and procedure development along with project staffing, were sufficiently implemented to support ongoing construction activities. Management and Quality Assurance oversight effectively monitored and assessed construction activities. The corrective action program implementation activities, including initiation, classification, disposition, and trending were deemed satisfactory and site-wide safety conscious work environment (SCWE) was appropriately established. In conclusion, project performance for the most recent quarter, as well as for the previous three quarters of the assessment cycle, was acceptable based on the above inspection conclusions, the fact that all violations were classified as severity level IV and that no substantive cross-cutting issues were identified. Therefore, we do not plan to expand our inspection activities beyond what is specified by Inspection Manual Chapter (IMC) 2517.

The enclosed inspection plan contains those projected inspection activities that we have currently identified. As additional details of your project schedule become available, we may schedule additional inspections. Details of any additional planned inspections will be discussed with your staff as they become available. The inspection plan will be updated as part of our end of cycle review process and you will be advised of the results. Routine resident inspections are not listed on the inspection plan due to their ongoing and continuous nature. In addition to the inspections specified in IMC 2512, Light Water Reactor Inspection Program – Construction Phase, our staff will be conducting inspections specified in IMC 2517 including Corrective Active Programs (CAPs), Special Programs (SPs), Generic Communications and historical open items. We plan to give your staff ample notification of specific upcoming inspection activities as their schedule becomes available in order to allow for the resolution of any scheduling conflicts and personnel availability issues.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be 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).

Please contact me at (404) 562-6347 with any questions you may have regarding this letter or our planned inspections.

Sincerely,

/RA/

Robert C. Haag, Chief
Construction Projects Branch 3
Division of Construction Projects

Docket No. 50-391
Construction Permit No: CPPR-92

Enclosure

cc: (See next page)

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Letter to Ashok S. Bhatnagar from Robert C. Haag dated September 1, 2009

SUBJECT: WATTS BAR NUCLEAR PLANT UNIT 2 CONSTRUCTION - NRC INSPECTION
REPORT 05000391/2009601

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