



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

November 23, 2009

10 CFR 50.90
10 CFR 50.4

TS-09-06

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

Sequoyah Nuclear Plant, Units 1 and 2
Facility Operating License Nos. DPR-77 and DPR-79
NRC Docket Nos. 50-327 and 50-328

Subject: Request for Approval of the Sequoyah Nuclear Plant Cyber Security Plan

Reference: Letter from Nuclear Energy Institute to NRC, "Endorsement of NEI 08-09, Cyber Security Plan for Nuclear Power Reactors, Revision 3," dated September 15, 2009

In accordance with 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit," the Tennessee Valley Authority (TVA) is submitting a request for an amendment to Licenses DPR-77 and DPR-79 for Sequoyah Nuclear Plant (SQN) Units 1 and 2, respectively.

As required by 10 CFR 73.54, "Protection of digital computer and communication systems and networks," this proposed amendment requests NRC approval of the Sequoyah Nuclear Plant Cyber Security Plan, provides an Implementation Schedule, and adds a sentence to the existing Licenses' Physical Protection license conditions to require SQN Units 1 and 2 to fully implement and maintain in effect all provisions of the Commission approved Cyber Security Plan.

This proposed amendment conforms to the model application provided to the NRC by the referenced letter.

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This proposed amendment conforms to the model application provided to the NRC by the referenced letter.

Enclosure 1 provides an evaluation of the proposed change. Enclosure 1 also contains the following attachments:

- Attachment 1 provides the existing Facility Operating License pages marked up to show the proposed change for ~~BFN Units 1, 2, and 3~~. *SEQUOYAH!! 1 + 2*
- Attachment 2 provides the proposed Facility Operating License changes in final typed format for ~~BFN Units 1, 2 and 3~~. *SEQUOYAH 1 + 2*

Enclosure 2 provides a copy of the ~~Browns-Ferry~~ *SEQUOYAH* Nuclear Plant Cyber Security Plan Implementation Schedule. Implementation of the ~~Browns-Ferry~~ Nuclear Plant Cyber Security Plan will be in accordance with this implementation schedule. TVA requests that Enclosure 2, which contains sensitive information, be withheld from public disclosure in accordance with 10 CFR 2.390, "Public inspections, exemptions, requests for withholding."

Enclosure 3 provides a copy of the ~~Browns-Ferry~~ *SEQUOYAH* Nuclear Plant Cyber Security Plan which is a standalone document that will be incorporated by reference into the ~~Browns-Ferry~~ *SEQUOYAH* Nuclear Plant Physical Security Plan upon approval. TVA requests that Enclosure 3, which contains sensitive information, be withheld from public disclosure in accordance with 10 CFR 2.390. Consistent with common licensing practice, the Cyber Security Plan is written in the present tense, including discussions of procedures, processes and programs associated with cyber security that are not yet implemented. The Cyber Security Plan, including the associated procedures, processes and programs, will be implemented in accordance with the implementation schedule provided in Enclosure 2.

In accordance with 10 CFR 50.91(b)(1), TVA is sending a copy of this letter, with Enclosure 1, to the designated Alabama state official. Since Enclosures 2 and 3 contain security-related information, they will be made available for review on site, as necessary.

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TVA requests an implementation period in accordance with the implementation schedule provided in Enclosure 2 of this letter.

There are no regulatory commitments associated with this license amendment request.

If you should have any questions regarding this submittal, please contact Fred Mashburn at (423) 751-8817.

I declare under penalty of perjury that the foregoing is true and correct.
Executed on this 23rd day of November, 2009.

Respectfully,



R. M. Krich
Vice President
Nuclear Licensing

- Enclosure 1: Evaluation of Proposed Change
- Enclosure 2: ~~Browns-Ferry~~ Nuclear Plant Cyber Security Plan Implementation Schedule
- Enclosure 3: ~~Browns-Ferry~~ Nuclear Plant Cyber Security Plan

SEQUOYAH

cc: (Enclosures):

NRC Regional Administrator – Region II SEQUOYAH
NRC Senior Resident Inspector – ~~Browns-Ferry~~ Nuclear Plant
State Health Officer – Alabama Department of Public Health (w/o Enclosures 2 and 3)

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Enclosure 1

Evaluation of Proposed Change

Request for Approval of the Sequoyah Nuclear Plant Cyber Security Plan

- 1.0 Summary Description
 - 2.0 Detailed Description
 - 3.0 Technical Evaluation
 - 4.0 Regulatory Evaluation
 - 4.1 Applicable Regulatory Requirements / Criteria
 - 4.2 Significant Hazards Consideration
 - 5.0 Environmental Consideration
 - 6.0 References
-

ATTACHMENTS

Attachment 1 - Proposed Facility Operating License Changes (Marked-Up)

Attachment 2 – Proposed Facility Operating License Changes (Re-Typed)

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1.0 SUMMARY DESCRIPTION

The proposed license amendment request (LAR) includes the proposed Sequoyah Nuclear Plant Cyber Security Plan (Plan), an Implementation Schedule, and a proposed sentence to be added to the existing operating licenses' Physical Protection license conditions for Sequoyah Nuclear Plant (SQN) Units 1 and 2.

2.0 DETAILED DESCRIPTION

The proposed LAR includes three parts: the proposed Plan, an Implementation Schedule, and a proposed sentence to be added to the existing Facility Operating Licenses (FOLs) Physical Protection license condition to require SQN Units 1 and 2 to fully implement and maintain in effect all provisions of the Commission approved Cyber Security Plan as required by 10 CFR 73.54, "Protection of digital computer and communication systems and networks." On March 27, 2009, the *Federal Register* Notice issued the final rule that amended 10 CFR Part 73, "Physical Protection of Plants and Materials." The regulations in 10 CFR 73.54 establish the requirements for a cyber security program. This regulation specifically requires each licensee currently licensed to operate a nuclear power plant under Part 50 of this chapter to submit a cyber security plan that satisfies the requirements of the Rule. Each submittal must include a proposed implementation schedule and implementation of the licensee's cyber security program must be consistent with the approved schedule. The background for this application is addressed by the NRC Notice of Availability published on March 27, 2009, 74 FR 13926 (Reference 6.1).

3.0 TECHNICAL EVALUATION

Federal Register Notice 74 FR 13926 issued the final rule that amended 10 CFR Part 73. Cyber security requirements are codified as new 10 CFR 73.54 and are designed to provide high assurance that digital computer and communication systems and networks are adequately protected against cyber attacks up to and including the design basis threat established by 10 CFR 73.1(a)(1)(v). These requirements are substantial improvements upon the requirements imposed by EA-02-026 (Reference 6.2).

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NEI 08-09, "Cyber Security Plan Template," provides an approach for complying with the Commission's regulations for protecting digital computers, communications systems, and networks. NEI 08-09 has been submitted to the NRC (Reference 6.3) for use by licensees in development of their own cyber security plans. The Sequoyah Nuclear Plant Cyber Security Plan is in accordance with NEI 08-09 (Reference 6.3) with the exception that Appendix A, Table 1, "Systems Within the Scope of 10 CFR 73.54," and the associated references to Table 1 have not been included in the Cyber Security Plan. The removal of Table 1 was based on NRC feedback and is considered acceptable since the Table 1 listing of systems within the scope of 10 CFR 73.54 will be available for inspection on site.

This LAR includes the proposed Plan (Enclosure 3) that conforms to the template provided in NEI 08-09. In addition the LAR includes the proposed change to the existing FOLs license conditions for "Physical Protection" (Attachments 1 and 2) for SQN Units 1 and 2. Finally, the LAR contains the proposed Implementation Schedule (Enclosure 2) as required by 10 CFR 73.54.

4.0 REGULATORY EVALUATION

4.1 APPLICABLE REGULATORY REQUIREMENTS / CRITERIA

This LAR is submitted pursuant to 10 CFR 73.54 which requires licensees currently licensed to operate a nuclear power plant under 10 CFR 50 to submit a Cyber Security Plan as specified in 10 CFR 50.4, "Written communications," and 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit."

4.2 SIGNIFICANT HAZARDS CONSIDERATION

TVA has evaluated the proposed changes using the criteria in 10 CFR 50.92, "Issuance of amendment," and has determined that the proposed changes do not involve a significant hazards consideration. An analysis of the issue of no significant hazards consideration is presented below:

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Criterion 1: The proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed change is required by 10 CFR 73.54 and includes three parts. The first part is the submittal of the Plan for NRC review and approval. The Plan conforms to the template provided in NEI 08-09 and provides a description of how the requirements of the Rule will be implemented at SQN Units 1 and 2. The Plan establishes the licensing basis for the Sequoyah Nuclear Plant Cyber Security Program for SQN Units 1 and 2. The Plan establishes how to achieve high assurance that nuclear power plant digital computer and communication systems and networks associated with the following are adequately protected against cyber attacks up to and including the design basis threat:

1. Safety-related and important-to-safety functions,
2. Security functions,
3. Emergency preparedness functions including offsite communications, and
4. Support systems and equipment which if compromised, would adversely impact safety, security, or emergency preparedness functions.

Part one of the proposed change is designed to achieve high assurance that the systems are protected from cyber attacks. The Plan itself does not require any plant modifications. However, the Plan does describe how plant modifications that involve digital computer systems are reviewed to provide high assurance of adequate protection against cyber attacks, up to and including the design basis threat as defined in the Rule. The proposed change does not alter the plant configuration, require new plant equipment to be installed, alter accident analysis assumptions, add any initiators, or effect the function of plant systems or the manner in which systems are operated, maintained, modified, tested, or inspected. The first part of the proposed change is designed to achieve high assurance that the systems within the scope of the Rule are protected from cyber attacks and has no impact on the probability or consequences of an accident previously evaluated.

The second part of the proposed change is an Implementation Schedule. The third part adds a sentence to the existing FOLs license conditions for Physical Protection for SQN Units 1 and 2. Both of these changes are administrative and have no impact on the probability or consequences of an accident previously evaluated.

Therefore, it is concluded that this change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

Criterion 2: The proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed change is required by 10 CFR 73.54 and includes three parts. The first part is the submittal of the Plan for NRC review and approval. The Plan conforms to the template provided by NEI 08-09 and provides a description of how the requirements of the Rule will be implemented at SQN Units 1 and 2. The Plan establishes the licensing basis for the Sequoyah Nuclear Plant Cyber Security Program for SQN Units 1 and 2. The Plan establishes how to achieve high assurance that nuclear power plant digital computer and communication systems and networks associated with the following are adequately protected against cyber attacks up to and including the design basis threat:

1. Safety-related and important-to-safety functions,
2. Security functions,
3. Emergency preparedness functions including offsite communications, and
4. Support systems and equipment which if compromised, would adversely impact safety, security, or emergency preparedness functions.

Part one of the proposed change is designed to achieve high assurance that the systems within the scope of the Rule are protected from cyber attacks. The Plan itself does not require any plant modifications. However, the Plan does describe how plant modifications involving digital

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computer systems are reviewed to provide high assurance of adequate protection against cyber attacks, up to and including the design basis threat defined in the Rule. The proposed change does not alter the plant configuration, require new plant equipment to be installed, alter accident analysis assumptions, add any initiators, or effect the function of plant systems or the manner in which systems are operated, maintained, modified, tested, or inspected. The first part of the proposed change is designed to achieve high assurance that the systems within the scope of the Rule are protected from cyber attacks and does not create the possibility of a new or different kind of accident from any previously evaluated.

The second part of the proposed change is an Implementation Schedule. The third part adds a sentence to the existing FOLs license conditions for Physical Protection for SQN Units 1 and 2. Both of these changes are administrative and do not create the possibility of a new or different kind of accident from any previously evaluated.

Therefore, the proposed change does not create the possibility of a new or different kind of accident from any previously evaluated.

Criterion 3: The proposed change does not involve a significant reduction in a margin of safety.

The proposed change is required by 10 CFR 73.54 and includes three parts. The first part is the submittal of the Plan for NRC review and approval. The Plan conforms to the template provided by NEI 08-09 and provides a description of how the requirements of the Rule will be implemented at SQN Units 1 and 2. The Plan establishes the licensing basis for the Sequoyah Nuclear Plant Cyber Security Program for SQN Units 1 and 2. The Plan establishes how to achieve high assurance that nuclear power plant digital computer and communication systems and networks associated with the following are adequately protected against cyber attacks up to and including the design basis threat:

1. Safety-related and important-to-safety functions,

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2. Security functions,
3. Emergency preparedness functions including offsite communications, and
4. Support systems and equipment which if compromised, would adversely impact safety, security, or emergency preparedness functions.

Part one of the proposed change is designed to achieve high assurance that the systems within the scope of the Rule are protected from cyber attacks. Plant safety margins are established through Limiting Conditions for Operation, Limiting Safety System Settings and Safety limits specified in the Technical Specifications. Because there is no change to these established safety margins, the proposed change does not involve a significant reduction in a margin of safety.

The second part of the proposed change is an Implementation Schedule. The third part adds a sentence to the existing FOLs license conditions for Physical Protection for SQN Units 1 and 2. Both of these changes are administrative and do not involve a significant reduction in a margin of safety.

Therefore, the proposed change does not involve a significant reduction in a margin of safety.

Based on the above, the TVA concludes that the proposed change presents no significant hazards consideration under the standards set forth in 10 CFR 50.92(c), and accordingly, a finding of no significant hazards consideration is justified.

4.3 CONCLUSION

In conclusion, based on the considerations discussed above: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner; (2) such activities will be conducted in compliance with the Commission's regulations; and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

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5.0 ENVIRONMENTAL CONSIDERATION

The proposed amendment establishes the licensing basis for a Cyber Security Program for SQN Units 1 and 2 and will be a part of the Physical Security Plan. This proposed amendment will not involve any significant construction impacts. Pursuant to 10 CFR 51.22(c)(12) no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendment.

6.0 REFERENCES

1. *Federal Register* Notice, Final Rule 10 CFR Part 73, Power Reactor Security Requirements, published on March 27, 2009, 74 FR 13926.
2. EA-02-026, Order Modifying Licenses, Safeguards and Security Plan Requirements, issued February 25, 2002.
3. Letter from Nuclear Energy Institute to NRC, "Endorsement of NEI 08-09, Cyber Security Plan for Nuclear Power Reactors, Revision 3," dated September 15, 2009.

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Attachment 1

Proposed Facility Operating License Change (Marked-Up)

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Sequoyah Nuclear Plant, Unit 1

Proposed Facility Operating License Change (Marked-Up)

E 1-10

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E. Physical Protection

INSERT

(1)

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Sequoyah Nuclear Plant Security Plan, Training And Qualification Plan, And Safeguards Contingency Plan" submitted by letter dated May 8, 2006.

INSERT

(2)

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved Sequoyah Nuclear Plant Cyber Security Plan submitted by letter dated November 23, 2009, and withheld from public disclosure in accordance with 10 CFR 2.390.

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Sequoyah Nuclear Plant, Unit 2

Proposed Facility Operating License Change (Marked-Up)

E 1-12

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A temporary exemption from General Design Criterion 57 found in Appendix A to 10 CFR part 50 is described in the Office of Nuclear Reactor Regulation's Safety Evaluation Report, Supplement No. 5, Section 6.2.4. This exemption is authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest. The exemption, therefore, is hereby granted and shall remain in effect through the first refueling outage as discussed in Section 6.2.4 of Supplement 5 to the Safety Evaluation Report. The granting of the exemption is authorized with the issuance of the Facility Operating License. The facility will operate, to the extent authorized herein, in conformity with the application as amended, the provisions of the Act, and the regulations of the Commission. Additional Exemptions are listed in Attachment 2.

E. Physical Protection

INSERT

(1)

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Sequoyah Nuclear Plant Security Plan, Training And Qualification Plan, And Safeguards Contingency Plan" submitted by letter dated May 8, 2006.

F. Reactor Safety Methodology Applications Programs (Section 24.0)

TVA will provide a report prepared by the Kaman Sciences Corporation (KSC) on a full scale nuclear safety and availability analysis within six months from the date of the KSC report.

G. This amended license is subject to the following additional condition for the protection of the environment:

Before engaging in additional construction or operational activities which may result in an environmental impact that was not evaluated by the Commission, Tennessee Valley Authority will prepare and record an environmental evaluation of such activity. When the evaluation indicates that such activity may result in a significant adverse environmental impact that was not evaluated, or that is significantly greater than that evaluated in the Final Environmental Statement prepared by the Tennessee Valley Authority and the Environmental Impact Appraisal prepared by the Commission in May 1979, the Tennessee Valley Authority shall provide a written evaluation of such activities and obtain prior approval from the Director, Office of Nuclear Reactor Regulation.

H. Deleted

I. TVA shall immediately notify the Commission of any accident at this facility which could result in an unplanned release of quantities of fission products in excess of allowable limits for normal operation established by the Commission.

J. TVA shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.

INSERT

(2)

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved Sequoyah Nuclear Plant Cyber Security Plan submitted by letter dated November 23, 2009, and withheld from public disclosure in accordance with 10 CFR 2.390.

October 28, 2008
Amendment 2, 65, 162, 170, 204, 214,
267, 273, 282

- K. This amended license is effective as of the date of issuance and shall expire September 15, 2021.

FOR THE NUCLEAR REGULATORY COMMISSION

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Attachments:

1. Attachment 1
2. Appendices A and B Technical Specifications

Date of Issuance: September 15, 1981

December 29, 1988
Amendment No. 2, 83

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Attachment 2
Proposed Facility Operating License Change (Re-Typed)

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Sequoyah Nuclear Plant, Unit 1

Proposed Facility Operating License Change (Re-Typed)

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E. Physical Protection

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- (2) The licensee shall fully implement and maintain in effect all provisions of the Commission-approved Sequoyah Nuclear Plant Cyber Security Plan submitted by letter dated November 23, 2009 and withheld from public disclosure in accordance with 10 CFR 2.390.

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Sequoyah Nuclear Plant, Unit 2

Proposed Facility Operating License Change (Re-Typed)

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E. Physical Protection

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I. TVA shall immediately notify the Commission of any accident at this facility which could result in an unplanned release of quantities of fission products in excess of allowable limits for normal operation established by the Commission.

- J. TVA shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
- K. This amended license is effective as of the date of issuance and shall expire September 15, 2021.

FOR THE NUCLEAR REGULATORY COMMISSION

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

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- 1. Attachment 1
- 2. Appendices A and B Technical Specifications

Date of Issuance: September 15, 1981