



Tennessee Valley Authority
1101 Market Street, LP 3R
Chattanooga, Tennessee 37402-2801

R. M. Krich
Vice President
Nuclear Licensing

April 1, 2010

10 CFR 50.4
10 CFR 50.54(w)(3)

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

Browns Ferry Nuclear Plant, Units 1, 2, and 3
Facility Operating License Nos. DPR-33, DPR-52, and DPR-68
NRC Docket Nos. 50-259, 50-260, and 50-296

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

Watts Bar Nuclear Plant, Unit 1
Facility Operating License No. NPF-90
NRC Docket No. 50-390

Subject: **Annual Insurance Status Report**

Title 10, Code of Federal Regulations, Section 50.54(w) (10 CFR 50.54(w)) requires power reactor licensees for production facilities to take reasonable steps to obtain 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. Also, 10 CFR 50.54(w)(3) requires that each licensee report annually the current levels and sources of this insurance.

In accordance with this regulation, the Tennessee Valley Authority (TVA) has purchased onsite property damage insurance for Browns Ferry Nuclear Plant, Sequoyah Nuclear Plant, and Watts Bar Nuclear Plant. Enclosed is the required information on source and level of coverage for TVA's facilities.

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There are no regulatory commitments contained in this letter. If you have any questions regarding this matter, please contact Rod Cook at (423) 751-2834.

Respectfully,

T.E. O'Neil
For

R. M. Krich

Enclosure:

Nuclear Property and Decontamination Liability Insurance
Annual Report

cc:

NRC Regional Administrator – Region II
NRC Senior Resident Inspector – Browns Ferry Nuclear Plant
NRC Senior Resident Inspector – Sequoyah Nuclear Plant
NRC Senior Resident Inspector – Watts Bar Nuclear Plant

ENCLOSURE

**NUCLEAR PROPERTY AND DECONTAMINATION LIABILITY INSURANCE
ANNUAL REPORT**

Nuclear Property and Decontamination Liability Insurance Annual Report

Insurance Carrier	Coverage Limit	Policy Number
<i>Browns Ferry Nuclear Plant</i>		
Nuclear Electric Insurance Ltd. (NEIL)	\$500 million	P10-033
NEIL	\$750 million in excess of \$500 million	X10-048
NEIL	\$810 million in excess of \$1.25 billion	BX10-009
<i>Sequoyah Nuclear Plant</i>		
NEIL	\$500 million	P10-043
NEIL	\$750 million in excess of \$500 million	X10-049
NEIL	\$810 million in excess of \$1.25 billion	BX10-009
<i>Watts Bar Nuclear Plant</i>		
NEIL	\$500 million	P10-060
NEIL	\$750 million in excess of \$500 million	X10-085
NEIL	\$810 million in excess of \$1.25 billion	BX10-009