



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

July 13, 2010

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: WATTS BAR NUCLEAR PLANT, UNIT 2 – REQUEST FOR ADDITIONAL
INFORMATION REGARDING ANTITRUST REVIEW (TAC NO. ME0853)

Dear Mr. Bhatnagar:

By letter dated May 13, 2010 (ADAMS Accession No. ML093370605), Tennessee Valley Authority submitted updated antitrust information pursuant to Regulatory Guide 9.3, "Information Needed by the AEC [Atomic Energy Commission] Regulatory Staff in Connection with its Antitrust Review of Operating License Applications for Nuclear Power Plants," with respect to Watts Bar Nuclear Plant Unit 2. This information addressed changes in antitrust information from December 1989 to the present.

The Nuclear Regulatory Commission staff reviewed the information provided and determined that further information is required to complete its assessment of the applicant's submittals. The specific information requested is addressed in the enclosure to this letter.

We request your response within 30 days of receipt of this letter.

If you should have any questions, please contact me at 301-415-2048.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Poole", written over a horizontal line.

Justin C. Poole, Project Manager
Watts Bar Special Projects Branch
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-391

Enclosure:
Request for Additional Information

cc w/encl: Distribution via Listserv

REQUEST FOR ADDITIONAL INFORMATION
WATTS BAR NUCLEAR PLANT, UNIT 2
ANTITRUST REVIEW
TENNESSEE VALLEY AUTHORITY
DOCKET NO. 50-391

As required by the December 19, 1970, amendments to the Atomic Energy Act of 1954, the Nuclear Regulatory Commission (NRC) conducts antitrust reviews with respect to construction permits and operating licenses it issues for commercial nuclear facilities. The Commission must, under certain circumstances, make a finding as to whether the activities under the permit or license would create or maintain a situation inconsistent with the antitrust laws. On August 8, 2005, Congress excused the NRC from conducting such reviews for applications for construction permits and operating licenses filed after that date. 42 U.S.C.A. § 2135(c)(9). Because Tennessee Valley Authority (TVA) filed the pending application for Watts Bar Nuclear Plant, Unit 2 (WBN 2) before August 8, 2005, the NRC must conduct an antitrust review for that application. An antitrust review at the operating license stage is not required unless the Commission determines such review is advisable on the ground that significant changes in the licensee's activities or proposed activities have occurred subsequent to the previous antitrust review conducted by the Attorney General and the Commission at the construction permit stage and those changes have "negative antitrust implications." *South Carolina Electric and Gas Company and South Carolina Public Service Authority* (Virgil C. Summer Nuclear Station, Unit 1), CLI-80-28, 11 NRC 817, 835 (1980).

The NRC staff requests your response to the following request for additional information to reconcile any possible questions arising from your May 13, 2010, submittal, to the NRC.

B.1.a

The table showing projected capacity position at summer peak years 2010 - 2017 assumes that WBN 2 is online by summer 2013. Please present the data without including capacity assumed from WBN 2.

B.1.b

TVA states that it is not a member of "any formal power pool or coordinating group in the context used herein." Please clarify membership in any informal pool or group and TVA's interpretation of "the context used herein."

B.1.c

TVA states there have been no new interconnections or connections to wholesale customers on the 500-kilovolt (kV) system in the WBN area. Please reconcile that statement with disclosure of two 500-kV wholesale customers added since December 5, 1989.

B.1.f

TVA states that there have been no new wholesale customers since the 1989 submittal. Please reconcile that statement with disclosure of two 500-kV wholesale customers added since December 5, 1989.

B.1.g

TVA describes a 933-megawatt combined gas cycle turbine facility, but does not provide the ownership rights or power output allocations for that facility. Therefore, please provide ownership rights or power output allocations for that facility.

B.1.h

TVA refers to a Board Policy describing how the provisions of Section 15d(a) of the TVA Act are to be applied regarding the availability of TVA power. Please provide documentation that the Board adopted the policy and the provisions of the policy adopted.

July 13, 2010

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/RA/

Justin C. Poole, Project Manager
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*per memo dated July 1, 2010

OFFICE	LPWB/PM	LPWB/LA	NRR/FPAB/(A)BC	OGC	LPWB/BC
NAME	JPoole	BClayton	MDusaniwskyj*	MSmith*	SCampbell
DATE	7/09 /10	7/09/10	7/1/10	7/1/10	7/13/10

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