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October 1, 2010

10 CFR 50.4

ATTN: Document Control Desk U.S. Nuclear Regulatory Commission 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

Watts Bar Nuclear Plant, Unit 2 Construction Permit No. CPPR-92 NRC Docket No. 50-391

Subject:

Notification Letter Designating Balance of Plant Systems within the Cyber Security Rule Scope

References:

- (1) Letter from the North American Electrical Reliability Corporation to the Tennessee Valley Authority, "Request for Data or Information: Nuclear Power Plant 'Bright-Line' Survey," dated June 15, 2010
- (2) Letter from the North American Electrical Reliability Corporation to Richard Dearman, Tennessee Valley Authority, "NERC's Response to the Completed Bright Line Survey," dated August 31, 2010

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By Order dated March 19, 2009¹, the Federal Energy Regulatory Commission (FERC) clarified that the "balance of plant" equipment within a nuclear power plant is subject to compliance with the FERC approved Critical Infrastructure Protection (CIP) Reliability Standards. Paragraph 50 of the Order provides for an exception from the CIP Reliability Standards for equipment in the balance of plant that is subject to the NRC cyber security regulations. Pursuant to paragraph 50 of the Order, the North American Electric Reliability Corporation (NERC) has been engaging in a "Bright-Line" determination process (Reference 1) to clarify the systems that would be subject to the NRC cyber security rule (10 CFR 73.54), and those that would be subject to the CIP Reliability Standards.

In the Reference 2 letter, NERC is requiring that Tennessee Valley Authority (TVA) provide the NRC with a letter identifying all balance of plant Systems, Structures, and Components (SSCs) considered important to safety with respect to the NRC's cyber security regulation. As documented in our response to the Bright Line survey, the balance of plant SSCs in Attachment 1 of the Survey are important to safety, and thus, are within the scope of 10 CFR 73.54.

In accordance with the requirements of 10 CFR 73.54 (b)(1), a comprehensive identification of SSCs subject to the requirements of 10 CFR 73.54 will be developed during the implementation of the cyber security program. The program is implemented in accordance with the schedule submitted to the NRC by three letters dated July 23, 2010 from TVA for the Browns Ferry, Sequoyah, and Watts Bar Nuclear Plants that include transmittal of the latest updated Cyber Security Plans. This identification of SSCs will be available for inspection upon completion and will contain those SSCs as identified in Attachment 1 of the Bright-Line Survey. Providing the requested information in this alternate matter satisfies the intent of the NERC letter.

In the Reference letters, NERC is also requiring that each nuclear power plant submit a revised cyber security plan to the NRC for its review and approval. On or before November 30, 2010, TVA will supplement our Cyber Security Plan to clarify the scope of systems described in Section 2.1, "Scope and Purpose." Section 2.1 will be amended to clarify the balance of plant SSCs that will be included in the scope of the cyber security program.

¹ Mandatory Reliability Standards for Critical Infrastructure Protection, order on clarification, Order No. 706-B, 126 FERC paragraph 61,229 (2009).

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TVA received Reference 2 on September 1, 2010. Accordingly, this letter is due to NRC on October 1, 2010.

The enclosure to this letter lists the regulatory commitment made by this letter. Should you have any questions concerning this letter, or require additional information, please contact Rob Brown at (423) 751-7228.

Respectfully.

R. M. Krich

Enclosure: Commitment List

cc (Enclosure):

NRC Director, Office of Nuclear Reactor Regulation

NRC Director, Office of Nuclear Security and Incident Response

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, Unit 1

NRC Senior Resident Inspector - Watts Bar Nuclear Plant, Unit 2

NERC, Michael Moon, Director of Compliance Operations

NERC, Jim Hughes, Compliance and Certification Auditor

Enclosure

Commitment List

On or before November 30, 2010, the Tennessee Valley Authority will supplement our Cyber Security Plans to clarify the scope of systems described in Section 2.1, "Scope and Purpose." Section 2.1, will be amended to clarify the balance of plant SSCs that will be included in the scope of the cyber security program.