



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

March 23, 2012

Mr. Michael D. Skaggs, Senior Vice President,  
Nuclear Generation Construction  
Tennessee Valley Authority  
6A Lookout Place  
1101 Market Street  
Chattanooga, TN 37402-2801

**SUBJECT: WATTS BAR NUCLEAR PLANT, UNIT 2 – REVIEW SCHEDULE DELAY  
BECAUSE OF COORDINATION ISSUES WITH UNIT 1 LICENSING BASIS**

Dear Mr. Skaggs:

By letter dated November 7, 2011 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML11307A396), the Nuclear Regulatory Commission (NRC) staff informed Tennessee Valley Authority (TVA) of the need to closely coordinate proposed license amendment requests (LARs) for Watts Bar Nuclear Plant (WBN) Unit 1 with the WBN Unit 2 operating license (OL) review effort. The NRC staff wants to ensure that the submission of proposed LARs do not adversely affect NRC's safety evaluations for WBN Unit 2, which are currently in progress. The NRC staff stressed that it is imperative that TVA ensure that the proposed list of LARs is complete, no additional LARs are planned or necessary, and that TVA adhere to the specified schedule for LAR submittals. The NRC staff also stated that this is necessary to ensure that the NRC staff can complete its review of WBN Unit 2 OL application consistent with TVA's project schedule. To date, only one (to change the dose equivalent iodine value, dated March 8, 2012) of the eight anticipated LARs has been submitted.

On December 6, 2011, during a conference call with representatives from TVA, the NRC staff learned that TVA may need an LAR to change the probable maximum flood (PMF) level in the WBN Unit 1 Updated Final Safety Analysis Report (UFSAR) from 734.9 feet to 738.8 feet. The revised design basis PMF conforms to the calculations prepared to support the FSAR for WBN Unit 2. TVA's initial estimate for submitting an LAR to revise the design basis for hydrology in the UFSAR was the end of January 2012. The date subsequently slipped to February 22, to February 29, and then to March 9, 2012. By e-mail dated March 9, 2012, Mr. J. Shea (TVA) informed me that TVA will not be able to submit the LAR until additional questions posed by your offsite review committee are addressed.

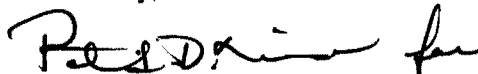
Staff Requirements Memorandum dated July 25, 2007, regarding SECY-07-0096, "Possible Reactivation of Construction and Licensing Activities for the Watts Bar Nuclear Plant Unit 2," states:

The Commission supports a licensing review approach that employs the current licensing basis for Unit 1 as the reference basis for the review and licensing of Unit 2.

The NRC staff has, therefore, used the licensing basis for WBN Unit 1 as the reference for its review of the OL application for WBN Unit 2. However, the staff recognized that the review of the WBN Unit 2 FSAR might identify issues within the licensing basis of WBN Unit 1. Thus, WBN Unit 1's licensing basis must be kept up-to-date to conform to TVA's proposed basis for WBN Unit 2. The staff's review schedule for WBN Unit 2 has been adversely impacted by TVA's lack of timely LAR submittals for WBN Unit 1. Thus, the NRC staff's estimated date for completing the review of the WBN Unit 2 OL application will change, as well as the schedule for related meetings with the NRC Advisory Committee on Reactor Safeguards, due to the delays with TVA's submittal. The staff will revise and inform you of its review schedule after TVA submits the proposed LARs.

If you have any questions, please contact me at (301) 415-2296 or Fred.Lyon@nrc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Lyon", with a stylized flourish at the end.

Carl F. Lyon, Project Manager  
Watts Bar Special Projects Branch  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

Docket No. 50-391

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The NRC staff has, therefore, used the licensing basis for WBN Unit 1 as the reference for its review of the OL application for WBN Unit 2. However, the staff recognized that the review of the WBN Unit 2 FSAR might identify issues within the licensing basis of WBN Unit 1. Thus, WBN Unit 1's licensing basis must be kept up-to-date to conform to TVA's proposed basis for WBN Unit 2. The staff's review schedule for WBN Unit 2 has been adversely impacted by TVA's lack of timely LAR submittals for WBN Unit 1. Thus, the NRC staff's estimated date for completing the review of the WBN Unit 2 OL application will change, as well as the schedule for related meetings with the NRC Advisory Committee on Reactor Safeguards, due to the delays with TVA's submittal. The staff will revise and inform you of its review schedule after TVA submits the proposed LARs.

If you have any questions, please contact me at (301) 415-2296 or Fred.Lyon@nrc.gov.

Sincerely,

*/RA by P. Milano for/*

Carl F. Lyon, Project Manager  
Watts Bar Special Projects Branch  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation

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\* By e-mail

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