

WBN2Public Resource

From: Boyd, Desiree L [dlboyd@tva.gov]
Sent: Thursday, May 17, 2012 1:50 PM
To: Epperson, Dan; Poole, Justin; Raghavan, Rags; Milano, Patrick; Campbell, Stephen
Cc: Arent, Gordon; Hamill, Carol L; Boyd, Desiree L
Subject: TVA letter to NRC_05-17-12 CP Extension Request
Attachments: 05-17-12 CP Extension Request_Final.pdf

Please see attached TVA letter that was sent to the NRC today.

Thank You,

~*~*~*~*~*~*~*~*~*~*

Desiree L. Boyd

WBN Unit 2 Licensing

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Hearing Identifier: Watts_Bar_2_Operating_LA_Public
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From: Boyd, Desiree L

Created By: dlboyd@tva.gov

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Tennessee Valley Authority, Post Office Box 2000, Spring City, Tennessee 37381-2000

May 17, 2012

10 CFR 50.55(b)

U.S. Nuclear Regulatory Commission
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Watts Bar Nuclear Plant, Unit 2
NRC Docket No. 50-391

**Subject: WATTS BAR NUCLEAR PLANT (WBN) - UNIT 2 - REQUEST FOR
EXTENSION OF CONSTRUCTION PERMIT CPPR-92**

- References:
1. NRC letter dated July 7, 2008, "Watts Bar Nuclear Plant, Unit 2 - Order for Extension of Construction Permit (TAC NO. MD8389)"
 2. SECY-12-0020 dated February 1, 2012, "Fifth Report on the Status of Reactivation of Construction and Licensing for Watts Bar Nuclear Plant, Unit 2"

By order dated July 7, 2008 (Reference 1), NRC extended the expiration date for Construction Permit CPPR-92 (WBN Unit 2) to March 31, 2013. TVA respectfully requests that NRC further extend the construction permit expiration date to September 30, 2016. The additional time will allow TVA to complete the engineering, construction and pre-operational testing of WBN Unit 2.

In March 2012, TVA completed a detailed review of the status of WBN Unit 2 construction and developed a revised estimate of the time and resources necessary to complete the unit. This revised estimate was formed after months of analyses and consideration of numerous lessons learned as well as detailed analyses of remaining work associated with the Project. The estimate was then subjected to rigorous internal and independent external review which provided additional assurance and high confidence in a most likely WBN Unit 2 completion estimate of December 2015. The extension request is the result of Project performance not meeting the original estimated budget and schedule, and additional work not originally anticipated such as that which will be required as a result of regulatory responses to and lessons learned from the events at Fukushima Daiichi in Japan. Accordingly, in an abundance of caution and conservatism that is necessary, and prudent, when requesting a construction permit extension, TVA is requesting a construction permit expiration date of September 30, 2016.

The TVA Board of Directors authorized the continuation of construction activities and completion of WBN Unit 2 in accordance with the revised estimate in April 2012. The Board concluded that the same benefits that formed the basis for its 2007 decision to proceed with the completion and operation of WBN Unit 2 apply in 2012 as the best decision for TVA and the residents of the Tennessee Valley. In sum, the completion and operation of WBN Unit 2 will continue to support a balanced generation mix, provide a cost effective and reliable low cost source of power for many years, and avoid significant environmental impacts.

In the time since the NRC last extended the WBN Unit 2 construction permit expiration date, and after more than two years of development, TVA also completed its Integrated Resource Plan (IRP) titled TVA's Energy and Environmental Future. This IRP and the associated Environmental Impact Statement are the result of extensive analysis and collaboration with TVA partners and stakeholders. The IRP supports TVA's comprehensive mission of service, which includes meeting the electric power needs of its customers in a reliable, affordable and sustainable manner. It also identifies the types of energy resources that TVA expects to rely upon in the future. In April 2011, the TVA Board of Directors accepted the IRP and authorized TVA's Chief Executive Officer to use its recommended planning direction as a guide in energy resource planning and selection. The recommended planning direction assumed the completion of WBN Unit 2 to satisfy expected energy demand in the Tennessee Valley region over the next 20 years.

TVA has conducted, and will continue to conduct all WBN Unit 2 completion activities in a deliberate and careful manner, mindful and taking full account of those measures necessary to ensure the continued safe operation of WBN Unit 1.

Reference 2 shows that substantial progress has been made in the construction and licensing of WBN Unit 2 since construction has proceeded under the existing construction permit. The NRC staff has completed a major portion of the safety and environmental review of the Operating License application. Approximately 25 percent of the Inspection Procedure and Schedule database items have been closed. TVA's Final Supplemental Environmental Impact Statement and the NRC's Draft Supplemental Environmental Impact Statement have concluded that no significant environmental impacts would be expected as a result of completing and operating WBN Unit 2.

The only modification requested to Construction Permit CPPR-92 is the extension of the latest completion date. The extension would only allow TVA more time to complete the construction and testing of WBN Unit 2 that is already authorized under the existing construction permit. The extension would not allow any work of a type not previously authorized by the existing construction permit to be performed. Because TVA is not seeking authorization for activities not previously authorized, this request does not involve a significant increase in the probability or consequences of an accident previously evaluated, create the possibility of a new or different kind of accident from any accident previously evaluated, or involve a significant reduction in a margin of safety.

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In view of the above, and pursuant to the requirements of 10 CFR § 50.55(b), TVA requests that NRC extend WBN Unit 2 Construction Permit CPPR-92 expiration date to September 30, 2016. TVA submits that good cause exists for the extension and that such extension is for a reasonable period of time.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 17th day of May, 2012.

Respectfully,



Raymond A. Hruby, Jr.
General Manager, Technical Services
Watts Bar Unit 2

cc: U. S. Nuclear Regulatory Commission
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