



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

March 4, 2014

Mr. Joseph W. Shea
Vice President, Nuclear Licensing
Tennessee Valley Authority
1101 Market Street, LP 3D-C
Chattanooga, TN 37402-2801

**SUBJECT: ANNUAL ASSESSMENT LETTER WATTS BAR NUCLEAR PLANT UNIT 1
(REPORT 05000390/2013001)**

Dear Mr. Shea:

On February 19, 2014, the NRC completed its end-of-cycle performance review of the Watts Bar Nuclear Plant Unit 1. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1 through December 31, 2013. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined the performance at the Watts Bar Nuclear Plant Unit 1 during the most recent quarter was within the Degraded Cornerstone Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because of one White and one Yellow finding in the mitigating Systems cornerstone.

On December 20, 2013, the NRC completed a supplemental inspection in accordance with Inspection Procedure 95002, "Supplemental Inspection for One Degraded Cornerstone or Any Three White Inputs in a Strategic Performance Area." Based on the results of this inspection, the NRC determined that your staff adequately addressed the causes for both of these findings. Therefore, both findings are considered closed and Watts Bar Unit 1 transitioned to the Licensee Response Column of the NRC's ROP Action Matrix on January 1, 2014.

In its assessment letter dated September 3, 2013 (ADAMS Accession No. ML13246A19), the NRC identified a cross-cutting theme in the Work Practices component of the Human Performance & Error Prevention cross-cutting area. Specifically, five Green inspection findings for the July 1, 2012, to June 30, 2013, assessment period, each with a documented cross-cutting aspect of "Supervisory and Management Oversight" (H.4.(c)) were identified. Only three of those findings were applicable to the January 1 to December 31, 2013, assessment period. Therefore, since no additional findings were identified with the H.4.(c) cross-cutting aspect for the remainder of this assessment period, the NRC determined that your corrective actions have been effective and there is no longer a cross-cutting theme with the H.4.(c) aspect at the Watts Bar nuclear plant.

As a result of the Safety Culture Common Language Initiative, the terminology and coding of cross-cutting aspects were revised. All cross-cutting aspects identified during inspections conducted in calendar year 2014 will reflect this revision to Inspection Manual Chapter (IMC) 0310. The calendar year (CY) 2013 end-of-cycle assessments were conducted using the IMC 0310 guidance in effect in CY 2013 (dated October 28, 2011). Cross-cutting aspects identified in 2013 using the 2013 terminology will be converted to the latest revision in accordance with the cross-reference in IMC 0310 during the mid-cycle assessment review and evaluated for cross-cutting themes and potential substantive cross-cutting issues in accordance with IMC 0305.

The enclosed inspection plan lists the inspections scheduled through June 30, 2015. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-publicly available correspondence.

In addition to the ROP baseline inspections at your facility, we also plan on conducting infrequently performed inspections which include: TI 2515/182, Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping and Tanks; IP 43004, Inspection of Commercial-Grade Dedication Programs; and IP 92702, Follow-up on Traditional Enforcement Actions Including Violations, Deviations, Confirmatory Action Letters, and Alternative Dispute Resolution Orders.

Additionally, an NRC audit of licensee efforts towards compliance with Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events" is ongoing. This audit includes an onsite component in order for the NRC to evaluate mitigating strategies as described in licensee submittals, and to receive and review information relative to associated open items. This onsite activity will occur in the months prior to a declaration of compliance for the first unit at each site, and will aid staff in development of an ultimate Safety Evaluation for the site. The onsite component has been scheduled for the week of March 10, 2014. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

In accordance with 10 CFR 2.390 of the NRC's Rules of Practice, a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

J. Shea

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Please contact Jonathan Bartley at 404-997-4607 with any questions you have regarding this letter.

Sincerely,

/RA/

Victor M. McCree
Regional Administrator

Docket No.: 50-390
License No.: NPF-90

Enclosure: Watts Bar Inspection/Activity Plan
(03/01/2014 – 06/30/2015)

cc distribution via Listserv

J. Shea

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Please contact Jonathan Bartley at 404-997-4607 with any questions you have regarding this letter.

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Letter to Joseph W. Shea from Victor M. McCree dated March 4, 2014

SUBJECT: ANNUAL ASSESSMENT LETTER WATTS BAR NUCLEAR PLANT UNIT 1
(REPORT 05000390/2013001)

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Institute of Nuclear Power Operations (INPO)

ROP Assessment

Watts Bar

Inspection / Activity Plan

03/01/2014 - 06/30/2015

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
1	03/31/2014	04/04/2014	ISI IP 711108P	- UNIT 1 IN-SERVICE INSPECTION Inservice Inspection Activities - PWR	1
1	04/14/2014	04/18/2014	RP IP 71124.01	- RADIOLOGICAL HAZARDS AND TRANSPORTATION Radiological Hazard Assessment and Exposure Controls	2
1	04/14/2014	04/18/2014	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1	04/14/2014	04/18/2014	IP 71151	Performance Indicator Verification	
1	06/02/2014	06/04/2014	TI-182 IP 2515/182	- TI-182 BURIED PIPING/TANK - PHASE 2 Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping	1
1	08/04/2014	08/08/2014	RP IP 71124.06	- RP PUBLIC RADIATION BASELINE Radioactive Gaseous and Liquid Effluent Treatment	2
1	08/04/2014	08/08/2014	IP 71124.07	Radiological Environmental Monitoring Program	
1	08/04/2014	08/08/2014	IP 71151	Performance Indicator Verification	
1	10/06/2014	10/10/2014	EP IP 7111402	- EP PROGRAM INSPECTION Alert and Notification System Testing	3
1	10/06/2014	10/10/2014	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1	10/06/2014	10/10/2014	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1	10/06/2014	10/10/2014	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1	10/06/2014	10/10/2014	IP 71151	Performance Indicator Verification	
1	12/01/2014	12/05/2014	PI&R IP 71152B	- PROBLEM IDENTIFICATION AND RESOLUTION Problem Identification and Resolution	4
1	12/15/2014	12/19/2014	IP 71152B	Problem Identification and Resolution	
1	02/09/2015	02/13/2015	CDBI IP 711121	- COMPONENT DESIGN BASES INSPECTION Component Design Bases Inspection	7
1	03/02/2015	03/06/2015	IP 711121	Component Design Bases Inspection	
1	03/16/2015	03/20/2015	IP 711121	Component Design Bases Inspection	
1	03/30/2015	04/03/2015	IP 711121	Component Design Bases Inspection	
1	06/08/2015	06/12/2015	HS IP 711107T	- TRIENNIAL HEAT SINK PERFORMANCE Heat Sink Performance	1

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Enclosure