



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

February 27, 2015

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

**SUBJECT: END-OF-CYCLE ASSESSMENT LETTER – WATTS BAR NUCLEAR PLANT
UNIT 2 (NRC INSPECTION REPORT 05000391/2015601)**

Dear Mr. Skaggs:

On February 9, 2015, the U. S. Nuclear Regulatory Commission (NRC) staff completed its performance review of the Watts Bar Nuclear Plant (WBN) Unit 2 construction project. Our technical staff reviewed inspection results for the period from January 1, 2014, through December 31, 2014. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

Overall, Watts Bar Nuclear Plant Unit 2 construction activities were conducted in a manner that complied with the Commission's rules and regulations, the conditions of your construction permit, and the Unit 2 regulatory framework commitments. Our inspections indicated that your construction and testing programs were sufficiently implemented to support ongoing construction and testing activities. Management and Quality Assurance oversight effectively monitored and assessed these activities. The corrective action program implementation activities, including initiation, classification, disposition, and trending were deemed satisfactory. In conclusion, project performance for the most recent quarter, as well as for the previous three quarters of the assessment cycle, was acceptable based on the above inspection conclusions, the fact that all violations were classified as severity level IV or below, and that no substantive cross-cutting issues were identified. Therefore, we do not plan to expand our inspection activities beyond what is specified by Inspection Manual Chapter (IMC) 2517.

The NRC staff spent over 23,000 hours during the 12-month End-of-Cycle Assessment period performing inspections, assessments, public meetings, allegation follow-up, and inspection program support for WBN Unit 2. The NRC staff anticipates this level of effort will be maintained over the next 12-month assessment cycle as WBN Unit 2 construction, pre-operational testing, and operational preparedness activities are nearing completion and inspections of these activities is needed to support an operating license (OL) decision. In addition, startup testing inspections will be performed if an OL is issued.

The enclosed inspection plan contains the projected team inspection activities that we have currently identified. The inspections listed in the enclosed inspection plan were scheduled based on information your staff provided to the NRC. The scheduling of other inspections specified in Inspection Manual Chapter 2517 are communicated with your staff on a weekly basis. These inspection activities are not listed in the enclosed inspection plan because of the

likelihood that our currently scheduled inspection dates may change based on corresponding changes to related construction activities. Your staff will be given ample notification of changes to upcoming inspection activities or newly identified inspections as they become finalized in order to allow for the resolution of any scheduling conflicts and personnel availability. Routine inspections performed by the resident staff are not listed on the inspection plan due to their ongoing and continuous nature.

Additionally, the NRC will continue with implementation of Inspection Manual Chapter 2513, Light Water Reactor Inspection Program – Preoperational Testing and Operational Preparedness Phase. We have not listed preoperational testing inspections in the enclosed inspection plan due to likelihood that the inspection dates will change as adjustments to your preoperational testing schedule occur.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure 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). Please contact me at (404) 997-4446 with any questions you may have regarding this letter or our planned inspections.

Sincerely,

/RA/

Robert C. Haag, Chief
Construction Projects Branch 3
Division of Construction Projects

Docket No. 50-391
Construction Permit No: CPPR-92

Enclosure: Watts Bar Unit 2 Inspection Plan

cc w/encl: See next page

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ADAMS: Yes ACCESSION NUMBER: **ML15058A633** SUNSI REVIEW COMPLETE

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DATE	02/27/2015	02/27/2015					
E-MAIL COPY?	YES NO	YES NO					

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Letter to Michael D. Skaggs from Robert C. Haag dated February 27, 2015.

SUBJECT: END-OF-CYCLE ASSESSMENT LETTER – WATTS BAR NUCLEAR PLANT
UNIT 2 (NRC INSPECTION REPORT 05000391/2015601)

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**WATTS BAR UNIT 2
INSPECTION/ACTIVITY PLAN
03/01/2015 – 07/01/2015**

Planned Dates Start End	Inspection Activity	Title
03/30/2015 – 04/03/2015	IMC 2517	Electrical Team Inspection
03/30/2015 – 04/03/2015	TI 2515/191	Inspection of the Implementation of Mitigating Strategies and Spent Fuel Pool Instrumentation Orders and Emergency Preparedness Communications/Staffing/Multi-Unit Dose Assessment Plans
04/06/2015 – 04/10/2015	IP 35007 Appendix 16	Problem Identification and Resolution Team Inspection
04/13/2015 – 04/17/2015	TI 2201-004	Inspection of Implementation of Interim Cyber Security Milestones 1-7
04/27/2015 – 05/01/2015	TI 2512/022	Fire Protection CAP and Program Inspection
04/27/2015 – 05/01/2015	TI 2512/036	Inspection of Environmental Qualification (EQ) Special Program and EQ Historical Items
05/04/2015 – 05/08/2015	TI 2512/041	Inspection of Radiation Monitoring System Special Program and Associated Electrical Items
TBD (2 nd Quarter 2015)	IP 70314	Hot Functional Test Witnessing
TBD (2 nd Quarter 2015)	IP 93806	Operational Readiness Assessment Team Inspection