



Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402

CNL-15-223

October 22, 2015

10 CFR 50.54(w)
10 CFR 140.15

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555-0001

Watts Bar Nuclear Plant, Unit 2
Facility Operating License No. NPF-96
NRC Docket No. 50-391

**Subject: Proof of Financial Protection, Nuclear Liability and Property Insurance for
Watts Bar Nuclear Plant, Unit 2 and Indemnity Agreement**

Reference: TVA Letter to NRC, CNL-15-202, "Watts Bar Nuclear Plant Unit 2 - Financial
Protection Requirements and Indemnity Agreements - Insurance Status Supplement,"
dated September 24, 2015 (ML15268A528)

The purpose of this letter is to provide notification that the requirements of 10 CFR Part 140.15 and Part 50.54(w) have been satisfied for Watts Bar Nuclear Plant (WBN) Unit 2. The insurance policies listed below are in effect today, October 22, 2015, for WBN Unit 2.

<u>Coverage</u>	<u>Company</u>	<u>Policy Number</u>	<u>Limit</u>
Nuclear Liability	American Nuclear Insurers	NF-0256/N-0120	\$375 million
Primary Property	Nuclear Electric Insurance Limited	P15-060	\$1.50 billion

Enclosure 1 to this letter provides the signed endorsements 1 and 2 for WBN Unit 2 for the Nuclear Liability Policy No. NF-0256/N-0120. The Primary Property Policy No. P15-060 was previously provided in the above reference. No update to this policy is required due to the WBN Unit 2 Operating License being issued.

Enclosure 2 provides the signed copy of the Indemnity Agreement No. B-88, Amendment No. 6.

There are no new regulatory commitments contained in this submittal. Please contact Gordon Arent at (423) 365 2004 for questions regarding this submittal.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 22nd day of October 2015.

Respectfully,



J. W. Shea
Vice President, Nuclear Licensing

Enclosures:

1. Signed Copy of Nuclear Liability Policy No. NF-0256/N-0120, Endorsement
2. Signed Copy of the Indemnity Agreement No. B-88, Amendment No. 6

cc (Enclosures):

NRC Regional Administrator – Region II
NRC Senior Resident Inspector – Watts Bar Nuclear Plant, Unit 2
NRC Project Manager – Watts Bar Nuclear Plant, Unit 2

ENCLOSURE 1
Watts Bar Nuclear Plant, Unit 2

Signed Copy of Nuclear Liability Policy No. NF-0256/N-0120, Endorsement

NUCLEAR ENERGY LIABILITY INSURANCE
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ENDORSEMENT TO CERTIFICATE NO. N -0120

Forming Part of Master Policy No. 1

Nuclear Energy Liability Insurance

(Secondary Financial Protection)

It is agreed that effective September 10, 2013, Item 7. of the certificate is amended to read as follows:

Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each nuclear incident: \$127,317,750.

Effective Date of
this Endorsement:

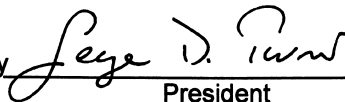
September 10, 2013
(12:01 A.M. Standard Time)

To form a part of Certificate No. **N -0120**

Issued to: **Tennessee Valley Authority**

Date of Issue: **October 22, 2015**

For the subscribing companies

By 
President

Endorsement No.: **1**

Countersigned by 

**NUCLEAR ENERGY LIABILITY INSURANCE
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

**SPECIFICATION OF CERTIFICATE EFFECTIVE DATE AND
PREMIUM ENDORSEMENT**

It is agreed that:

1. The United States Nuclear Regulatory Commission has issued to the insureds named in Item 1 of the Declarations Operating License No. NPF-96 effective October 22, 2015 for the reactor described in Item 3 of the Declarations of the Certificate.

2. Item 6 of the Declarations of the Certificate is deleted and replaced by the following:

Item 6. Certificate Period: Beginning October 22, 2015 and continuing to the effective date and time of cancellation or termination of the Master Policy or this Certificate, whichever first occurs, eastern standard time.

3. Item 8 of the Declarations of the Certificate is deleted and replaced by the following:

Item 8. Portion of the annual premium payable for the companies' contingent liability described in Condition 4 of the Master Policy from the effective date hereof to the end of calendar year 2015: \$3,820.

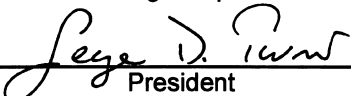
Effective Date of
this Endorsement: **October 22, 2015**
(12:01 A.M. Standard Time)

To form a part of Certificate No. **N -0120**

Issued to: **Tennessee Valley Authority**

Date of Issue: **October 22, 2015**

For the subscribing companies

By 
President

Endorsement No.: **2**

Countersigned by 

ENCLOSURE 2
Watts Bar Nuclear Plant, Unit 2

Signed Copy of the Indemnity Agreement No. B-88, Amendment No. 6



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

Docket Nos. 50-390
50-391

AMENDMENT TO INDEMNITY AGREEMENT NO. B-88
AMENDMENT NO. 6

Effective October 22, 2015, Indemnity Agreement No. B-88, between Tennessee Valley Authority and the United States Nuclear Regulatory Commission, dated September 5, 1979, as amended, is hereby further amended as follows:

Item 3 of the Attachment to the indemnity agreement is modified by adding the following license:

Item 3 – License number

NPF – 96 (From 12:01 a.m., October 22, 2015)

FOR THE UNITED STATES NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Anthony Bowers".

Anthony Bowers, Chief
Financial Analysis and International Projects Branch
Division of Inspection and Regional Support
Office of Nuclear Reactor Regulation

Accepted 10/22 2015

By John W. White
Tennessee Valley Authority

