



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

CNL-16-006

March 29, 2016

10 CFR 50.54(w)

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

Browns Ferry Nuclear Plant, Units 1, 2, and 3  
Renewed Facility Operating License Nos. DPR-33, DPR-52, and DPR-68  
NRC Docket Nos. 50-259, 50-260, and 50-296

Sequoyah Nuclear Plant, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-77 and DPR-79  
NRC Docket Nos. 50-327 and 50-328

Watts Bar Nuclear Plant, Units 1 and 2  
Facility Operating License Nos. NPF-90 and NPF-96  
NRC Docket No. 50-390 and 50-391

Subject: **Annual Insurance Status Report**

Title 10, *Code of Federal Regulations*, Section 50.54(w) (10 CFR 50.54(w)) requires power reactor licensees for production facilities to take reasonable steps to obtain insurance at a minimum coverage limit for each licensed reactor station site of either \$1.06 billion or whatever amount of insurance is generally available from private sources, whichever is less. Also, 10 CFR 50.54(w)(3) requires that each licensee report on April 1 of each year the current levels and sources of this insurance.

In accordance with 10 CFR 50.54(w), Tennessee Valley Authority (TVA) has purchased onsite property damage insurance for Browns Ferry Nuclear Plant, Sequoyah Nuclear Plant, and Watts Bar Nuclear Plant. Enclosed is the required information on source and level of coverage for TVA's facilities.

There are no regulatory commitments contained in this letter. If you have any questions regarding this matter, please contact Edward D. Schrull at (423) 751-3850.

Respectfully,

A handwritten signature in blue ink, appearing to read "J. W. Shea".

J. W. Shea  
Vice President, Nuclear Licensing

Enclosure  
cc: See Page 2

U.S. Nuclear Regulatory Commission  
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Enclosure:

Nuclear Property and Decontamination Liability Insurance Annual Report

cc:

NRC Regional Administrator – Region II  
NRC Senior Resident Inspector – Browns Ferry Nuclear Plant  
NRC Senior Resident Inspector – Sequoyah Nuclear Plant  
NRC Senior Resident Inspector – Watts Bar Nuclear Plant

## ENCLOSURE

### Nuclear Property and Decontamination Liability Insurance Annual Report

Insurance Carrier	Coverage Limit	Policy Number
<b><i>Browns Ferry Nuclear Plant</i></b>		
Nuclear Electric Insurance Ltd.	\$1.5 billion	P16-033
NEIL	\$560 million in excess of \$1.5 billion	BX16-009*
<b><i>Sequoyah Nuclear Plant</i></b>		
Nuclear Electric Insurance Ltd.	\$1.5 billion	P16-043
NEIL	\$560 million in excess of \$1.5 billion	BX16-009*
<b><i>Watts Bar Nuclear Plant</i></b>		
Nuclear Electric Insurance Ltd.	\$1.5 billion	P16-060
NEIL	\$560 million in excess of \$1.5 billion	BX16-009*

\*NEIL Policy BX16-009 is a Blanket Excess, Decontamination Liability, Decommissioning Liability and Excess Property Insurance Policy which is applicable to all three sites (BFN, SQN, and WBN) that provides a maximum Limit of Liability resulting from any one Accident that will not exceed \$560 million.