



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

August 17, 2017

Debra Shults, Director
Division of Radiological Health
TN Dept. of Environmental & Conservation
William R. Snodgrass
Tennessee Tower-15th Floor
312 Rosa L. Parks Avenue
Nashville, TN 37243

SUBJECT: REVIEW OF THE DRAFT ENVIRONMENTAL ASSESSMENT AND FINDING OF
NO SIGNIFICANT IMPACT FOR THE WATTS BAR NUCLEAR PLANT UNITS 1
AND 2 INDEPENDENT SPENT FUEL STORAGE INSTALLATION
DECOMMISSIONING FUNDING PLAN

Dear Ms. Shults:

By letter dated September 28, 2016, Tennessee Valley Authority (TVA) submitted decommissioning funding plan (DFP) for the Sequoyah Nuclear Plant Units 1 and 2 Independent Spent Fuel Storage Installation (ISFSI), located in Tennessee, for U.S. Nuclear Regulatory Commission (NRC) staff review and approval.

The NRC regulations at Title 10 of the *Code of Federal Regulations* (10 CFR) Part 72, "Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High-Level Radioactive Waste, and Reactor-Related Greater than Class C Waste," govern the storage of spent nuclear fuel (spent fuel) generated at commercial nuclear power reactors licensed by the NRC. Spent fuel that has been removed from the reactor's spent fuel pool is typically stored at a nuclear power plant's ISFSI.

The NRC requires its licensees to plan for the eventual decommissioning of their licensed facilities prior to license termination. On June 17, 2011, the NRC published a final rule amending its decommissioning planning regulations (76 *Federal Register* (FR) 35512). The final rule amended the NRC regulation, 10 CFR 72.30, which concerns financial assurance and decommissioning for ISFSIs. This regulation now requires each holder of, or applicant for, a license under 10 CFR Part 72 to submit, for NRC review and approval, a DFP. The purpose of the DFP is to demonstrate the licensee's financial assurance (i.e., that funds will be available to decommission the ISFSI). The NRC staff is reviewing the information submitted by TVA. Specifically, the NRC must determine whether TVA DFP contains the information required by 10 CFR 72.30(b) and whether TVA has provided reasonable assurance that funds will be available to decommission the ISFSI.

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The TVA ISFSI DFP is publicly available in the NRC's Agencywide Documents Access and Management System (ADAMS) accessible at <http://www.nrc.gov/reading-rm/adams.html>. The ADAMS accession number for the application package is ML16274A244 for the 2015 initial submittal.

In accordance with 10 CFR Part 51, the NRC regulations that implement the National Environmental Policy Act of 1969, as amended, the agency has prepared a draft environmental assessment (EA) for the proposed action (enclosed). We are providing your office with the opportunity to review the draft EA and comment on environmental issues prior to the public issuance and publication of the EA. We request that distribution and use of the enclosed draft EA be limited only to those staff involved in the review and comment process.

Please submit any comments within 30 days of the receipt of this letter to the U.S. Nuclear Regulatory Commission, Document Control Desk, ATTN: John McKirgan, Mail Stop: TWFN 4B34, U.S. Nuclear Regulatory Commission, Washington, DC 20555. If you have any questions, please contact Dr. Pamela Longmire of my staff by telephone at 301-415-7465, or by e-mail at pamela.longmire@nrc.gov. The NRC staff will consider your timely comments and will revise the EA, as appropriate, before its final issuance and publication. Thank you for your assistance.

Sincerely,

/RA/

John McKirgan, Chief
Spent Fuel Licensing Branch
Division of Spent Fuel Management
Office of Nuclear Material Safety
and Safeguards

Docket No.: 72-1048
CAC No.: L25232

Enclosure:
Draft Environmental Assessment

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TENNESSEE DEPARTMENT OF ENVIRONMENTAL & CONSERVATION. THIS
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SIGNIFICANT IMPACT FOR THE WATTS BAR NUCLEAR PLANT UNITS 1 AND 2
INDEPENDENT SPENT FUEL STORAGE INSTALLATION DECOMMISSIONING FUNDING
PLAN, DOCUMENT DATE: AUGUST 17, 2017

DISTRIBUTION:

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FWS.docx

ADAMS Package No.: ML17226A228 Letter: ML17226A229 Encl.: ML17226A230

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