TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 374C1 6N 38A Lookout Place

September 6, 1989

Dr. Thomas E. Murley, Director Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Dear Dr. Murley:

APPLICABILITY OF NEW REGULATORY REQUIREMENTS TO BELLEFONTE NUCLEAR PLANT

The purpose of this letter is to confirm our understanding of the applicability of NRC requirements that may be developed during the deferral period of the Bellefonte Nuclear Plant, a matter recently discussed with you by TVA Chairman Marvin Runyon and myself.

As you are aware, TVA's present plan is to resume construction and licensing of Bellefonte on a schedule which will allow us to bring that facility into operation in the late 1990s. TVA will, of course, evaluate various options for Bellefonte, including arrangements such as those suggested by the Quadrex Corporation.

The Commission's Policy Statement on Deferred Plants addresses this matter in Section III.A.5, "Applicability of New Regulatory Requirements During Deferral," which provides that when construction of a deferred plant is resumed, the NRC will only impose new regulatory requirements on that facility in accordance with the provisions of the backfit rule. Item e. of Section III.A.6. of the Policy Statement, "Information to be Submitted by Licensee When Reactivating," requests a licensee reactivating a deferred plant to identify any new regulatory requirements which are applicable to the plant and have become effective since the plant's deferral, and to submit to the NRC a description of the licensee's proposed plans for compliance with those requirements or a schedule for submitting such plans. We assume, of course, that any new requirements identified in response to Section III.A.6.e. of the Policy Statement will only be imposed in a manner consistent with the backfit rule. I believe our interpretation of the Policy Statement, as well as the applicability of the backfit rule, is consistent with our conversation.

8909130342 890906 PDR ADOCK 05000438 ADOCK 05000438

D030

Dr. Thomas E. Murley

September 6, 1989

We would appreciate your views as to whether our understanding of the Policy Statement and its applicability to Bellefonte is correct. A full understanding of the regulatory requirements which will pertain to Bellefonte is essential to our planning of future generating capacity.

Any questions you have on this matter may be directed to me at 615/751-4770.

Very truly yours,

TENNESSER VALLEY AUTHORITY

Oliver D. Kingsley, Senior Vice Presiden

Nuclear Power-

cc: Mr. Dennis M. Crutchfield, Director Office of Special Projects U.S. Nuclear Regulatory Commission One White Flint, North 11555 Rockville Pike Rockville, Maryland 20852