



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

August 30, 2004

Tennessee Valley Authority
ATTN.: Mr. K. W. Singer
Chief Nuclear Officer and
Executive Vice President
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - WATTS
BAR NUCLEAR PLANT**

Dear Mr. Singer:

On August 4, 2004, the NRC staff completed its mid-cycle plant performance assessment of the Watts Bar Nuclear Plant. The mid-cycle review for Watts Bar involved the participation of all technical divisions in evaluating performance for the first half of the calendar year 2004 assessment cycle. The process included a review of performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. 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. This will allow you an opportunity to prepare for these inspections and to inform us of any planned inspections that may conflict with your plant activities. This performance review and the enclosed inspection plan do not include physical protection information. A separate mid-cycle performance review letter, designated and marked as "Proprietary Information in accordance with 10 CFR 2.390(d)(1)," will include the physical protection review and a resultant inspection plan.

Plant performance for the most recent quarter was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, per the NRC Reactor Oversight Process, we plan to conduct only baseline inspections at your facility through March 31, 2006. We also plan on conducting several inspections which are not part of the routine baseline inspection program. These inspections include lay-up and preservation of Unit 2 and a safety issue review of your response to Generic Letter 89-13, "Service Water System Problems Affecting Safety-Related Equipment," based on lessons learned from the Davis-Besse vessel head degradation event. This review is being performed at a sampling of nuclear power plants across the country.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 2006. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite.

Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last twelve months of the inspection plan are tentative and may be revised at the end-of-cycle review meeting.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made 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).

If circumstances arise which cause us to change the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at (404) 562-4520 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Stephen J. Cahill, Chief
Reactor Projects Branch 6
Division of Reactor Projects

Docket Nos. 50-390, 50-391
License Nos. NPF-90 and Construction
Permit No. CPPR-92

Enclosure: Watts Bar Inspection/Activity Plan

cc w/encl: (See page 3)

TVA

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cc w/encls:

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Watts Bar
Inspection / Activity Plan
09/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	OL EP	- EP INSPECTION	1			
1	IP 7111402	Alert and Notification System Testing		08/30/2004	09/03/2004	Baseline Inspections
1	IP 7111403	Emergency Response Organization Augmentation Testing		08/30/2004	09/03/2004	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/30/2004	09/03/2004	Baseline Inspections
1	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		08/30/2004	09/03/2004	Baseline Inspections
1	IP 711151	Performance Indicator Verification		08/30/2004	09/03/2004	Baseline Inspections
	EB-TI159	- REVIEW OF GL 89-13 (SW SYSTEM) RESPONSE	4			
1	IP 2515/159	Review of Generic Letter 89-13: Service Water System Problems Affecting Safety-Related E		10/04/2004	10/08/2004	Safety Issues
	OL RQ	- REQUAL INSPECTION	2			
1	IP 7111111B	Licensed Operator Requalification Program		11/15/2004	11/19/2004	Baseline Inspections
	RP BR6	- UNIT 2 SYSTEMS LAYUP INSPECTION	1			
1	IP 92050	Review Of Quality Assurance For Extended Construction Delays		11/15/2004	11/19/2004	Other Routine
	PS-RP	- RP PUBLIC BASELINE	3			
1	IP 7112101	Access Control to Radiologically Significant Areas		11/29/2004	12/03/2004	Baseline Inspections
1	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		11/29/2004	12/03/2004	Baseline Inspections
1	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		11/29/2004	12/03/2004	Baseline Inspections
1	IP 7112203	Radiological Environmental Monitoring Program		11/29/2004	12/03/2004	Baseline Inspections
1	IP 711151	Performance Indicator Verification		11/29/2004	12/03/2004	Baseline Inspections
	PI&R	- PROBLEM IDENTIFICATION AND RESOLUTION	4			
1	IP 71152B	Identification and Resolution of Problems		01/31/2005	02/04/2005	Baseline Inspections
1	IP 71152B	Identification and Resolution of Problems		02/14/2005	02/18/2005	Baseline Inspections
	EB2-ISI	- INSERVICE INSPECTION	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		03/21/2005	03/25/2005	Baseline Inspections
	PS-RP	- RP OCCUPATIONAL BASELINE - WEEK 1	2			
1	IP 7112101	Access Control to Radiologically Significant Areas		03/21/2005	03/25/2005	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		03/21/2005	03/25/2005	Baseline Inspections
1	IP 7112202	Radioactive Material Processing and Transportation		03/21/2005	03/25/2005	Baseline Inspections
1	IP 711151	Performance Indicator Verification		03/21/2005	03/25/2005	Baseline Inspections
	EB2SGISI	- STEAM GENERATOR ISI	2			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/04/2005	04/08/2005	Baseline Inspections
	PS-RP	- RP OCCUPATIONAL BASELINE - WEEK 2	2			
1	IP 7112101	Access Control to Radiologically Significant Areas		04/04/2005	04/08/2005	Baseline Inspections
1	IP 7112102	ALARA Planning and Controls		04/04/2005	04/08/2005	Baseline Inspections
1	IP 7112202	Radioactive Material Processing and Transportation		04/04/2005	04/08/2005	Baseline Inspections

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

ENCLOSURE

Watts Bar
Inspection / Activity Plan
09/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	PS-RP	- RP OCCUPATIONAL BASELINE - WEEK 2	2			
1	IP 71151	Performance Indicator Verification		04/04/2005	04/08/2005	Baseline Inspections
	EB2-MODS	- MODIFICATIONS/10CFR50.59	4			
1	IP 7111102	Evaluation of Changes, Tests, or Experiments		05/09/2005	05/13/2005	Baseline Inspections
1	IP 7111117B	Permanent Plant Modifications		05/09/2005	05/13/2005	Baseline Inspections
	EB1SSDPC	- SSDPC PRE-INSPECTION VISIT	2			
1	IP 7111121	Safety System Design and Performance Capability		06/13/2005	06/17/2005	Baseline Inspections
	EB1SSDPC	- SAFETY SYSTEM DESIGN & PERF. CAPABILITY	5			
1	IP 7111121	Safety System Design and Performance Capability		07/11/2005	07/15/2005	Baseline Inspections
1	IP 7111121	Safety System Design and Performance Capability		07/25/2005	07/29/2005	Baseline Inspections
	OL EP	- EMERGENCY EXERCISE	2			
1	IP 7111401	Exercise Evaluation		10/31/2005	11/04/2005	Baseline Inspections
1	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/31/2005	11/04/2005	Baseline Inspections
1	IP 71151	Performance Indicator Verification		10/31/2005	11/04/2005	Baseline Inspections