



Tennessee Valley Authority, 1101 Market Street, Chattanooga, Tennessee 37402-2801

March 22, 2002

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

Gentlemen:

In the Matter of	)	Docket Nos. 50-259	50-327
Tennessee Valley Authority	)	50-260	50-328
		50-296	50-390
			50-391


BROWNS FERRY (BFN), SEQUOYAH (SQN), AND WATTS BAR (WBN) NUCLEAR  
PLANTS - INSURANCE STATUS

Federal Regulation 10 CFR 50.54(w) states that all licensees of operating nuclear units shall take reasonable steps to obtain onsite property damage insurance at a minimum coverage limit for the reactor station site of either 1.06 billion dollars, or whatever amount of insurance is generally available from private sources, whichever is less. This regulation also requires each licensee to verify and report annually, by April 1, its compliance with this nuclear property insurance requirement.

In accordance with this regulation, we have purchased onsite property damage insurance for BFN, SQN, and WBN. Enclosed for your information is the status of our property insurance coverage for these facilities.

If you have any questions, please contact me at (423) 751-2508.

Sincerely,

  
Mark J. Burzynski  
Manager  
Nuclear Licensing

Enclosure  
cc: See page 2

1001

U.S. Nuclear Regulatory Commission  
Page 2  
March 22, 2002

cc (Enclosure):

Mr. R. W. Hernan, Senior Project Manager  
Nuclear Regulatory Commission  
MS 08G9  
One White Flint, North  
11555 Rockville Pike  
Rockville, Maryland 20852-2739

Mr. Kahtan N. Jabbour, Senior Project Manager  
U.S. Nuclear Regulatory Commission  
MS 08G9  
One White Flint, North  
11555 Rockville Pike  
Rockville, Maryland 20852-2739

Mr. L. Mark Padovan, Senior Project Manager  
Nuclear Regulatory Commission  
MS 08G9  
One White Flint, North  
11555 Rockville Pike  
Rockville, Maryland 20852-2739

U.S. Nuclear Regulatory Commission  
Region II  
Sam Nunn Atlanta Federal Center  
61 Forsyth St., SW, Suite 23T85  
Atlanta, Georgia 30303-8931

NRC Senior Resident Inspector  
Browns Ferry Nuclear Plant  
P.O. Box 149  
Athens, Alabama 35611

NRC Senior Resident Inspector  
Sequoyah Nuclear Plant  
2600 Igou Ferry Road  
Soddy-Daisy, Tennessee 37379

NRC Senior Resident Inspector  
Watts Bar Nuclear Plant  
1260 Nuclear Plant Road  
Spring City, Tennessee 37381

## ENCLOSURE

### Nuclear Property and Decontamination Liability Insurance Annual Report to NRC

Insurance Carrier	Coverage Limit	Policy Number
<b><u>Browns Ferry Nuclear Plant</u></b>		
Nuclear Electric Insurance Ltd. (NEIL)	\$500 million	P01-033
NEIL	\$560 million in excess of \$500 million	X01-048
NEIL	\$1 billion in excess of \$1.06 billion	BX01-009
<b><u>Sequoyah Nuclear Plant</u></b>		
NEIL	\$500 million	P01-043
NEIL	\$560 million in excess of \$500 million	X01-049
NEIL	\$1 billion in excess of \$1.06 billion	BX01-009
<b><u>Watts Bar Nuclear Plant</u></b>		
NEIL	\$500 million	P01-060
NEIL	\$560 million in excess of \$500 million	X01-085
NEIL	\$1 billion in excess of \$1.06 billion	BX01-009