



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

December 14, 2004

10 CFR 73.21

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

Gentlemen:

In the Matter of)
Tennessee Valley Authority)

Docket Nos. 50-259 50-390
50-260 50-391
50-296
50-327
50-328

BROWNS FERRY NUCLEAR PLANT, UNITS 1, 2, AND 3; WATTS BAR NUCLEAR PLANT, UNITS 1 AND 2; AND SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2 – USE OF ENCRYPTION SOFTWARE FOR ELECTRONIC TRANSMISSION OF SAFEGUARDS (REGULATORY ISSUE SUMMARY (RIS) 2002-15)

Pursuant to the requirements of 10 CFR 73.21(g)(3), TVA requested, and was granted NRC approval, by letter dated June 14, 2004, to process and transmit Safeguards Information (SGI) using PGP Software (Enterprise, Corporate, or Personal), Desktop Version 8.0, or the latest validated version, developed with PGP Software Development Kit (SDK) 3.0.3. National Institute of Standards and Technology (NIST) Certificate 394 validates compliance of this SDK with Federal Information Processing Standard (FIPS) 140-2 requirements.

This letter provides notification that TVA will begin using PGP Software Corporate Desktop Version 8.0.3 which was developed with SDK 3.0.3. NIST Certificate Number 394 validates compliance of this software development tool with the FIPS 140-2 requirements.

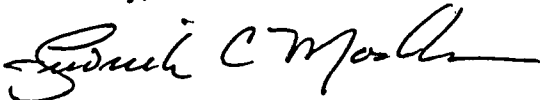
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In an October 4, 2004 letter, NEI provided notification of the industry's intent to use PGP version 8.0.3. In a November 19, 2004 response to NEI, the NRC authorized the use of PGP version 8.0.3 for processing SGI electronically. This meets the requirement that the NRC be notified 30 days before "first use" of new software.

There are no new commitments made by this letter. Should you have any questions or require additional information, please contact Robert M. Brown at (423) 751-7228.

Sincerely,



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Senior Program Manager
Nuclear Licensing

cc: Ms. Eva A. Brown, Project Manager
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