



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

CNL-18-025

March 28, 2018

10 CFR 50.54(w)
10 CFR 50.4

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

Browns Ferry Nuclear Plant, Units 1, 2, and 3
Renewed Facility Operating License Nos. DPR-33, DPR-52, and DPR-68
NRC Docket Nos. 50-259, 50-260, and 50-296

Sequoyah Nuclear Plant, Units 1 and 2
Renewed Facility Operating License Nos. DPR-77 and DPR-79
NRC Docket Nos. 50-327 and 50-328

Watts Bar Nuclear Plant, Units 1 and 2
Facility Operating License Nos. NPF-90 and NPF-96
NRC Docket No. 50-390 and 50-391

Subject: **Annual Insurance Status Report**

Title 10, *Code of Federal Regulations*, Section 50.54(w) (10 CFR 50.54(w)) requires power reactor licensees for production facilities to take reasonable steps to obtain insurance, at a minimum coverage limit for each licensed reactor station site of either \$1.06 billion or whatever amount of insurance is generally available from private sources, whichever is less. Also, 10 CFR 50.54(w)(3) requires that the licensee shall report to the NRC on April 1 of each year the current levels of this insurance or financial security it maintains and the sources of this insurance or financial security.

In accordance with 10 CFR 50.54(w), Tennessee Valley Authority (TVA) has purchased onsite property damage insurance for Browns Ferry Nuclear Plant (BFN), Sequoyah Nuclear Plant (SQN), and Watts Bar Nuclear Plant (WBN). Enclosed is the required information on source and level of coverage for TVA's facilities.

There are no new regulatory commitments contained in this letter. If you have any questions regarding this matter, please contact Edward D. Schrull at (423) 751-3850.

Respectfully,

J. W. Shea
Vice President, Nuclear Regulatory Affairs and Support Services

Enclosure: Nuclear Property and Decontamination Liability Insurance Annual Report
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cc:(Enclosure)

NRC Regional Administrator – Region II
NRC Senior Resident Inspector – Browns Ferry Nuclear Plant
NRC Senior Resident Inspector – Sequoyah Nuclear Plant
NRC Senior Resident Inspector – Watts Bar Nuclear Plant

ENCLOSURE

Nuclear Property and Decontamination Liability Insurance Annual Report

Insurance Carrier	Coverage Limit	Policy Number
<i>Browns Ferry Nuclear Plant (BFN)</i>		
Nuclear Electric Insurance Ltd.	\$1.5 billion	P18-033
NEIL	\$560 million in excess of \$1.5 billion	BX18-009*
<i>Sequoyah Nuclear Plant (SQN)</i>		
Nuclear Electric Insurance Ltd.	\$1.5 billion	P18-043
NEIL	\$560 million in excess of \$1.5 billion	BX18-009*
<i>Watts Bar Nuclear Plant (WBN)</i>		
Nuclear Electric Insurance Ltd.	\$1.5 billion	P18-060
NEIL	\$560 million in excess of \$1.5 billion	BX18-009*

*NEIL Policy BX18-009 is a Blanket Excess, Decontamination Liability, Decommissioning Liability and Excess Property Insurance Policy which is applicable to all three sites (BFN, SQN, and WBN) that provides a maximum Limit of Liability resulting from any one Accident that will not exceed \$560 million.