



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

March 3, 2004

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

**SUBJECT: ANNUAL ASSESSMENT LETTER - BROWNS FERRY NUCLEAR PLANT,
REPORT 50-259/2004-01, 50-260/2004-01, 50-296/2004-01**

Dear Mr. Scalice:

On February 4, 2004, the NRC staff completed its end-of-cycle plant performance assessment of the operating Units 2 and 3 at the Browns Ferry Nuclear Plant. The end-of-cycle review for Browns Ferry involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2003. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections that may conflict with your plant activities.

Overall, Browns Ferry Units 2 and 3 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, 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 we plan to conduct only reactor oversight process (ROP) baseline inspections at Browns Ferry Units 2 and 3 through September 30, 2005. We also plan on conducting several non-ROP inspections which include your Independent Spent Fuel Storage Installation (ISFSI) construction project, safety initiative inspections of spent fuel material control and accountability, and license renewal activities.

Additionally, we will continue to conduct routine oversight inspections of the Unit 1 Recovery Project and we have planned specialized inspections of significant Unit 1 modification work. Specific area reviews regarding the readiness of some Unit 1 Cornerstones for transition to the normal ROP will be incorporated into planned inspections in the areas of Emergency Preparedness, Security, and Radiological Protection.

The enclosed inspection plan details the inspections scheduled through September 30, 2005. 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 mid-cycle review meeting.

As you are aware, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness since the terrorist attacks on September 11, 2001. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2004, we plan to continue inspections of Order implementation combined with newly developed portions of the security baseline inspection program.

In accordance with 10 CFR 2.790 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 this 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. 50-259, 50-260, 50-296, 72-52
License No. DPR-33, DPR-52, DPR-68

Enclosure: Browns Ferry Inspection / Activity Plan

cc w/encl: (See page 3)

cc w/encls:

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Browns Ferry
Inspection / Activity Plan
03/01/2004 - 09/30/2005

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates Start | Planned Dates End | Inspection Type |
|-------------|--|---|----------------------|---------------------|-------------------|----------------------|
| | EB2-BF1 - UNIT 1 IGSCC SPECIAL PROGRAM | | 2 | | | |
| 1 | IP 55050 | Nuclear Welding General Inspection Procedure | | 03/01/2004 | 03/05/2004 | Other Routine |
| | EB2-ISI - UNIT 3 INSERVICE INSPECTION | | 2 | | | |
| 3 | IP 7111108G | Inservice Inspection Activities - BWR | | 03/08/2004 | 03/11/2004 | Baseline Inspections |
| | OL PREP - INITIAL OPERATOR LICENSE EXAM PREP | | 3 | | | |
| 1 | V23214 | BROWNS FERRY/EXAMS AT POWER FACILITIES | | 03/29/2004 | 04/02/2004 | Not Applicable |
| | EB2-BF1 - ELEC CONDUIT / HVAC / SEISMIC III/ I INSP | | 1 | | | |
| 1 | IP 62002 | Inspection Of Structures, Passive Components, And Civil Engineering Features At Nuclear F | | 04/05/2004 | 04/09/2004 | Other Routine |
| | OL EXAM - INITIAL OPERATOR LICENSE EXAM | | 3 | | | |
| 1 | V23214 | BROWNS FERRY/EXAMS AT POWER FACILITIES | | 04/26/2004 | 04/30/2004 | Not Applicable |
| | EB1-ELEC - CABLE AMPACITY, INSTALLATION INSP | | 4 | | | |
| 1 | IP 37550 | Engineering | | 05/03/2004 | 05/08/2004 | Core |
| | ISFSI - ISFSI CONSTRUCTION | | 1 | | | |
| 1, 2, 3 | IP 60853 | On-Site Fabrication Of Components And Construction On An ISFSI | | 05/10/2004 | 05/14/2004 | Other Routine |
| | EB2-HS - HEAT SINK | | 1 | | | |
| 2, 3 | IP 7111107B | Heat Sink Performance | | 05/17/2004 | 05/21/2004 | Baseline Inspections |
| | 2515/154 - SPENT FUEL MAT. CONTROL & ACCOUNTABILITY | | 1 | | | |
| 1, 2, 3 | IP 2515/154 | Spent Fuel Material Control and Accounting at Nuclear Power Plants | | 05/23/2004 | 05/29/2004 | Safety Issues |
| | EB2-BF1 - CRD PIPING & INST TUBING SPECIAL PROGRAM | | 1 | | | |
| 1 | IP 37550 | Engineering | | 06/01/2004 | 06/04/2004 | Core |
| | EB2-BF1 - INST TUBE, SMALL BORE PIPE SPECIAL PROG | | 2 | | | |
| 1 | IP 62002 | Inspection Of Structures, Passive Components, And Civil Engineering Features At Nuclear F | | 06/01/2004 | 06/04/2004 | Other Routine |
| | OL EP - EMERGENCY PREPAREDNESS | | 1 | | | |
| 1, 2, 3 | IP 7111402 | Alert and Notification System Testing | | 06/07/2004 | 06/11/2004 | Baseline Inspections |
| 1, 2, 3 | IP 7111403 | Emergency Response Organization Augmentation Testing | | 06/07/2004 | 06/11/2004 | Baseline Inspections |
| 1, 2, 3 | IP 7111404 | Emergency Action Level and Emergency Plan Changes | | 06/07/2004 | 06/11/2004 | Baseline Inspections |
| 1, 2, 3 | IP 7111405 | Correction of Emergency Preparedness Weaknesses and Deficiencies | | 06/07/2004 | 06/11/2004 | Baseline Inspections |
| 1, 2, 3 | IP 71151 | Performance Indicator Verification | | 06/07/2004 | 06/11/2004 | Baseline Inspections |
| | EB2-BF1 - UNIT 1 IGSCC SPECIAL PROGRAM | | 2 | | | |
| 1 | IP 55050 | Nuclear Welding General Inspection Procedure | | 06/07/2004 | 06/12/2004 | Other Routine |
| | EB2-BF1 - INST TUBE, SMALL BORE PIPE SPECIAL PROG | | 1 | | | |
| 1 | IP 50090 | Pipe Support And Restraint Systems | | 06/21/2004 | 06/24/2004 | Other Routine |
| | EB1-BF1 - SPECIAL PROGRAM SPLICES, FUSES | | 3 | | | |
| 1 | IP 37550 | Engineering | | 07/12/2004 | 07/16/2004 | Core |

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

Browns Ferry
Inspection / Activity Plan
03/01/2004 - 09/30/2005

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates Start | Planned Dates End | Inspection Type |
|-------------|---|--|----------------------|---------------------|-------------------|----------------------|
| | EB2-BF1 - UNIT 1 IGSCC SPECIAL PROGRAM | | 2 | | | |
| 1 | IP 55050 | Nuclear Welding General Inspection Procedure | | 07/12/2004 | 07/17/2004 | Other Routine |
| | LIC RENE - FIRST LICENSE RENEWAL INSPECTION | | 4 | | | |
| 1, 2, 3 | IP 71002 | License Renewal Inspection | | 07/19/2004 | 07/23/2004 | License Renewal Insp |
| | EB2-BF1 - U1 SPECIAL PROGRAM (SP) - COATINGS | | 1 | | | |
| 1 | IP 37551 | Onsite Engineering | | 08/08/2004 | 08/12/2004 | Core |
| | PS-RP - RAD PROT ALARA & UNIT 1 RESTART REVIEWS | | 2 | | | |
| 1, 2, 3 | IP 7112102 | ALARA Planning and Controls | | 09/07/2004 | 09/10/2004 | Baseline Inspections |
| | PS-SEC - SECURITY | | 2 | | | |
| 1, 2, 3 | IP 7113001 | Access Authorization | | 09/13/2004 | 09/17/2004 | Baseline Inspections |
| 1, 2, 3 | IP 7113002 | Access Control | | 09/13/2004 | 09/17/2004 | Baseline Inspections |
| 1, 2, 3 | IP 71151 | Performance Indicator Verification | | 09/13/2004 | 09/17/2004 | Baseline Inspections |
| | EB1-BF1 - CABLE INSTALLATION, FLEX CONDUIT U1 SP | | 2 | | | |
| 1 | IP 37551 | Onsite Engineering | | 09/20/2004 | 09/25/2004 | Core |
| | EB1-BF1 - EQ, THERMAL OVERLOADS U1 SPECIAL PROG | | 3 | | | |
| 1 | IP 37550 | Engineering | | 10/04/2004 | 10/08/2004 | Core |
| | EB1-BF1 - ELECTRICAL PROGRAMS | | 2 | | | |
| 1 | IP 37550 | Engineering | | 11/01/2004 | 11/05/2004 | Core |
| | LIC RENE - SECOND LICENSE RENEWAL INSPECTION | | 4 | | | |
| 1, 2, 3 | IP 71002 | License Renewal Inspection | | 11/15/2004 | 12/03/2004 | License Renewal Insp |
| | EB1-BF1 - FIRE PROTECTION - UNIT 1 PROGRAM REVIEW | | 3 | | | |
| 1 | IP 37550 | Engineering | | 11/27/2004 | 12/03/2004 | Core |
| 1 | IP 64704 | Fire Protection Program | | 11/27/2004 | 12/03/2004 | Other Routine |
| | EB1SSDPC - SSDPC PRE-INSPECTION VISIT | | 2 | | | |
| 2, 3 | IP 7111121 | Safety System Design and Performance Capability | | 12/13/2004 | 12/17/2004 | Baseline Inspections |
| | EB1SSDPC - SAFETY SYSTEM DESIGN & PERF. CAPABILITY | | 5 | | | |
| 2, 3 | IP 7111121 | Safety System Design and Performance Capability | | 01/10/2005 | 01/14/2005 | Baseline Inspections |
| 2, 3 | IP 7111121 | Safety System Design and Performance Capability | | 01/24/2005 | 01/28/2005 | Baseline Inspections |
| | EB2-ISI - UNIT 2 INSERVICE INSPECTION | | 1 | | | |
| 2 | IP 7111108G | Inservice Inspection Activities - BWR | | 02/28/2005 | 03/04/2005 | Baseline Inspections |
| | PS-RP - RAD PROTECTION OCCUPATIONAL - WEEK 1 | | 2 | | | |
| 1, 2, 3 | IP 7112101 | Access Control to Radiologically Significant Areas | | 02/28/2005 | 03/04/2005 | Baseline Inspections |
| 1, 2, 3 | IP 7112102 | ALARA Planning and Controls | | 02/28/2005 | 03/04/2005 | Baseline Inspections |
| 1, 2, 3 | IP 7112202 | Radioactive Material Processing and Transportation | | 02/28/2005 | 03/04/2005 | Baseline Inspections |
| 1, 2, 3 | IP 71151 | Performance Indicator Verification | | 02/28/2005 | 03/04/2005 | Baseline Inspections |

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Inspection / Activity Plan
03/01/2004 - 09/30/2005

| Unit Number | Inspection Activity | Title | No. of Staff on Site | Planned Dates Start | Planned Dates End | Inspection Type |
|-------------|---------------------|--|----------------------|---------------------|-------------------|----------------------|
| | PS-RP | - RAD PROTECTION OCCUPATIONAL - WEEK 2 | 2 | | | |
| 1, 2, 3 | IP 7112101 | Access Control to Radiologically Significant Areas | | 03/14/2005 | 03/18/2005 | Baseline Inspections |
| 1, 2, 3 | IP 7112102 | ALARA Planning and Controls | | 03/14/2005 | 03/18/2005 | Baseline Inspections |
| 1, 2, 3 | IP 7112202 | Radioactive Material Processing and Transportation | | 03/14/2005 | 03/18/2005 | Baseline Inspections |
| 1, 2, 3 | IP 71151 | Performance Indicator Verification | | 03/14/2005 | 03/18/2005 | Baseline Inspections |
| | EB2-MR | - MAINTENANCE RULE | 1 | | | |
| 2, 3 | IP 7111112B | Maintenance Effectiveness | | 04/18/2005 | 04/22/2005 | Baseline Inspections |
| | OL EP | - EMERGENCY EXERCISE | 2 | | | |
| 1, 2, 3 | IP 7111401 | Exercise Evaluation | | 06/06/2005 | 06/10/2005 | Baseline Inspections |
| 1, 2, 3 | IP 7111404 | Emergency Action Level and Emergency Plan Changes | | 06/06/2005 | 06/10/2005 | Baseline Inspections |
| 1, 2, 3 | IP 71151 | Performance Indicator Verification | | 06/06/2005 | 06/10/2005 | Baseline Inspections |
| | OL PREP | - INITIAL OPERATOR LIC EXAM PREP | 3 | | | |
| 1 | V23214 | BROWNS FERRY/EXAMS AT POWER FACILITIES | | 09/19/2005 | 09/23/2005 | Not Applicable |