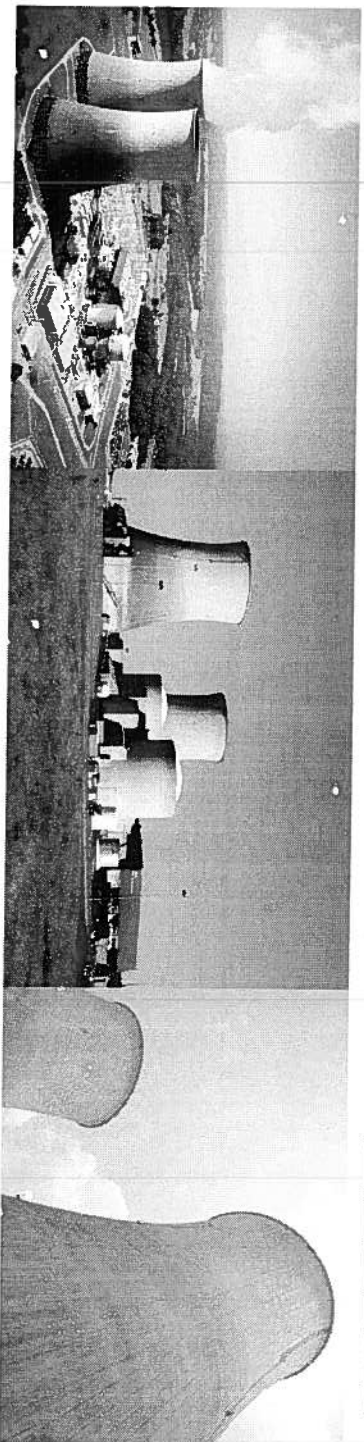




Watts Bar Nuclear Plant

Reactivation Assessment Group (WRAG) Meeting

April 9, 2014



TVA Agenda

- Construction Completion Status
- Startup & Testing
- Licensing Path Forward
- Dual-Unit Operation
- Special Topics
 - Hydrology
 - Fukushima
 - Outreach
- Closing Comments



Construction Completion Status Update



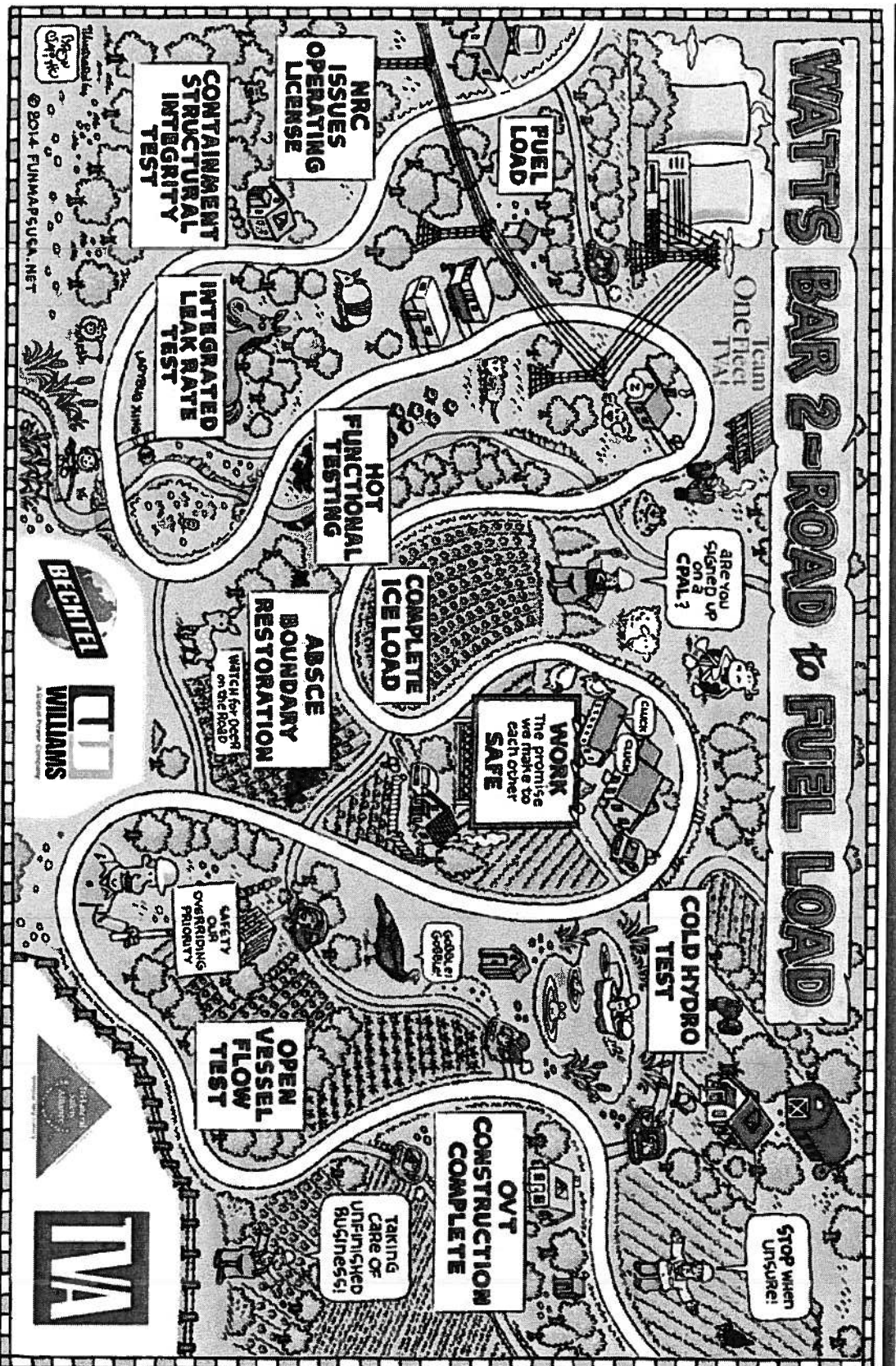
Watts Bar 2 Construction Reactivation

- Guiding Principles for Construction Completion
 - Ensuring public health and safety
 - Safe continued/uninterrupted operation of Watts Bar 1
 - Fidelity of the Unit 1 and Unit 2 Design Basis and physical operation
 - Maintaining a consistent, predictable, transparent process for completion and licensing

IVA Watts Bar 2 Construction Summary

- Safety
 - Over 26+ million hours without lost-time incident
 - Fiscal year-to-date Recordable Injury Rate at 0.21
- Quality
 - Project Quality Control Acceptance Rate >96%
- Cost & schedule
 - Cost and schedule adherence meeting expectations

IWA Watts Bar 2 Completion





Startup & Testing

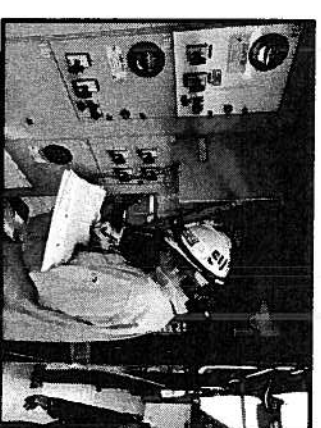


Watts Bar 2 Startup & Testing - Overview

- Activities in progress
 - Component-level testing
 - System flushes
 - Pre-Op and acceptance testing
 - System turnovers

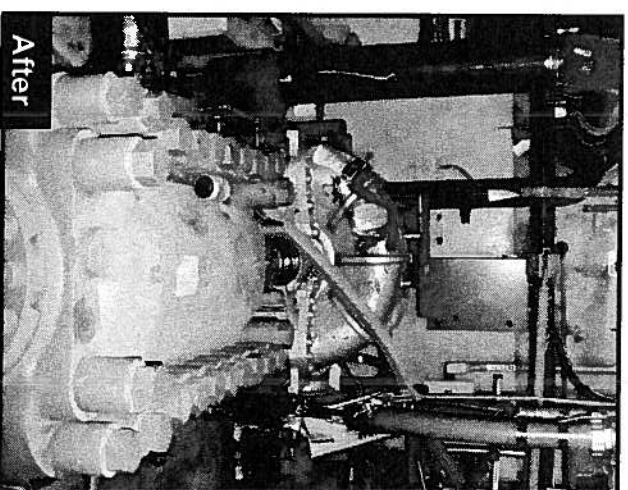
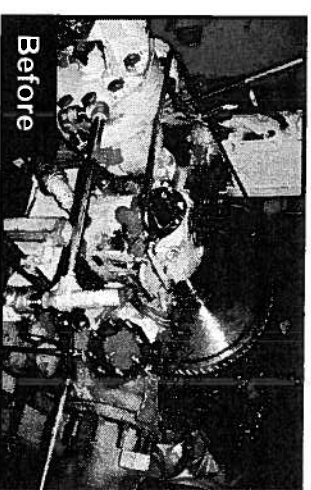
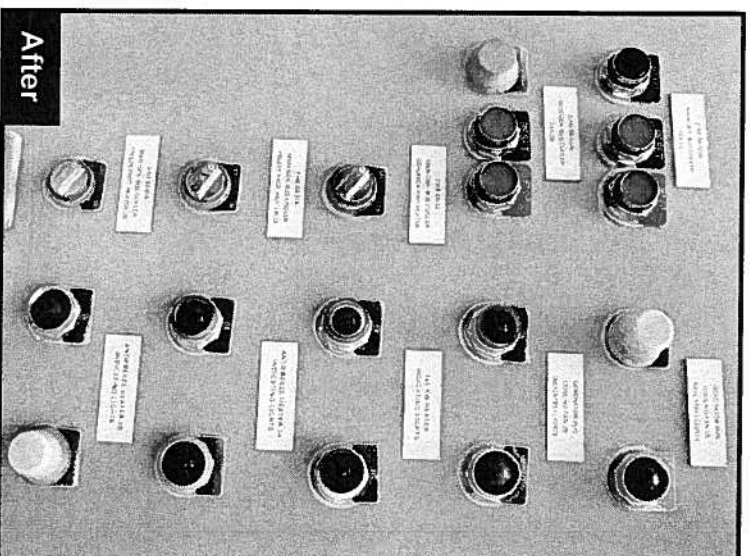
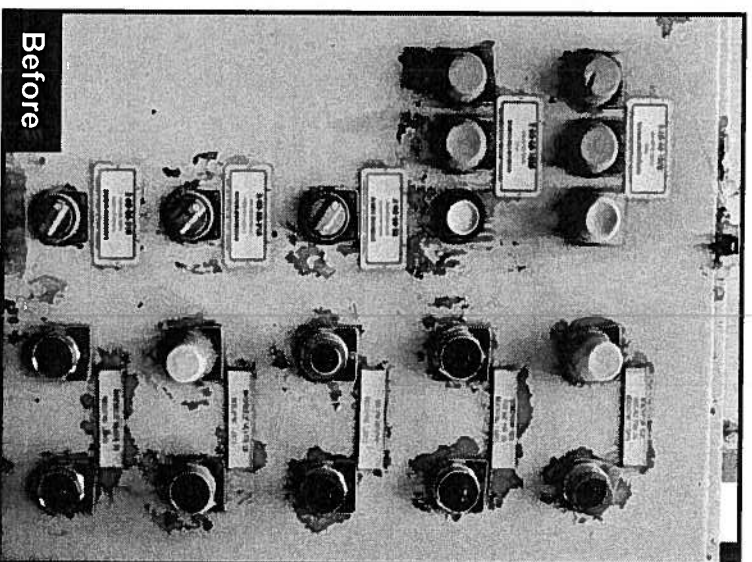
IWA Watts Bar 2 Startup & Testing - Overview

- Component-level testing
 - Current count is 8,634 component tests, 48% complete
- System flushing
 - Total number of clean plans – 68
 - Seven completed, six in progress
- Pre-operational and acceptance test performance
 - Overall test instruction generation – 81% complete
 - 41 of 87 systems turned over for pre-operational testing
 - Test instruction performance – on schedule
 - Startup testing – Nuclear Regulatory Commission (NRC) Region II interface



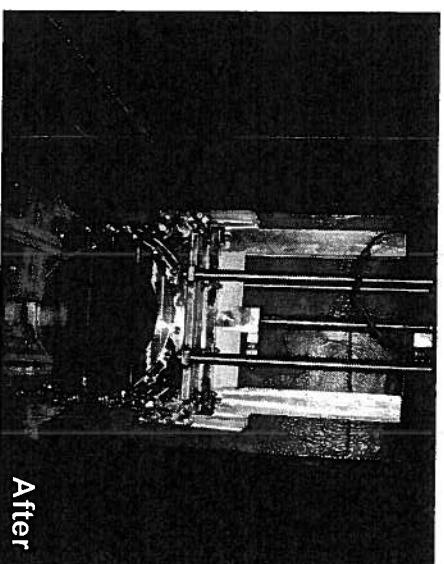
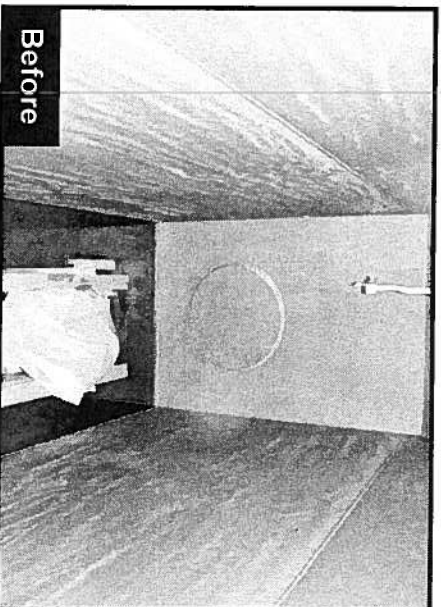
Watts Bar 2 Components Before and After

Local Control Panel

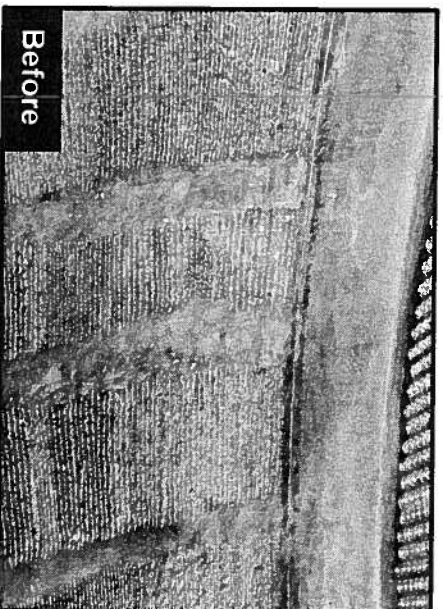


Turbine-Driven
Auxiliary Feedwater Pump

IVA Watts Bar 2 Components Before and After



Fuel Transfer Tube



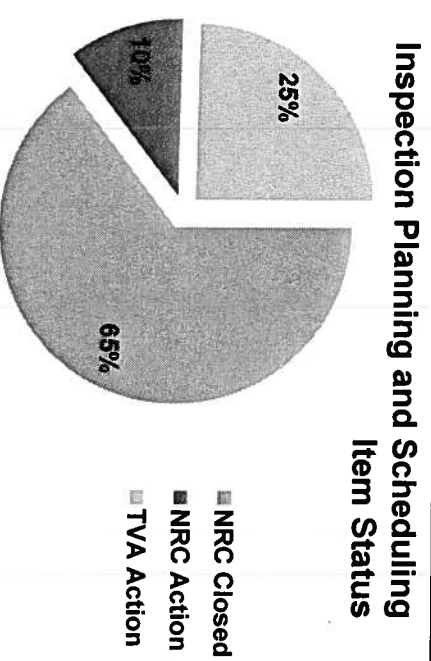
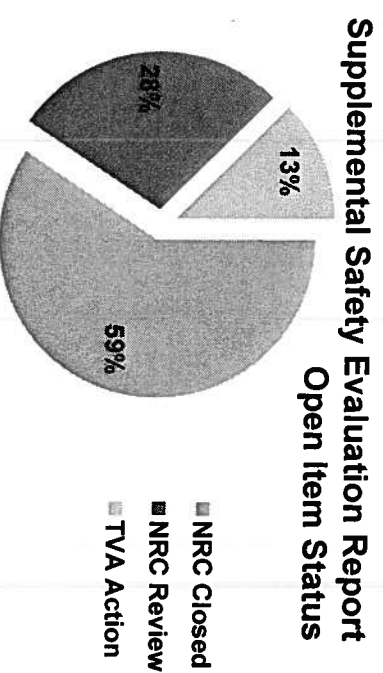
Steam Generator Channel Head



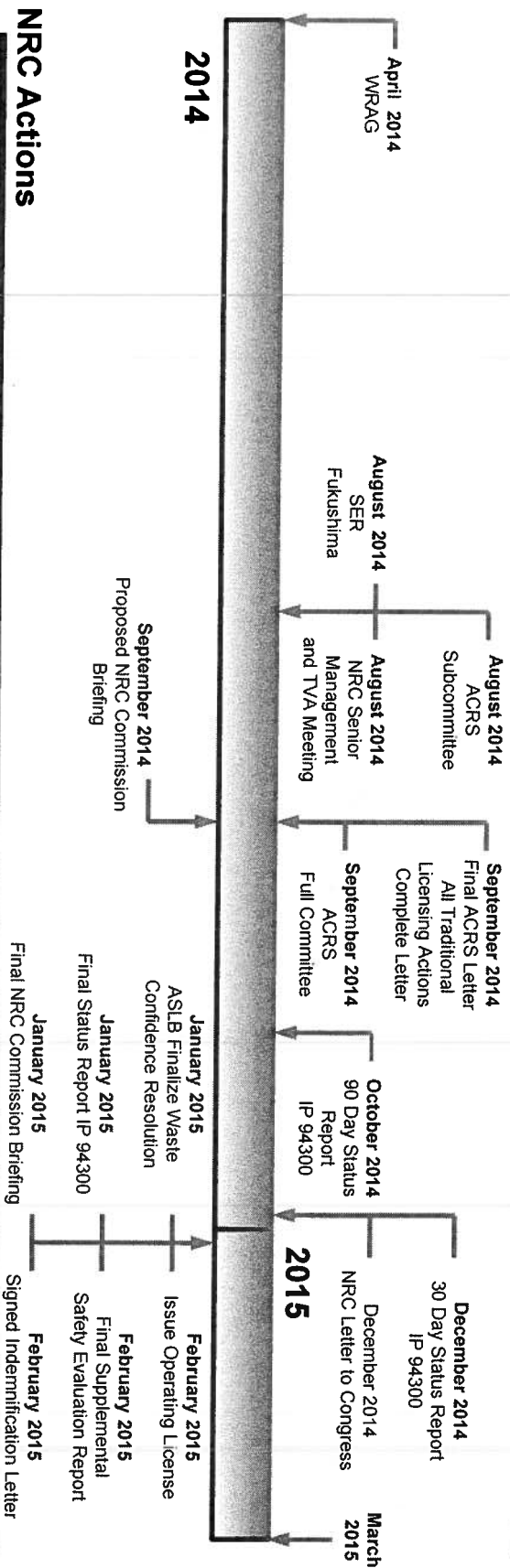
Licensing Path Forward

TVA Watts Bar 2 Licensing Path Forward

- Final environmental statement is complete
- Safety evaluation nearing completion
- Closure of regulatory commitments accelerating
- No Watts Bar 2 specific contentions remain open

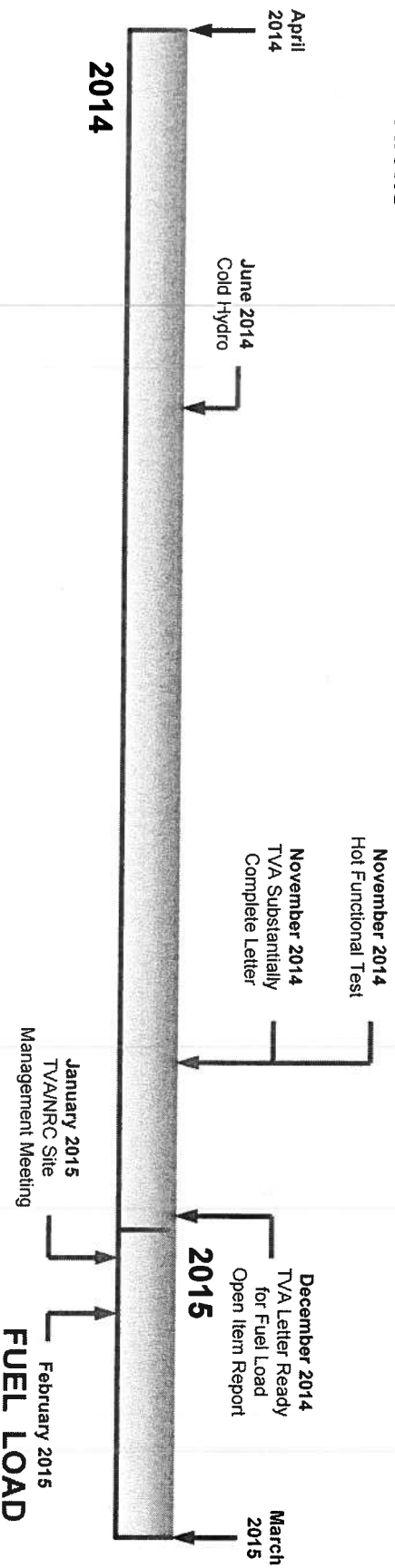


Watts Bar 2 Licensing Fuel Load Schedule



NRC Actions

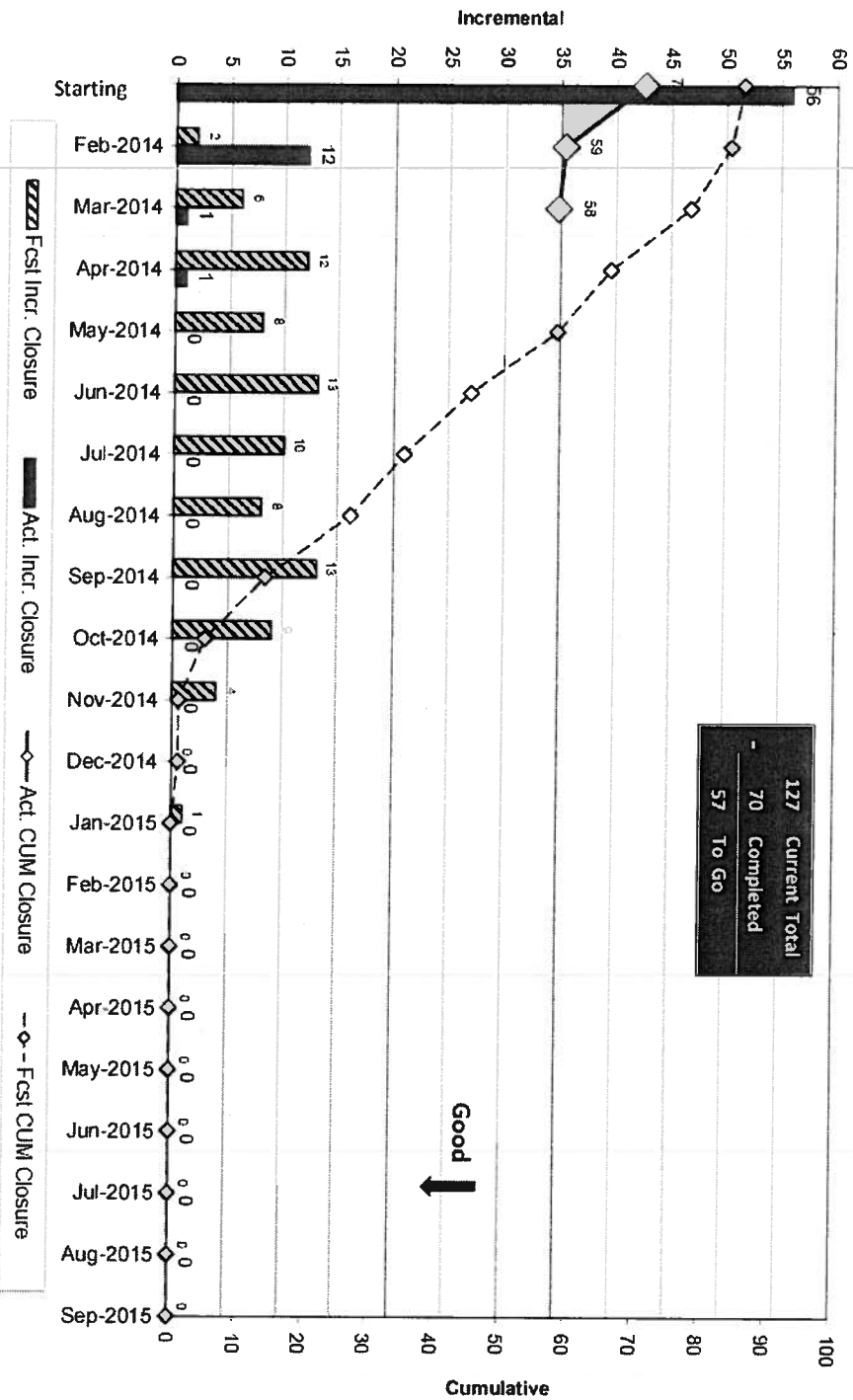
TVA Actions





Watts Bar 2 Inspection Planning & Scheduling

Watts Bar Nuclear Unit 2 Completion Project
Critical NRC Inspections - NRC Notified IPS Item Is Ready for Inspection
Actual vs. Forecast





Dual-Unit Operation

Watts Bar Dual-Unit Operation - Readiness Team

- Governance and coordination role
 - Prepare organizational transition plans
 - Provide operational readiness self-assessment oversight
 - Ensure every process, program, and procedure has owner and schedule for completion that supports the project schedule
 - Coordinate and oversee system and area turnover
 - Coordinate resolution of issues/items between Watts Bar 1 operations and Watts Bar 2 completions
 - Power ascension testing

IMA Watts Bar Dual-Unit Operation - Readiness Team

- Ensure Watts Bar's transition from safe, reliable single-unit operation to safe, reliable dual-unit operation





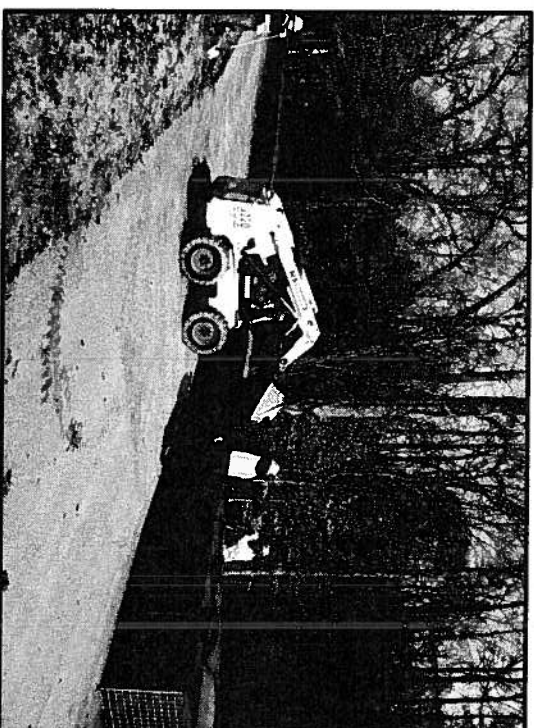
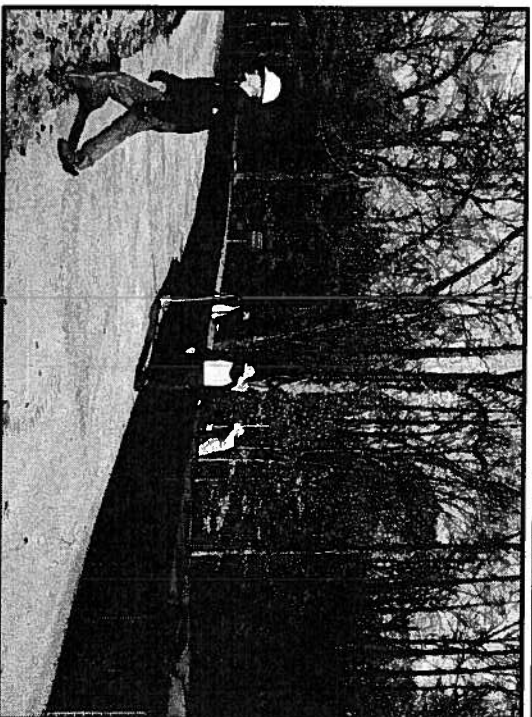
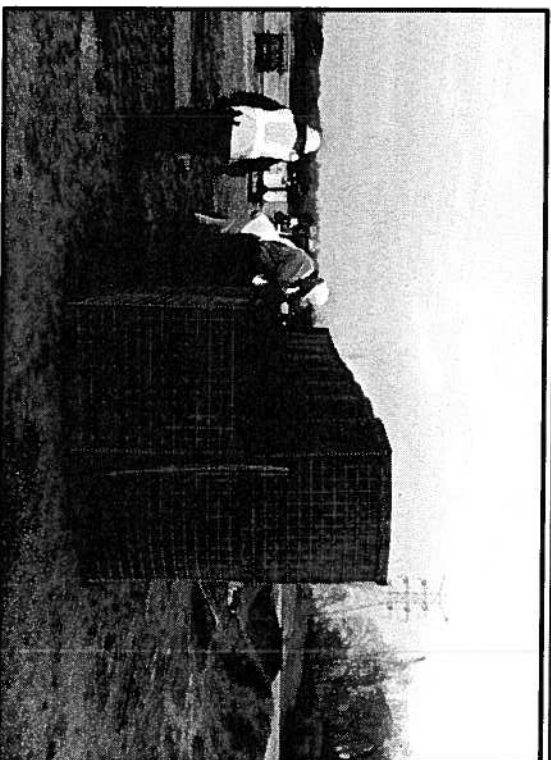
Special Topics

TV/A

- Williams**



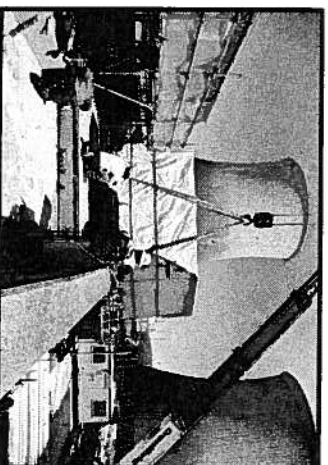
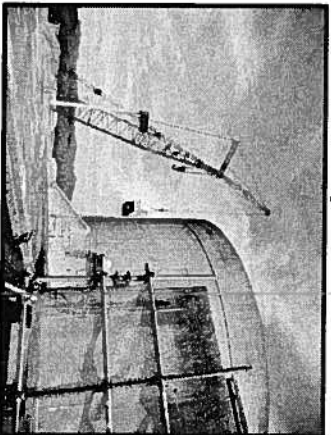
IWA Flood Barrier (HESCO) Basket



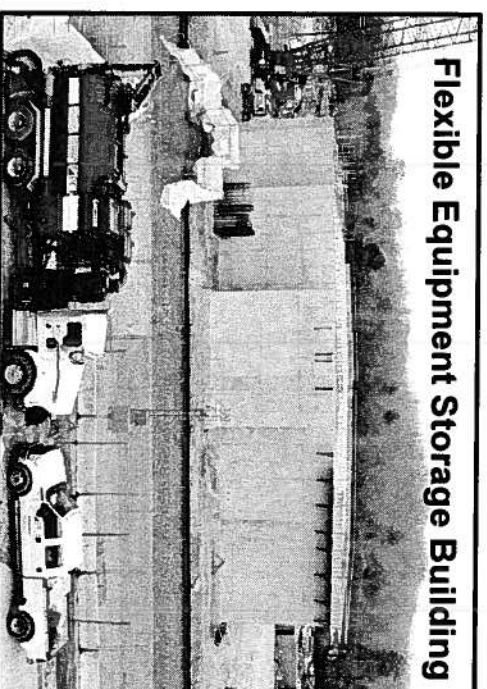
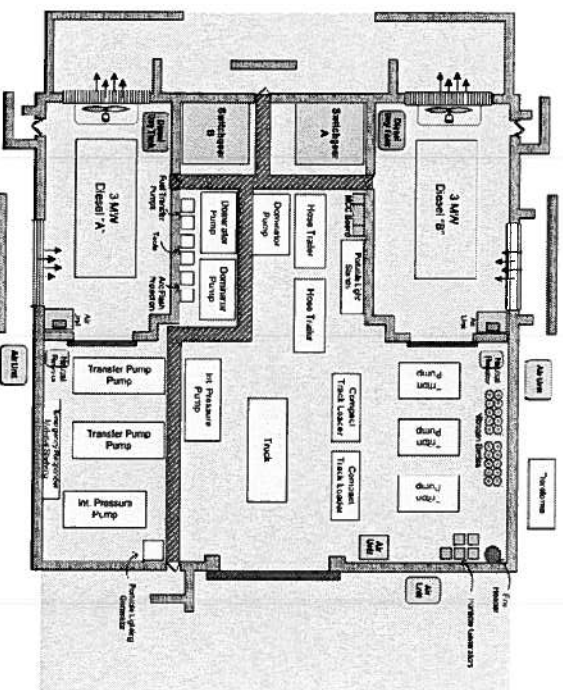
Williams

Watts Bar Fukushima Response

- Designs for Fukushima modifications complete
- Construction of Flexible Equipment Storage Building underway
- Support equipment delivered
- NRC review in progress
- Procedures and training in development



Diesel Generators Being Placed on Auxiliary Building Roof

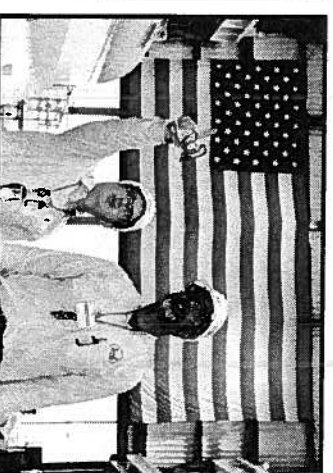


TVA Outreach Key Objectives

- Visits/tours by key stakeholders
 - Commissioners with the NRC
 - Clean and Safe Energy Coalition
 - Nuclear Energy Institute's Washington International Representative Committee
 - Customers
- Speeches
- Community panel
- Public meetings
- Proactive media strategy
- Family & Friends, TVA, and Community Days



Commissioner Magwood



Commissioner Ostendorf



Ambassador Kirk





Closing Remarks



Conclusion

- Workers continue to deliver good safety performance.
- Quality work remains high as measured by the Quality Control Acceptance Rate.
- Cost and schedule performance are slightly ahead of the Watts Bar 2 Estimate to Complete values.
- Startup testing and system turnovers are in progress.
- Project challenges are being identified and addressed to ensure project impacts are minimized.
- Fukushima response and hydrology actions continue to progress in support of the operating license schedule.
- A comprehensive outreach plan is being implemented.



Questions