



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

September 4, 2012

Mr. Joseph W. Shea
Manager, Corp. Nuclear Licensing Programs
Tennessee Valley Authority
1101 Market Street, LP 4B-C
Chattanooga, TN 37402-2801

**SUBJECT: MID-CYCLE ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT
UNITS 1 AND 2 (REPORT 05000327/2012006 AND 05000328/2012006)**

Dear Mr. Shea:

On August 16, 2012, the NRC completed its mid-of-cycle performance review of Sequoyah Nuclear Plant Units 1 and 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from July 1, 2011, through June 30, 2012. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility. This assessment reflects the integration of the Security Cornerstone into the ROP performance assessment program.

The NRC determined the performance at Sequoyah Units 1 and 2 during the most recent quarter was within the Licensee Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because all inspection findings had very low (i.e., green) safety significance, and all PIs indicated that your performance was within the nominal, expected range (i.e., green). Therefore, the NRC plans to conduct ROP baseline inspections at your facility.

During the first quarter 2012, Sequoyah Unit 1 was within the Regulatory Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because the Unplanned Scrams per 7000 Critical Hours performance indicator provided a White input in the 3rd quarter of 2011. This PI had returned to Green status in the 4th quarter 2011; however, in addition to ROP baseline inspections, a supplemental inspection in accordance with Inspection Procedure 95001, "Supplemental Inspection for One or Two White Inputs in a Strategic Performance Area" was required. The NRC completed this inspection in March 2012, which resulted in Unit 1 returning to the Licensee Response Column in the second quarter 2012 as documented in an NRC Assessment Followup letter dated March 29, 2012.

The enclosed inspection plan lists the inspections scheduled through December 31, 2013. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-public available correspondence.

J. Shea

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In addition to the baseline inspections at your facility, we also plan on conducting infrequently performed inspections which include: IP 50001, (Unit 2) Steam Generator Replacement Inspection; initial reactor operator licensing examinations; and Temporary Instruction (TI) 2515/182, Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping and Tanks. Additionally, consistent with the Agency's actions related to Fukushima, the NRC will perform TI 2515/187, "Inspection Of Near-Term Task Force Recommendation 2.3 - Flooding Walkdowns", and TI 2515/188, "Inspection Of Near-Term Task Force Recommendation 2.3 - Seismic Walkdowns".

In accordance with 10 CFR 2.390 of the NRC's Rules of Practice, a copy of this letter will be 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).

Please contact me at 404-997-4521 with any questions you have regarding this letter.

Sincerely,

/RA/

Scott M. Shaeffer, Chief
Reactor Projects Branch 6
Division of Reactor Projects

Docket Nos. 50-327, 50-328
License Nos. DPR-77, DPR-79

Enclosure: Sequoyah Inspection / Activity Plan (09/01/2012 – 12/31/2013)

cc w/encl: (See page 3)

J. Shea

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In addition to the baseline inspections at your facility, we also plan on conducting infrequently performed inspections which include: IP 50001, (Unit 2) Steam Generator Replacement Inspection; initial reactor operator licensing examinations; and Temporary Instruction (TI) 2515/182, Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping and Tanks. Additionally, consistent with the Agency's actions related to Fukushima, the NRC will perform TI 2515/187, "Inspection Of Near-Term Task Force Recommendation 2.3 - Flooding Walkdowns", and TI 2515/188, "Inspection Of Near-Term Task Force Recommendation 2.3 - Seismic Walkdowns".

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Scott M. Shaeffer, Chief
Reactor Projects Branch 6
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Enclosure: Sequoyah Inspection / Activity Plan (09/01/2012 – 12/31/2013)

cc w/encl: (See page 3)

X PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE X NON-SENSITIVE
ADAMS: Yes ACCESSION NUMBER: _____ X SUNSI REVIEW COMPLETE FORM 665 ATTACHED

OFFICE	RII:DRP	RII:DRP					
SIGNATURE	SMS /RA for/	SMS /RA/					
NAME	CKontz	SShaeffer					
DATE	08/31/2012	08/31/2012					
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: S:\DRP\PERIODIC ASSESSMENTS & REPORTS\EOC & MID-CYCLE\2012\MID-CYCLE\INPUT\RPB6\SEQUOYAH\MID CYCLE LETTER SQ 2012 (CRK).DOCX

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Letter to Joseph W. Shea from Scott M. Shaeffer dated September 4, 2012

SUBJECT: MID-CYCLE ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT
UNITS 1 AND 2 (REPORT 05000327/2012006 AND 05000328/2012006)

Distribution w/encl:

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OE Mail

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R. Pascarelli, NRR

RidsNrrPMSequoyah Resource

ROP Reports

Institute of Nuclear Power Operations (INPO)

Sequoyah

Inspection / Activity Plan

09/01/2012 - 12/31/2013

Unit Number	Planned Dates Start End	Inspection Activity	Title	No. of Staff on Site
1, 2	09/10/2012 09/14/2012	OL RQ	- REQUAL INSPECTION	2
		IP 7111111B	Licensed Operator Requalification Program	
1, 2	10/01/2012 10/05/2012	PSB1EP	- EMERGENCY PREPAREDNESS EXERCISE	4
		IP 71111401	Exercise Evaluation	
1, 2	10/01/2012 10/05/2012	IP 71111404	Emergency Action Level and Emergency Plan Changes	
1, 2	10/01/2012 10/05/2012	IP 711151	Performance Indicator Verification	
2	10/15/2012 10/19/2012	EB3 SGR	- UNIT 2 SG REPLACEMENT	3
2	10/22/2012 10/26/2012	IP 50001	Steam Generator Replacement Inspection	
2	11/19/2012 11/23/2012	IP 50001	Steam Generator Replacement Inspection	
2	11/26/2012 11/30/2012	IP 50001	Steam Generator Replacement Inspection	
2	12/03/2012 12/07/2012	IP 50001	Steam Generator Replacement Inspection	
2	12/10/2012 12/14/2012	IP 50001	Steam Generator Replacement Inspection	
2	12/24/2012 12/28/2012	IP 50001	Steam Generator Replacement Inspection	
1, 2	10/22/2012 10/26/2012	PSB1-RP	- OCCUPATIONAL RP BASELINE WK1	4
1, 2	10/22/2012 10/26/2012	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1, 2	10/22/2012 10/26/2012	IP 71124.02	Occupational ALARA Planning and Controls	
1, 2	10/22/2012 10/26/2012	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1, 2	10/22/2012 10/26/2012	IP 71124.04	Occupational Dose Assessment	
1, 2	10/22/2012 10/26/2012	IP 71124.05	Radiation Monitoring Instrumentation	
1, 2	10/22/2012 10/26/2012	IP 711151	Performance Indicator Verification	
1	10/29/2012 11/02/2012	EB3 ISI	- UNIT 2 INSERVICE INSPECTION	1
		IP 7111108P	Inservice Inspection Activities - PWR	
1, 2	11/05/2012 11/09/2012	PSB1-RP	- OCCUPATIONAL RP BASELINE WK2	4
1, 2	11/05/2012 11/09/2012	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1, 2	11/05/2012 11/09/2012	IP 71124.02	Occupational ALARA Planning and Controls	
1, 2	11/05/2012 11/09/2012	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1, 2	11/05/2012 11/09/2012	IP 71124.04	Occupational Dose Assessment	
1, 2	11/05/2012 11/09/2012	IP 71124.05	Radiation Monitoring Instrumentation	
1, 2	11/05/2012 11/09/2012	IP 711151	Performance Indicator Verification	
1	12/03/2012 12/07/2012	OL EXAM	- INITIAL EXAM WEEK 1	3
		V23340	SEQUOYAH/DECEMBER 2012 EXAM AT POWER FACILITIES	
1, 2	02/11/2013 02/15/2013	TI-182	- TI-182 BURIED PIPING/TANK - PHASE 1	1
		IP 2515/182	Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping	

This report does not include INFO and OUTAGE activities.

This report shows only on-site and announced inspection procedures.

Enclosure

Sequoyah

Inspection / Activity Plan

09/01/2012 - 12/31/2013

Unit Number	Planned Dates Start End	Inspection Activity	Title	No. of Staff on Site
1	04/22/2013 04/26/2013	OL EXAM - INITIAL EXAM PREP V23408	SEQUOYAH/MAY 2013 INITIAL EXAM AT POWER FACILITIES	3
1	05/13/2013 05/17/2013	OL EXAM - INITIAL EXAM - WEEK 1 V23408	SEQUOYAH/MAY 2013 INITIAL EXAM AT POWER FACILITIES	3
1,2	06/03/2013 06/07/2013	PSB1-RP - RP PUBLIC RAD SAFETY BASELINE IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	3
1,2	06/03/2013 06/07/2013	IP 71124.07	Radiological Environmental Monitoring Program	
1,2	06/03/2013 06/07/2013	IP 71151	Performance Indicator Verification	
1,2	06/10/2013 06/14/2013	PI&R IP 71152B	- PROBLEM IDENTIFICATION AND RESOLUTION Problem Identification and Resolution	5
1,2	06/24/2013 06/28/2013	IP 71152B	Problem Identification and Resolution	
1,2	06/17/2013 06/21/2013	CDBI IP 711121	- COMPONENT DESIGN BASIS INSPECTION Component Design Bases Inspection	10
1,2	07/08/2013 07/12/2013	IP 711121	Component Design Bases Inspection	
1,2	07/22/2013 07/26/2013	IP 711121	Component Design Bases Inspection	
1,2	08/05/2013 08/09/2013	IP 711121	Component Design Bases Inspection	
1,2	09/30/2013 10/04/2013	EP IP 7111402	- EMERGENCY PREPAREDNESS INSPECTION Alert and Notification System Testing	1
1,2	09/30/2013 10/04/2013	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1,2	09/30/2013 10/04/2013	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1,2	09/30/2013 10/04/2013	IP 71151	Performance Indicator Verification	
1	10/21/2013 10/25/2013	ISI IP 7111108P	- UNIT 1 INSERVICE INSPECTION Inservice Inspection Activities - PWR	1
1,2	11/04/2013 11/08/2013	PSB1-RP IP 71124.01	- RAD HAZARD ANALYSIS AND TRANSPORTATION Radiological Hazard Assessment and Exposure Controls	2
1,2	11/04/2013 11/08/2013	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1,2	11/04/2013 11/08/2013	IP 71151	Performance Indicator Verification	

Comments:

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

Enclosure