November 19, 1996

Tennessee Valley Authority ATTN: Mr. Oliver D. Kingsley, Jr. President, TVA Nuclear and Chief Nuclear Officer 6A Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

SUBJECT: NRC INTEGRATED INSPECTION REPORT 50-327/96-11 AND 50-328/96-11 NOTICE OF VIOLATION

Dear Mr. Kingsley:

On October 26, 1996, the NRC completed an inspection at your Sequoyah facility. The enclosed report presents the results of that inspection.

During the six-week period covered by this inspection, your conduct of activities at the Sequoyah facility was generally characterized , good operations and radiological work controls. We are concerned, however, about violations of NRC requirements that were identified. The first violation is associated with setpoints of the diesel generator starting air system relief valves, while the second is concerned with failure to install a temporary missile shield during excavation in the area of Essential Raw Cooling Water (ERCW) underground piping. In addition a special Inspection Report (327,328/96-13) documented several examples of poor maintenance and equipment failure evaluations.

The violations are cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding the violations are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part. to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

JE01

9612020227 961119 PDR ADOCK 05000327 0 PDR TVA

4

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room (PDR).

Sincerely,

Original Signed by M. S. Lesser

Mark S. Lesser, Chief Reactor Projects Branch 6 Division of Reactor Projects

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

Enclosures: 1. NRC Integrated Inspection Report 2. Notice of Violation

cc w/encls: (See page 3)

TVA

cc w/ encls: Mr. O. J. Zeringue, Senior Vice Pres. Nuclear Operations Tennessee Valley Authority 6A Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

Dr. Mark O. Medford, Vice President Engineering and Technical Services 6A Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

Mr. R. J. Adney, Site Vice President Sequoyah Nuclear Plant Tennessee Valley Authority P. O. Box 2000

Soddy Daisy, TN 37379

General Counsel Tennessee Valley Authority ET 10H 400 West Summit Hill Drive Knoxville, TN 37902

Mr. R. R. Baron, General Manager Nuclear Assurance & Licensing 4J Blue Ridge 1101 Market Street Chattanooga, TN 37402-2801

Mr. P. Salas, Manager Licensing and Industry Affairs Tennessee Valley Authority 4J Blue Ridge 1101 Market Street Chattanooga, TN 37402-2801

Mr. R. H. Shell, Manager Licensing and Industry Affairs Sequoyah Nuclear Plant Tennessee Valley Authority P. O. Box 2000 Soddy-Daisy, IN 37379 Mr. J. T. Herron, Plant Manager Sequoyah Nuclear Plant Tennessee Valley Authority P. O. Box 2000 Soddy-Daisy, TN 37379

Mr. Michael H. Mobley, Dir. Div., of Radiological Health 3rd Floor, L and C Annex 401 Church Street Nashville, TN 37243-1532

County Executive Hamilton County Courthouse Chattanooga, TN 37402-2801

Distribution w/encls: (See page 4)

TVA

Distribution w/encls: E. W. Merschoff, RII M. S. Lesser, RII S. E. Sparks, RII F. J. Hebdon, NRR R. W. Hernan, NRR H. L. Whitener, RII C. F. Smith, RII D. H. Thompson, RII J. H. Moorman, RII E. D. Testa, RII PUBLIC

NRC Resident Inspector U. S. Nuclear Regulatory Commission 2600 Igou Ferry Soddy-Daisy. TN 37379

NRC Resident Inspector U. S. Nuclear Regulatory Commission 1260 Nuclear Plant Road Spring City, TN 37381

DEFI	E	DRP/R11		DRP/RII		DRP/RII		DRS/RI[
SIGNATURE NAME DATE		Sanarkstvyg		MSNarnorMCS		MCS		CRapp		WSARTOR			
		11 / / 9		11 / 19 / 96		11 / 19 / 96		120/98		11/19/96		11 /	/ 96
COP	17	YES	NO	YES	NO	YES	NO	YES	NO	The	NO	YES	NO