



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

March 4, 2013

Mr. Joseph W. Shea
Vice President, Nuclear Licensing
Tennessee Valley Authority
1101 Market Street, LP 3D-C
Chattanooga, TN 37402-2801

**SUBJECT: ANNUAL ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT
UNITS 1 AND 2, (REPORT 05000327/2012001 AND 05000328/2012001)**

Dear Mr. Shea:

On February 14, 2013, the NRC completed its end-of-cycle performance review of the Sequoyah Nuclear Plant. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2012 through December 31, 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.

The NRC determined that overall, Sequoyah Units 1 and 2 operated in a manner that preserved public health and safety and met all cornerstone objectives. The NRC determined the performance at Sequoyah Nuclear Plants Unit 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 Follow-up letter dated March 29, 2012.

The enclosed inspection plan lists the inspections scheduled through June 30, 2014. 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-publicly available correspondence.

In addition to the baseline inspection we plan on conducting 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".

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 Scott Shaeffer at 404-997-4521 with any questions you have regarding this letter.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Reactor Projects

Docket No.: 50-327, 50-328
License No.: DPR-77, DPR-79

Enclosure: Sequoyah Inspection/Activity Plan

cc w/encl: (See page 3)

J. Shea

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Sincerely,

/RA/

Richard P. Croteau, Director
Division of Reactor Projects

Docket No.: 50-327, 50-328
License No.: DPR-77, DPR-79

Enclosure: Sequoyah Inspection/Activity Plan

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:RDP | RII:DRP | RII:DRP | | | |
| SIGNATURE | JDH /RA/ | SMS /RA/ | WBJ /RA/ | RPC /RA/ | | | |
| NAME | JHamman | SShaeffer | WJones | RCroteau | | | |
| DATE | 02/28/2013 | 03/01/2013 | 03/01/2013 | 03/04/2013 | | | |
| 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\END OF CYCLE\INPUT\RPB6\SEQUOYAH\SEQUOYAH 2012 EOC ANNUAL ASSESSMENT LETTER.DOCX

J. Shea

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cc w/encl:
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J. Shea

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Letter to Joseph W. Shea from Richard P. Croteau dated March 4, 2013

SUBJECT: ANNUAL ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT
UNITS 1 AND 2, (REPORT 05000327/2012001 AND 05000328/2012001)

Distribution w/encl:

C. Evans, RII

L. Douglas, RII

OE Mail

RIDSNRRDIRS

PUBLIC

R. Pascarelli, NRR

RidsNrrPMSequoyah Resource

ROP Assessment

Institute of Nuclear Power Operations (INPO)

Sequoyah

Inspection / Activity Plan

03/01/2013 - 06/30/2014

| 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 | RP IP 71124.06 | - RP PUBLIC RAD SAFETY BASELINE Radioactive Gaseous and Liquid Effluent Treatment | 2 |
| 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 | 4 |
| 1, 2 | 06/24/2013 06/28/2013 | IP 71152B | Problem Identification and Resolution | |
| 1, 2 | 06/17/2013 06/21/2013 | CDBI IP 7111121 | - COMPONENT DESIGN BASES INSPECTION Component Design Bases Inspection | 7 |
| 1, 2 | 07/08/2013 07/12/2013 | IP 7111121 | Component Design Bases Inspection | |
| 1, 2 | 07/22/2013 07/26/2013 | IP 7111121 | Component Design Bases Inspection | |
| 1, 2 | 08/05/2013 08/09/2013 | IP 7111121 | 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 | 11/04/2013 11/08/2013 | OL EXAM - INITIAL EXAM PREP WEEK V23417 | SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES | 3 |
| 1, 2 | 11/04/2013 11/08/2013 | 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 | |
| 1 | 12/02/2013 12/06/2013 | OL EXAM - INITIAL EXAM WEEK 1 V23417 | SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES | 3 |
| 1, 2 | 12/09/2013 12/11/2013 | TI-182 IP 2515/182 | - TI-182 BURIED PIPING/TANK - PHASE 2 Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping | 1 |

This report does not include INPO and OUTAGE activities.

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

Enclosure

Sequoyah

Inspection / Activity Plan

03/01/2013 - 06/30/2014

| Unit Number | Planned Dates | | Inspection Activity | Title | No. of Staff on Site |
|-------------|---------------|------------|--|---|----------------------|
| | Start | End | | | |
| 1 | 12/09/2013 | 12/13/2013 | OL EXAM - INITIAL EXAM WEEK 2 V23417 | SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES | 3 |
| 1, 2 | 01/27/2014 | 01/31/2014 | TFPI IP 7111105T | - TRIENNIAL FIRE PROTECTION INSP Fire Protection [Triennial] | 4 |
| 1, 2 | 02/10/2014 | 02/14/2014 | IP 7111105T | Fire Protection [Triennial] | |
| 1, 2 | 05/12/2014 | 05/16/2014 | RP IP 71124.01 | - RP OCCUPATIONAL BASELINE Radiological Hazard Assessment and Exposure Controls | 2 |
| 1, 2 | 05/12/2014 | 05/16/2014 | IP 71124.02 | Occupational ALARA Planning and Controls | |
| 1, 2 | 05/12/2014 | 05/16/2014 | IP 71124.03 | In-Plant Airborne Radioactivity Control and Mitigation | |
| 1, 2 | 05/12/2014 | 05/16/2014 | IP 71124.04 | Occupational Dose Assessment | |
| 1, 2 | 05/12/2014 | 05/16/2014 | IP 71124.05 | Radiation Monitoring Instrumentation | |
| 1, 2 | 05/12/2014 | 05/16/2014 | IP 71151 | Performance Indicator Verification | |
| 2 | 05/19/2014 | 05/23/2014 | ISI IP 7111108P | - UNIT 2 IN-SERVICE INSPECTION Inservice Inspection Activities - PWR | 1 |
| 2 | 05/26/2014 | 05/30/2014 | SGISI IP 7111108P | - UNIT 2 SG IN-SERVICE INSPECTION Inservice Inspection Activities - PWR | 1 |
| 1, 2 | 06/02/2014 | 06/06/2014 | RP IP 71124.01 | - RP OCCUPATIONAL BASELINE WEEK2 Radiological Hazard Assessment and Exposure Controls | 3 |
| 1, 2 | 06/02/2014 | 06/06/2014 | IP 71124.02 | Occupational ALARA Planning and Controls | |
| 1, 2 | 06/02/2014 | 06/06/2014 | IP 71124.03 | In-Plant Airborne Radioactivity Control and Mitigation | |
| 1, 2 | 06/02/2014 | 06/06/2014 | IP 71124.04 | Occupational Dose Assessment | |
| 1, 2 | 06/02/2014 | 06/06/2014 | IP 71124.05 | Radiation Monitoring Instrumentation | |
| 1, 2 | 06/02/2014 | 06/06/2014 | IP 71151 | Performance Indicator Verification | |

Comments:

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Enclosure