

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

February 5, 1997

SUBJECT: NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS TO FACILITY OPERATING LICENSES, PROPOSED NO SIGNIFICANT HAZARDS CONSIDERATION, AND OPPORTUNITY FOR HEARING - SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2 (TAC NOS. M96998 AND M96999)

Dear Mr. Kingsley:

Enclosed is a copy of the subject notice for your information. This notice relates to your application dated October 18, 1996, to amend the Sequoyah Nuclear Plant, Units 1 and 2 Technical Specifications (TS) to permanently incorporate new requirements associated with steam generator tube inspections and repair. The requirements provide alternate steam generator tube plugging criteria at the tube support plate intersections. These requirements were placed in the TS by Amendment No. 214 to the Unit 1 license and by Amendment No. 211 to the Unit 2 license but were stipulated only for Cycle 8 of operation of the units. The October 18, 1996, letter requested that the footnote referencing Cycle 8 be removed such that the alternate plugging criteria become applicable to all future cycles of operation.

This notice has been sent to the Office of the Federal Register for publication.

Sincerely,

Original signed by

Ronald W. Hernan, Senior Project Manager
 Project Directorate II-3
 Division of Reactor Projects - I/II
 Office of Nuclear Reactor Regulation

Docket Nos. 50-327 and 328

Enclosure: As stated

cc w/enclosure: See next page

DISTRIBUTION

Docket File
 PUBLIC
 SQN Rdg.
 S. Varga
 J. Zwolinski
 OGC
 ACRS
 J. Johnson

NRC FILE CENTER COPY

1/1
 DFO1

To receive a copy of this document, indicate in the box:

"C" = Copy without attachment/enclosure "E" = Copy with attachment/enclosure
 "N" = No copy

DOCUMENT NAME: G:\SQN\96998.FRN

OFFICE	PDII-3/PM	PDII-3/LA	E	PDII-3/D	C		
NAME	RHernan <i>RH</i>	BClayton <i>BC</i>		FHebdon <i>FH</i>			
DATE	2/5/97	2/5/97		2/5/97			

9702110347 970205
 PDR ADOCK 05000327
 P PDR

OFFICIAL RECORD COPY

Mr. Oliver D. Kingsley, Jr.
Tennessee Valley Authority

cc:

Mr. O. J. Zeringue, Sr. Vice President
Nuclear Operations
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

Mr. Mark O. Medford, Vice President
Engineering & Technical Services
Tennessee Valley Authority
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. Raul R. Baron, General Manager
Nuclear Assurance and Licensing
Tennessee Valley Authority
4J Blue Ridge
1101 Market Street
Chattanooga, TN 37402-2801

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

Mr. Ralph H. Shell, Manager
Licensing and Industry Affairs
Sequoyah Nuclear Plant
Tennessee Valley Authority
P.O. Box 2000
Soddy Daisy, TN 37379

SEQUOYAH NUCLEAR PLANT

Mr. J. T. Herron, Plant Manager
Sequoyah Nuclear Plant
Tennessee Valley Authority
P.O. Box 2000
Soddy Daisy, TN 37379

Regional Administrator
U.S. Nuclear Regulatory Commission
Region II
101 Marietta Street, NW., Suite 2900
Atlanta, GA 30323

Mr. Melvin C. Shannon
Senior Resident Inspector
Sequoyah Nuclear Plant
U.S. Nuclear Regulatory Commission
2600 Igou Ferry Road
Soddy Daisy, TN 37379

Mr. Michael H. Mobley, Director
Division 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

UNITED STATES NUCLEAR REGULATORY COMMISSION

SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2

DOCKET NOS. 50-327 AND 50-328

NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENTS TO
FACILITY OPERATING LICENSES, PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION, AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of amendments to Facility Operating License No. DPR-77 and DPR-79 issued to the Tennessee Valley Authority (the licensee) for operation of the Sequoyah Nuclear Plant, Units 1 and 2, located in Soddy Daisy, Tennessee.

The proposed amendments would permanently incorporate requirements associated with steam generator tube inspections and repair in the Sequoyah Nuclear Plant, Units 1 and 2 Technical Specifications (TS). The new requirements establish alternate steam generator tube plugging criteria (APC) at the tube support plate intersections. These revised criteria, based on NRC Generic Letter 95-05, were incorporated into the TS by previous amendments to the operating licenses but only for Operating Cycle 8. The proposed amendments would remove the reference to Cycle 8, thereby making the requirements applicable to all future operating cycles.

Before issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations.

The Commission has made a proposed determination that the amendment request involves no significant hazards consideration. Under the Commission's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

TVA has evaluated the proposed technical specification (TS) change and has determined that it does not represent a significant hazards consideration based on criteria established in 10 CFR 50.92(c). Operation of Sequoyah Nuclear Plant (SQN) in accordance with the proposed amendment will not:

1. Involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed TS change revises the SQN steam generator (S/G) Specification 3/4.4.5 to remove footnotes that limit the application of the alternate plugging criteria (APC) to Cycle 8 operation only. In addition, SQN TS 3.4.6.2, "Operational Leakage," contains a similar footnote that limits application of S/G APC to Cycle 8 operation only. The removal of these footnotes allows TVA to apply APC to SQN S/Gs beyond Cycle 8 operation. TVA's proposed change is based on resolution of the industry issues concerning [eddy current test] probe wear and probe variability. APC was applied to the SQN S/Gs during the Cycle 7 refueling outages for Units 1 and 2.

The proposed changes provide TS requirements that are consistent with the guidance of NRC GL [Generic Letter] 95-05. This change does not involve a physical modification to the plant or affect any setpoints. Accordingly, the proposed changes do not involve an increase in the probability or consequences of an accident previously evaluated.

2. Create the possibility of a new or different kind of accident from any previously analyzed.

The proposed changes provide TS requirements for SQN S/Gs that are consistent with the guidance provided in GL 95-05. No new event initiator has been created, nor has any hardware been changed. This change does not involve a physical change to SQN S/Gs or any other system. Therefore, the proposed change will not create the possibility of a new or different kind of accident from any previously analyzed.

3. Involve a significant reduction in a margin of safety.

TVA's proposed change allows application of APC for SQN S/Gs to extend beyond Cycle 8 of operation. This change continues to provide requirements that maintain structural integrity of SQN S/G tubes during normal operating, transient, and postulated accident conditions. This change does not involve a setpoint change or physical modification to the plant. Accordingly, the margin of safety has not been reduced.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the amendment request involves no significant hazards consideration.

The Commission is seeking public comments on this proposed determination. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of the 30-day notice period. However, should circumstances change during the notice period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility, the Commission may issue the license amendment before the expiration of the 30-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the Commission take this action,

it will publish in the FEDERAL REGISTER a notice of issuance and provide for opportunity for a hearing after issuance. The Commission expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rules Review and Directives Branch, Division of Freedom of Information and Publications Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this FEDERAL REGISTER notice. Written comments may also be delivered to Room 6D22, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Copies of written comments received may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC.

The filing of requests for hearing and petitions for leave to intervene is discussed below.

By March 13, 1997, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for a hearing and a petition for leave to intervene. Requests for a hearing and a petition for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested persons should consult a current copy of 10 CFR 2.714 which is available at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Chattanooga-Hamilton County Library, 1001 Broad Street, Chattanooga, Tennessee 37402. If a request for a hearing or petition for

leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition; and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) the nature of the petitioner's right under the Act to be made party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to 15 days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than 15 days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter. Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner shall provide a brief explanation of the bases of the contention

and a concise statement of the alleged facts or expert opinion which support the contention and on which the petitioner intends to rely in proving the contention at the hearing. The petitioner must also provide references to those specific sources and documents of which the petitioner is aware and on which the petitioner intends to rely to establish those facts or expert opinion. Petitioner must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held.

If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment.

If the final determination is that the amendment request involves a significant hazards consideration, any hearing held would take place before the issuance of any amendment.

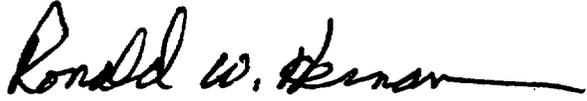
A request for a hearing or a petition for leave to intervene must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Docketing and Services Branch, or may be delivered to the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, by the above date. Where petitions are filed during the last 10 days of the notice period, it is requested that the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1-(800) 248-5100 (in Missouri 1-(800) 342-6700). The Western Union operator should be given Datagram Identification Number N1023 and the following message addressed to Frederick J. Hebdon: petitioner's name and telephone number, date petition was mailed, plant name, and publication date and page number of this FEDERAL REGISTER notice. A copy of the petition should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and to General Counsel, Tennessee Valley Authority, ET 11H 400 West Summit Hill Drive, Knoxville, Tennessee 37902, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board that the petition and/or request should be granted based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for amendment dated October 18, 1996, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the

Chattanooga-Hamilton County Library, 1001 Broad Street, Chattanooga, Tennessee
37402.

Dated at Rockville, Maryland, this 5th day of February 1997.



Ronald W. Hernan, Senior Project Manager
Project Directorate II-3
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation