

January 2, 1997

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 INSPECTION REPORT 50-327/96-12 AND 50-328/96-12)  
NOTICE OF VIOLATION**

Dear Mr. Kingsley:

An NRC inspection was conducted December 2 - 6, 1996, at your Sequoyah 1 and 2 reactor facilities. This was an inspection of your implementation of the requirements of 10 CFR 50.65, "Requirements for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants" [the Maintenance Rule]. The enclosed report presents the results of that inspection.

Your program for implementing the requirements of the Maintenance Rule followed the guidance provided in NUMARC 93-01, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," dated May 1993, which was endorsed in Regulatory Guide 1.160, "Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," dated January 1995. The inspection concluded that your program was comprehensive and was being effectively implemented.

Strengths were noted in the conduct of Expert Panel Meetings, Probabilistic Risk Assessment (PRA) procedures in support of the Rule, and your self assessments of the program. The team was concerned with the number of radiation monitor functional failures, the effectiveness of the risk matrix and associated procedure for on-line removal of equipment from service, and with walkdown deficiencies identified in the switchyard, non-safety related motor operated valve (MOV) boards, and main feedwater pump turbines.

Based on the results of this inspection, the NRC has determined that a violation of NRC requirements occurred. The violation was not directly related to implementation of the Maintenance Rule, but is of concern because of its similarity to a violation issued in NRC Inspection Report 50-327,328/96-05.

The violation is cited in the enclosed Notice of Violation, and the circumstances surrounding the violation 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 insure compliance with regulatory requirements.

1/1  
Ted

9701170016 970102  
PDR ADOCK 0500327  
G PDR

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:  
DAVID M. VERRELLI/FOR

Harold O. Christensen, Chief  
Maintenance Branch  
Division of Reactor Safety

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

Attachment: Handout on "Sequoyah Nuclear Plant  
Maintenance Rule Presentation  
December 1996"

Enclosures: 1. Notice of Violation  
2. Inspection Report  
50-327/96-12,  
50-328/96-12

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

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

R. J. Adney  
Site Vice President  
Sequoyah Nuclear Plant  
Tennessee Valley Authority  
P. O. Box 2000  
Soddy-Daisy, TN 37379

cc w/encls cont'd - (See page 3)

(cc w/encls cont'd)  
General Counsel  
Tennessee Valley Authority  
ET 10H  
400 West Summit Hill Drive  
Knoxville, TN 37902

Raul R. Baron, General Manager  
Nuclear Assurance and Licensing  
Tennessee Valley Authority  
4J Blue Ridge  
1101 Market Street  
Chattanooga, TN 37402-2801

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

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

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

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

Distribution w/encls: (See page 4)

Distribution w/encls:

- E. W. Merschoff, RII
- M. S. Lesser, RII
- S. E. Sparks, RII
- R. W. Herman, NRR
- F. Hebdon, NRR
- H. L. Whitener, RII
- C. F. Smith, RII
- E. D. Testa, RII
- D. H. Thompson, RII
- J. H. Moorman, RII
- P. Steiner, RII
- R. Correia, NRR
- J. Wilcox, NRR
- P. Wilson, NRR
- S. Eide, INEL
- PUBLIC

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

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

SEND TO PUBLIC DOCUMENT ROOM?						
YES NO						
OFFICE	RII:DRS	RII:DRS	RII:DRS	RII:DRS	RII:DRP	
SIGNATURE	<i>MNM</i>	<i>R.W.</i>	<i>R.W.</i>	<i>R.G.</i>	<i>M.S.</i>	
NAME	MMiller:tj	Galton	HWhitener	RGibbs	MLesser	
DATE	12/31/96	12/31/96	12/31/96	12/31/96	12/2/96	12 / / 96
COPY?	(YES) NO	YES (NO)	(YES) NO	(YES) NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: P:\RULE\RPTS\SEQ9612.RPT