

April 8, 2004

Mr. J. A. Scalice
Chief Nuclear Officer and
Executive Vice President
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, Tennessee 37402-2801

SUBJECT: SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2 — NOTICE OF
CONSIDERATION OF ISSUANCE OF AMENDMENT TO FACILITY
OPERATING LICENSE, PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION, AND OPPORTUNITY FOR A HEARING
(TAC NOS. MC2464 AND MC2462) (TSC 04-04)

Dear Mr. Scalice:

The Nuclear Regulatory Commission has forwarded a Notice of Consideration of Issuance of Amendments to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing, to the Office of the *Federal Register* for publication. A copy of the notice for Sequoyah Nuclear Plant is enclosed for your information.

The notice relates to your proposed amendments dated March 23, 2004, that would allow both trains of control room air-conditioning system (CRACS) to be inoperable for up to 7 days provided control room temperatures are verified every 4 hours to be less than or equal to 90 degrees Fahrenheit. If this temperature limit cannot be maintained or both CRACS trains are inoperable for more than 7 days, requirements of Technical Specification Section 3.0.3 will be required.

Sincerely,

/RA/

Michael L. Marshall, Jr., Senior Project Manager, Section 2
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-327 and 50-328

Enclosure: Federal Register Notice

cc w/encl: See next page

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SEQUOYAH NUCLEAR PLANT, UNITS 1 & 2

cc:

Mr. Karl W. Singer, Senior Vice President
Nuclear Operations
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, Tennessee 37402-2801

Mr. James E. Maddox, Vice President
Engineering & Technical Services
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, Tennessee 37402-2801

Mr. Richard T. Purcell
Site Vice President
Sequoyah Nuclear Plant
Tennessee Valley Authority
P.O. Box 2000
Soddy Daisy, Tennessee 37379

General Counsel
Tennessee Valley Authority
ET 11A
400 West Summit Hill Drive
Knoxville, Tennessee 37902

Mr. T. J. Niessen, Acting General Manager
Nuclear Assurance
Tennessee Valley Authority
6A Lookout Place
1101 Market Street
Chattanooga, Tennessee 37402-2801

Mr. Mark J. Burzynski, Manager
Nuclear Licensing
Tennessee Valley Authority
4X Blue Ridge
1101 Market Street
Chattanooga, Tennessee 37402-2801

Mr. Pedro Salas, Manager
Licensing and Industry Affairs
Sequoyah Nuclear Plant
Tennessee Valley Authority
P.O. Box 2000
Soddy Daisy, Tennessee 37379

Mr. David A. Kulisek, Plant Manager
Sequoyah Nuclear Plant
Tennessee Valley Authority
P.O. Box 2000
Soddy Daisy, Tennessee 37379

Senior Resident Inspector
Sequoyah Nuclear Plant
U.S. Nuclear Regulatory Commission
2600 Igou Ferry Road
Soddy Daisy, Tennessee 37379

Mr. Lawrence E. Nanney, Director
Division of Radiological Health
Dept. of Environment & Conservation
Third Floor, L and C Annex
401 Church Street
Nashville, Tennessee 37243-1532

County Executive
Hamilton County Courthouse
Chattanooga, Tennessee 37402-2801

Ms. Ann P. Harris
341 Swing Loop Road
Rockwood, Tennessee 37854

UNITED STATES NUCLEAR REGULATORY COMMISSION

TENNESSEE VALLEY AUTHORITY

SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2

DOCKET NOS. 50-327 AND 50-328

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

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

The proposed amendments would allow both trains of control room air-conditioning system (CRACS) to be inoperable for up to 7 days provided control room temperatures are verified every 4 hours to be less than or equal to 90 degrees Fahrenheit. If this temperature limit cannot be maintained or if both CRACS trains are inoperable for more than 7 days, requirements of Technical Specification Section (TS) 3.0.3 will be required.

Before issuance of the proposed license amendments, 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 Title 10 of the CODE OF FEDERAL REGULATIONS (10 CFR), Section 50.92, this means that operation of the facility in accordance with the proposed amendments 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:

1. Does the proposed change involve a significant increase in the probability or consequences of an accident previously evaluated?

No. The proposed change will allow the use of alternate cooling methods in the event both trains of the CRACS are inoperable. The CRACS is used to maintain an acceptable environment for control room equipment and personnel during normal and emergency conditions. This system does not have the potential to create a design basis accident as it only provides control room cooling and does not directly mitigate postulated accidents. Temporary cooling devices will be designed in accordance with appropriate design controls, sized to ensure adequate cooling capability, and located such that safety-related features would not be prevented from performing their safety function. Since the CRACS does not contribute to the initiators of postulated accidents, the probability of an accident is not significantly increased by the proposed change.

The CRACS does ensure a suitable environment for safety-related equipment and personnel during an accident. The temperature limit placed on the proposed action ensures that the control room temperature will remain at acceptable levels to support plant evolutions in response to postulated accidents. Safety functions that are necessary to maintain acceptable offsite dose limits will not be degraded by the proposed change. Alternate cooling methods that will maintain the control room well within the equipment temperature limits will ensure these safety functions. With the control room cooling requirements satisfied, the offsite dose impact is not affected. Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Does the proposed change create the possibility of a new or different kind of accident from any accident previously evaluated?

No. The proposed change will continue to ensure that the control room temperatures will not exceed operability limits for equipment or personnel. The temperature control functions for the control room are not postulated to create an accident and since the proposed change continues to maintain acceptable temperatures, there are no new accident initiators created. The alternate cooling methods to be used will utilize appropriate design, sizing, and location considerations. Implementation of temporary cooling methods will be designed such that safety-related features would not be prevented from performing their safety function and in compliance with 10 CFR 50.59 requirements. Plant

operation during the use of such alternate cooling methods will continue to comply with applicable TS requirements. Therefore, the proposed change does not create the possibility of a new or different kind of accident from any previously evaluated.

3. Does the proposed change involve a significant reduction in a margin of safety?

No. The proposed change will continue to maintain control room temperatures at acceptable levels to ensure the availability of equipment necessary for safety functions. Sufficient margin to temperature limits will be maintained to ensure response to accident conditions can be managed adequately and temperatures will remain at acceptable levels to complete necessary accident mitigation actions. Plant components and their setpoints will not be altered by the proposed change that would impact the ability to respond to accident conditions. The installation of temporary cooling devices will be designed such that safety-related features would not be prevented from performing their safety function. Therefore, the proposed change does not involve a significant reduction in a margin of safety.

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 amendments until the expiration of the 30-day comment 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 amendments before the expiration of the 30-day comment period, provided that its final determination is that the amendments involve 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. Should the Commission make a final No Significant Hazards

Consideration Determination, any hearing will take place 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 and Directives Branch, Division of Administrative 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 6D59, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. Federal workdays. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1F21, 11555 Rockville Pike (first floor), Rockville, Maryland.

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

Within 60 days after the date of publication of this notice, the licensee may file a request for a hearing with respect to issuance of the amendments to the subject facility operating licenses 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 2.309, which is available at the Commission's PDR, located at One White Flint North, Public File Area O1F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/doc-collections/cfr/>. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or a presiding officer designated by the Commission or by the Chief Administrative Judge of the Atomic Safety and Licensing

Board Panel, will rule on the request and/or petition; and the Secretary or the Chief Administrative Judge of the Atomic Safety and Licensing Board will issue a notice of a hearing or an appropriate order.

As required by 10 CFR 2.309, 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 general requirements: 1) the name, address, and telephone number of the requestor or petitioner; 2) the nature of the requestor's/petitioner's right under the Act to be made a party to the proceeding; 3) the nature and extent of the requestor's/petitioner's property, financial, or other interest in the proceeding; and 4) the possible effect of any decision or order which may be entered in the proceeding on the petitioner's interest. The petition must also identify the specific contentions which the petitioner/requestor seeks to have litigated at the proceeding.

Each contention shall be given a separate numeric or alpha designation within one of the following groups, and all like subject matters shall be grouped together:

1. Technical -- primarily concerns issues relating to technical and/or health and safety matters discussed or referenced in the applicant's safety analysis for the application (including issues related to emergency planning and physical security to the extent such matters are discussed or referenced in the application).

2. Environmental -- primarily concerns issues relating to matters discussed or referenced in the Environmental Report for the applications.

3. Miscellaneous -- does not fall into one of the categories outlined above.

As specified in 10 CFR 2.309, if two or more requestors/petitioners seek to co-sponsor a contention or propose substantially the same contention, the requestors/petitioners will be required to jointly designate a single representative who shall have the authority to act for the

requestors/petitioners with respect to that contention within ten (10) days after admission of such contention.

Each contention must consist of a specific statement of the issue of law or fact to be raised or controverted. In addition, the petitioner/requestor shall provide a brief explanation of the bases for 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.¹ Contentions shall be limited to matters within the scope of the amendments under consideration. The contention must be one which, if proven, would entitle the petitioner to relief. A petitioner/requestor who fails to satisfy these requirements with respect to at least one contention will not be permitted to participate as a party.

Nontimely requests and or/petitions and contentions will not be entertained absent a determination by the Commission, the presiding officer of the Atomic Safety and Licensing Board that the petition, request and or the contentions should be granted based on a balancing of the factors specified in 10 CFR 2.309(a)(1)(i)-(viii).

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.

¹To the extent that the applications contain attachments and supporting documents that are not publically available because they are asserted to contain safeguards or proprietary information, petitioners desiring access to this information should contact applicant's counsel and discuss the need for protective order.

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 amendments and make them immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendments. 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 by: 1) first class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff; 2) courier, express mail, and expedited delivery services: Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff; 3) E-mail addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, HEARINGDOCKET@NRC.GOV; or 4) facsimile transmission addressed to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC, Attention: Rulemakings and Adjudications Staff at (301) 415-1101, verification number is (301) 415-1966. A copy of the request for hearing and petition for leave to intervene should also be sent to the Office of the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and it is requested that copies be transmitted either by means of facsimile transmission to 301-415-3725 or by email to OGCMailCenter@nrc.gov. A copy of the request for hearing and petition for leave to intervene should also be sent to the attorney for the licensee.

Attorney for the Licensee: General Counsel, Tennessee Valley Authority, 400 West Summit Hill Drive, ET 11A, Knoxville, Tennessee 37902.

For further details with respect to this action, see the application for amendments dated March 23, 2004, which is available for public inspection at the Commission's PDR, located at One White Flint North, File Public Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible from the Agencywide Documents Access and Management System's (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov.

Dated at Rockville, Maryland, this 8th day of April 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michael L. Marshall, Jr., Senior Project Manager, Section 2
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation