



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET, SW, SUITE 23T85  
ATLANTA, GEORGIA 30303-8931

January 26, 2005

EA-04-223

Tennessee Valley Authority  
ATTN: Mr. K. W. Singer  
Chief Nuclear Officer and  
Executive Vice President  
6A Lookout Place  
1101 Market Street  
Chattanooga, TN 37402-2801

SUBJECT: FINAL SIGNIFICANCE DETERMINATION FOR A WHITE FINDING AND NOTICE OF VIOLATION (NRC INSPECTION REPORT NO. 05000327/2005007, SEQUOYAH NUCLEAR POWER PLANT)

Dear Mr. Singer:

The purpose of this letter is to provide you with the Nuclear Regulatory Commission's (NRC) final significance determination for a finding at your Sequoyah Nuclear Power Plant involving the failure to promptly identify and correct binding problems with the Siemens breaker mechanism operated cell (MOC) slide assembly for the 1A Residual Heat Removal (RHR) pump. On July 7, 2004, the 1A RHR pump failed to start during routine surveillance testing due to MOC slide assembly binding. The failed breaker had been installed in the 1A RHR pump cubicle on April 27, 2004, and was last successfully operated on June 23, 2004.

The finding was documented in NRC Inspection Report (IR) 05000327/2004004 and 05000328/2004004, dated October 25, 2004, and was assessed under the Significance Determination Process (SDP) as a preliminary White issue for Unit 1 (i.e., an issue of low to moderate safety significance, which may require additional NRC inspection). NRC Inspection Report 05000327/2004010, dated December 17, 2004, informed TVA of the NRC's preliminary conclusion, provided TVA an opportunity to request a regulatory conference on this matter, and forwarded the details of the NRC's preliminary estimate of the change in core damage frequency (CDF) for this finding.

In a telephone conversation with Mr. S. Cahill of NRC, Region II, on December 29, 2004, Mr. Paul Pace of your staff indicated that TVA did not contest the risk significance of this finding or the characterization of the issue as a violation, and declined the opportunity to discuss this issue in a regulatory conference. You documented these decisions in a letter dated January 18, 2005.

After considering the information developed during the inspection and provided in your January 18 letter, the NRC has concluded that the inspection finding is appropriately characterized as White (i.e., an issue with low to moderate increased importance to safety, which may require additional NRC inspections), in the mitigating systems cornerstone.

You have 10 business days from the date of this letter to appeal the staff's determination of significance for the identified White finding. Such appeals will be considered to have merit only if they meet the criteria given in NRC Inspection Manual Chapter 0609, Attachment 2.

The NRC also determined that a violation occurred involving the requirements of 10 CFR 50, Appendix B, Criterion XVI, Corrective Action, in that TVA failed to promptly correct a condition adverse to quality. Specifically, TVA's actions in response to the previous MOC linkage problems and the vendor's discovery of the binding problem in April of 2004 did not constitute adequate corrective action to preclude the failure of the 1A RHR breaker, which resulted in the failure of 1A RHR pump to start during surveillance testing. Accordingly, a Notice of Violation is included as an enclosure to this letter. In accordance with the NRC Enforcement Policy, NUREG-1600, the Notice of Violation is considered escalated enforcement action because it is associated with a White finding.

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.

Because plant performance for this issue has been determined to be in the regulatory response band, we will use the NRC Action Matrix to determine the most appropriate NRC response for this event. We will notify you, by separate correspondence, of that determination.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction. The NRC also includes significant enforcement actions on its Web site at [www.nrc.gov](http://www.nrc.gov); select **What We Do, Enforcement**, then **Significant Enforcement Actions**.

For administrative purposes, this letter is issued as a separate NRC Inspection Report, No. 05000327/2005007, and the above violation is identified as VIO 05000327/2005007-01: Failure to Take Adequate Corrective Actions Regarding Binding of the 1A RHR Pump Breaker. Accordingly, the associated apparent violation, AV 05000327/2004010-01 and unresolved item, URI 05000327/2004004-02, are closed.

TVA

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Should you have any questions regarding this letter, please contact Stephen Cahill, Chief, Reactor Projects Branch 6, at (404) 562-4520.

Sincerely,

*/RA/*

William D. Travers  
Regional Administrator

Docket No.: 50-327  
License No: DPR-77

Enclosure: Notice of Violation

cc w/encl: (See page 4)

TVA

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cc w/ encl:

Ashok S. Bhatnagar  
Senior Vice President  
Nuclear Operations  
Tennessee Valley Authority  
Electronic Mail Distribution

Larry S. Bryant, General Manager  
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S. Sparks, RII

S. Freeman, RII

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B. Carrion, RII

R. Hannah, RII

K. Clark, RII

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| OFFICE          | RII:DRP    | RII:DRS    | RII:EICS   | RII:DRP    | OE         |        |        |
| SIGNATURE       | SJC        | RHB        | CFE        | VMM        | FC         |        |        |
| NAME            | SCahill    | RBernhard  | CFEvans    | VMcCree    | FCongel    |        |        |
| DATE            | 01/19/2005 | 01/19/2005 | 01/19/2005 | 01/19/2005 | 01/26/2005 |        |        |
| E-MAIL COPY?    | YES NO     | YES NO     | YES NO     | YES NO     | YES NO     | YES NO | YES NO |
| PUBLIC DOCUMENT | YES NO     | YES NO     | YES NO     | YES NO     | YES NO     | YES NO | YES NO |

OFFICIAL RECORD COPY

DOCUMENT NAME: E:\Filenet\ML050260382.wpd

## NOTICE OF VIOLATION

Tennessee Valley Authority  
Sequoyah Nuclear Plant  
Unit 1

Docket No.: 50-327  
License No.: DPR-77  
EA-04-223

During an NRC inspection completed on September 25, 2004, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," (Enforcement Policy), the violation is listed below:

10 CFR 50, Appendix B, Criterion XVI, Corrective Actions, requires in part that measures shall be established to assure that conditions adverse to quality, such as failures and malfunctions, are promptly identified and corrected.

Contrary to the above, from April 27, 2004, through July 7, 2004, the licensee failed to correct conditions adverse to quality. Specifically, a breaker linkage binding/bradding problem that led to the failure of the 1A Residual Heat Removal (RHR) pump to start on demand during surveillance testing on July 7, 2004, was not detected during the visual inspection of the 1A RHR breaker on June 9, 2004. The licensee's actions in response to the previous linkage problems and the vendor's discovery of the binding problem in April of 2004 did not assure that the condition was identified and corrected to preclude the failure of the 1A RHR breaker to operate during testing.

This violation is associated with a White Significance Determination Process finding for Unit 1.

Pursuant to the provisions of 10 CFR 2.201, TVA is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555 with a copy to the Regional Administrator, Region II, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation; EA-04-223" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previously docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

If you choose to respond, your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), to the extent possible, it should not include any personal privacy, proprietary, or safeguards

Enclosure

information so that it can be made available to the public without redaction. ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days.

Dated this 26th day of January 2005

Enclosure