

June 16, 2006

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

SUBJECT: SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2 — ISSUANCE OF AMENDMENTS
REGARDING TECHNICAL SPECIFICATION CHANGES TO SUPPORT THIRD
10-YEAR INTERVAL INSERVICE TESTING PROGRAM
(TAC NOS. MC9278 AND MC9279) (TS 05-11)

Dear Mr. Singer:

The Nuclear Regulatory Commission has issued the enclosed Amendment No. 308 to Facility Operating License No. DPR-77 and Amendment No. 297 to Facility Operating License No. DPR-79 for the Sequoyah Nuclear Plant, Units 1 and 2, respectively. These amendments are in response to your application dated December 19, 2005, and supplemented on March 30, 2006.

The amendments will modify several parts of Technical Specification Surveillance Requirement (SR) 4.0.5, both to change the surveillance intervals, for which the 25 percent extension provided in SR 3.0.2 would apply, and to replace the references in SR 4.0.5 to the American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code, Section XI, with the ASME Operation and Maintenance Code.

A copy of the staff's Safety Evaluation is also enclosed. Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

/RA/

Douglas V. Pickett, Senior Project Manager
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-327 and 50-328

Enclosures: 1. Amendment No. 308 to
License No. DPR-77
2. Amendment No. 297 to
License No. DPR-79
3. Safety Evaluation

cc w/enclosures: See next page

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*No Legal Objection

NRR-058

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Mr. Karl W. Singer
Tennessee Valley Authority

SEQUOYAH NUCLEAR PLANT

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TENNESSEE VALLEY AUTHORITY

DOCKET NO. 50-327

SEQUOYAH NUCLEAR PLANT, UNIT 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 308
License No. DPR-77

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Tennessee Valley Authority (the licensee) dated December 19, 2005, and supplemented on March 30, 2006, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the attachment to this license amendment and paragraph 2.C.(2) of Facility Operating License No. DPR-77 is hereby amended to read as follows:

- (1) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 308, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

3. This license amendment is effective as of its date of issuance, to be implemented no later than 45 days after issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michael L. Marshall, Jr., Branch Chief
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Technical
Specifications

Date of Issuance: June 16, 2006

ATTACHMENT TO LICENSE AMENDMENT NO. 308

FACILITY OPERATING LICENSE NO. DPR-77

DOCKET NO. 50-327

Replace page 3 of Operating License No. DPR-77 with the attached page 3.

Replace the following page of the Appendix A Technical Specification with the attached page. The revised page is identified by amendment number and contains marginal lines indicating the areas of change.

REMOVE

3/4 0-3

INSERT

3/4 0-3

TENNESSEE VALLEY AUTHORITY

DOCKET NO. 50-328

SEQUOYAH NUCLEAR PLANT, UNIT 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 297
License No. DPR-79

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Tennessee Valley Authority (the licensee) dated December 19, 2005, and supplemented on March 30, 2006, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the attachment to this license amendment and paragraph 2.C.(2) of Facility Operating License No. DPR-79 is hereby amended to read as follows:

- (2) Technical Specifications

- The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 297, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

3. This license amendment is effective as of its date of issuance, to be implemented no later than 45 days after issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michael L. Marshall, Jr., Branch Chief
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Technical
Specifications

Date of Issuance: June 16, 2006

ATTACHMENT TO LICENSE AMENDMENT NO. 297

FACILITY OPERATING LICENSE NO. DPR-79

DOCKET NO. 50-328

Replace page 3 of Operating License No. DPR-79 with the attached page 3.

Replace the following page of the Appendix A Technical Specifications with the attached revised page. The revised page is identified by amendment number and contains marginal lines indicating the area of change.

REMOVE

3/4 0-3

INSERT

3/4 0-3

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 308 TO FACILITY OPERATING LICENSE NO. DPR-77
AND AMENDMENT NO. 297 TO FACILITY OPERATING LICENSE NO. DPR-79
TENNESSEE VALLEY AUTHORITY
SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2
DOCKET NOS. 50-327 AND 50-328

1.0 INTRODUCTION

By application dated December 19, 2005, and supplemented on March 30, 2006, Tennessee Valley Authority (the licensee) submitted a proposed Technical Specification (TS) change for the Sequoyah Nuclear Plant, Units 1 and 2. The proposed TS change relates to Technical Specification Task Force Traveler 479, "Changes to Reflect Revision of 10 CFR 50.55a." The change will revise the applicable surveillance intervals listed in the Sequoyah, Units 1 and 2 TS Surveillance Requirement (SR) 4.0.5.b table, for which the 25 percent extension provided in SR 3.0.2 would apply. Specifically, the licensee proposes that SR 4.0.5.c be modified, such that the provisions of SR 3.0.2 will be applicable to not only the specific intervals listed in the SR 4.0.5.b table, but to "other normal and accelerated frequencies specified as 2 years or less in the Inservice Testing Program" for performing inservice testing (IST) activities. The proposed TS change will also replace the references in SRs 4.0.5.a, 4.0.5.b, and 4.0.5.e to the American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code, Section XI, with the ASME Operation and Maintenance (OM) Code to provide consistency with Title 10, *Code of Federal Regulations* (10 CFR), Section 50.55a(f).

The letter dated March 30, 2006, provided clarifying information that did not change the initial proposed no significant hazards consideration determination.

2.0 REGULATORY EVALUATION

NRC regulation, 10 CFR 50.55a, defines the requirements for applying industry codes to each licensed nuclear powered facility. Licensees are required by 10 CFR 50.55a(f)(4)(i) to initially prepare programs to perform IST of certain ASME Section III, Code Class 1, 2, and 3 pumps and valves during the initial 120-month interval. The regulations require that programs be developed utilizing the latest edition and addenda incorporated into paragraph (b) of 10 CFR 50.55a on the date 12 months prior to the date of issuance of the operating license subject to the limitations and modification identified in paragraph (b).

The licensee plans to update the IST program for Sequoyah, Units 1 and 2 at the start of the third 10-year IST interval that begins June 1, 2006. For the third 10-year IST interval, the licensee is updating to the 2001 Edition of the ASME OM Code through the 2003 Addenda.

3.0 TECHNICAL EVALUATION

The proposed change would replace the TS references in SRs 4.0.5.a, 4.0.5.b, and 4.0.5.e to the ASME Boiler and Pressure Vessel Code, Section XI, with the ASME OM Code to provide consistency with 10 CFR 50.55a(f). The NRC staff finds that this conforms with the requirements of the above stated regulations, and is, therefore, acceptable.

The licensee's proposed revision to SR 4.0.5.c will apply the 25 percent time extension provided for in SR 3.0.2 to other normal and accelerated frequencies specified as 2 years or less in the IST program in addition to those periods listed in the table of SR 4.0.5.b. The staff finds that applying the extension to time periods that would lie between the specific periods stated in the table is acceptable. The purpose of the table of SR 4.0.5.b is to more precisely define the meaning of "monthly", "quarterly", and other terms for time periods, such that surveillances are not delayed due to lack of precision of the stated time periods. For example, the term "yearly" is defined by the table as 366 days, which prevents a scenario where testing is performed at any time during one year and testing is performed again at any time during the next year, which could result in an approximate doubling of the 366 day period.

With the proposed revision to SR 4.0.5.c, if a test frequency (e.g., monthly) is augmented and increased (e.g., to a 2-week test frequency, which is not listed in the table), it could also have the 25 percent extension applied. This is consistent with the intent of the 25 percent extension as described in the Bases for the SR 3.0.2, in that the extension would provide operational flexibility, but would not significantly degrade the reliability that results from performing the surveillance at the specified frequency. Further, the proposal to limit the applicability to frequencies of 2 years or less limits the maximum incremental time period, between surveillances that could be added by the 25% extension, and is consistent with guidance provided in NUREG-1482, Revision 1. Without this limitation, some components, such as safety and relief valves, which may be tested at surveillance intervals significantly greater than 2 years, could have extensions applied which would be much greater than needed for operational flexibility. Therefore, the NRC staff finds that the proposed change to SR 4.0.5.c is acceptable.

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the Tennessee State official was notified of the proposed issuance of the amendment. The State official had no comments.

5.0 ENVIRONMENTAL CONSIDERATION

The amendments change a requirement with respect to installation or use of a facility component located within the restricted area as defined in 10 CFR Part 20 (and changes surveillance requirements). The NRC staff has determined that the amendments involve no significant increase in the amounts, and no significant change in the types, of any effluents that may be released offsite, and that there is no significant increase in individual or cumulative occupational radiation exposure. The Commission has previously issued a proposed finding that the amendments involve no significant hazards consideration, and there has been no public comment on such finding (71 FR 7183). Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Pursuant to

10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendments.

6.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendment will not be inimical to the common defense and security or the health and safety of the public.

Principal Contributor: C.G. Hammer

Date: June 16, 2006