

U.S. Nuclear Regulatory Commission
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November 20, 2006

GWM:JWP:KTS

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ENCLOSURE

ANNUAL ENVIRONMENTAL OPERATING REPORT

**TENNESSEE VALLEY AUTHORITY
SEQUOYAH NUCLEAR PLANT
October 1, 2005, through September 30, 2006**

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I. INTRODUCTION

The Sequoyah Nuclear Plant Annual Non-Radiological Environmental Operating Report for the period of October 1, 2005, through September 30, 2006, is prepared in accordance with Environmental Technical Specifications (Non-Radiological) (ETS), Appendix B, Section 5.4.1. This report includes a summary of:

- A. Reporting for those programs not concerned with water quality or protection of aquatic biota, which are regulated by the Clean Water Act
- B. Environmental monitoring performed
- C. Reports previously submitted as specified in the SQN National Pollutant Discharge Elimination System (NPDES) Permit No. TN0026450
- D. ETS noncompliances and the corrective actions for remediation
- E. Changes made to applicable State and Federal permits and certifications
- F. Changes in station design that could involve a significant environmental impact or change the findings of the Final Environmental Statement (FES)
- G. Nonroutine reports submitted per ETS Section 4.1
- H. Special studies
- I. Changes in approved ETS

Reporting, monitoring, and inspections conducted as required by permits and regulations indicated no adverse impact on the environment as a result of station operation.

II. REPORTING FOR THOSE PROGRAMS NOT CONCERNED WITH WATER QUALITY OR PROTECTION OF AQUATIC BIOTA, WHICH ARE REGULATED BY THE CLEAN WATER ACT

- A. Third Quarter 2005 Summary of Asbestos Removal Projects - submitted to the Hamilton County Air Pollution Control Bureau on October 6, 2005
- B. Revised Hazardous Waste Streams 6 and 43 - submitted to the Tennessee Department of Environment and Conservation on October 20, 2005
- C. Annual Asbestos Removal Notification - submitted to Hamilton County Air Pollution Control Bureau on November 1, 2005
- D. New Hazardous Waste Streams 64 and 65 - submitted to the Tennessee Department of Environment and Conservation on December 5, 2005
- E. Fourth Quarter 2005 Summary of Asbestos Removal Projects - submitted to the Hamilton County Air Pollution Control Bureau on January 5, 2006
- F. Report on Diesel Fuel Shipments for Auxiliary Boilers A and B - submitted to the Hamilton County Air Pollution Control Bureau on January 5, 2006
- G. Tier Two Emergency and Hazardous Chemical Inventory - submitted to Soddy-Daisy Fire Department, Hamilton County Emergency Services and the Tennessee Emergency Response Commission on February 14, 2006
- H. Annual Hazardous Waste Activity Report for 2005 - submitted to the Tennessee Department of Environment and Conservation on February 21, 2006

- I. Diesel Fuel Oil Interceptor System Trial Closure - submitted to the Tennessee Department of Environment and Conservation on February 28, 2006
- J. Sequoyah Nuclear Plant Hazardous Waste Minimization Plan - maintained on file at Sequoyah since March 1, 2006
- K. Special Waste Evaluation for Sandblast Grit - submitted to the Tennessee Department of Environment and Conservation on March 3, 2006
- L. First Quarter 2006 Report on Nonscheduled Removal of Asbestos Containing Material - submitted to the Hamilton County Air Pollution Control Bureau on April 4, 2006
- M. Sequoyah Nuclear Plant Annual Report on the Hours of Operation for diesel permitted equipment - submitted to the Hamilton County Air Pollution Control Bureau on April 14, 2006
- N. SQN Spill Prevention Control and Countermeasures Plan - submitted to Soddy-Daisy Fire Department, Memorial North Park Hospital, and Erlanger Hospital on May 5, 2006
- O. Forms A and R and/or Microcomputer Diskette containing Toxic Chemical Release Information CY2005 Required by Emergency Planning and Community Right to Know Act - submitted to the Environmental Protection Agency EPCRA Reporting Center and Tennessee Department of Environment and Conservation on May 30, 2006
- P. Written Annual Document Log of PCBs and PCB Items for Calendar Year 2005 - maintained on file since July 1, 2006
- Q. Second Quarter 2006 Summary of Asbestos Removal Projects - submitted to the Hamilton County Air Pollution Control Bureau on July 5, 2006
- R. Report on Diesel Fuel Shipments for Auxiliary Boilers A and B - submitted to the Hamilton County Air Pollution Control Bureau on July 5, 2006
- S. Revision 1 of Written Annual Document Log of PCBs and PCB Items for Calendar Year 2005 - maintained on file since August 21, 2006
- T. 2006 Solid Waste Facility Annual Report/Fee - submitted to the Tennessee Department of Environment and Conservation on September 12, 2006
- U. Material Safety Data Sheet (MSDS) for MSW-101 - submitted to Soddy-Daisy Fire Department, Hamilton County Emergency Services and the Tennessee Emergency Response Commission on September 12, 2006

III. ENVIRONMENTAL MONITORING PERFORMED

- A. Storm water samples taken at required frequencies and Best Management Practices implemented as required by General Industrial Storm Water Discharge Permit TNR050015
- B. Semi-annual facility inspections as required by General Industrial Storm Water Discharge Permit TNR050015
- C. Outfall sampling and inspection is performed as required by NPDES General Industrial Discharge Permit TN0026450 (results previously submitted to NRC as required)
- D. Monthly erosion and sediment control inspections are conducted as required by General Industrial Storm Water Discharge Permit TNR050015

- E. Weekly tank, piping, and secondary containment inspections are performed as required by General Industrial Storm Water Discharge Permit TNR050015 and the Spill Prevention Controls and Countermeasure Plan
- F. Weekly and monthly hazardous waste inspections conducted as required by 40CFR261 and by the Tennessee Rule Chapter 1200, Hazardous Waste Management
- G. Weekly landfill inspections performed as required by 40CFR261 and by the Tennessee Rule Chapter 1200, Hazardous Waste Management
- H. Daily operational hours of diesel generator operation tracking maintained as required by Federally Enforceable Certificate of Operation No. 4150-10200601-08C
- I. Diesel fuel recovery trench, extraction, and monitoring well sampling, maintenance and operation conducted as required by the State of Tennessee
- J. Intake forebay aeration system sampling, maintenance and operation performed as required by the State of Tennessee
- K. Air emissions inspected monthly for equipment permitted by the Hamilton County Air Pollution Control Bureau
- L. Refrigeration equipment performance and repairs are tracked weekly to ensure compliance with Title VI of the Clean Air Act
- M. Waste sampling and characterization as required by 40CFR261 and by the Tennessee Rule Chapter 1200, Hazardous Waste Management
- N. Quarterly PCB transformer inspections as required by 40CFR761
- O. Daily inspections of leaking PCB transformers as required by 40CFR761
- P. PCB spill and leak cleanup as required by 40CFR761
- Q. Asbestos removal tracking as required by the Hamilton County Air Pollution Control Bureau
- R. Hazardous waste minimization (such as chemical control and substitution) as required by the Tennessee Rule Chapter 1200, Hazardous Waste Management
- S. National Environmental Policy Act (NEPA) reviews are conducted to evaluate potential environmental impact of temporary or permanent facility modifications as required by 40CFR1500
- T. NPDES self-assessment SQN-ENV-06-001

IV. REPORTS PREVIOUSLY SUBMITTED AS SPECIFIED IN THE SQN NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT

The following reports were submitted as specified in the SQN NPDES Permit No. TN0026450, General Industrial Discharge Storm Water Permit No. TNR050015.

- A. Monthly Discharge Monitoring Report for September 2005 - submitted to Tennessee Department of Environment and Conservation on October 14, 2005
- B. DMR - QA Study 25 Provider Graded Test Results - submitted to Tennessee Department of Environment and Conservation and Environmental Protection Agency on October 24, 2005
- C. Monthly Discharge Monitoring Report for October 2005 - submitted to Tennessee Department of Environment and Conservation on November 14, 2005
- D. DMR - QA Study 25 Corrective Action Report - submitted to Tennessee Department

- of Environment and Conservation and Environmental Protection Agency on December 5, 2005
- E. Monthly Discharge Monitoring Report for November 2005 - submitted to Tennessee Department of Environment and Conservation on December 14, 2005
 - F. Monthly Discharge Monitoring Report for December 2005 - submitted to Tennessee Department of Environment and Conservation on January 12, 2006
 - G. 2005 Biocide/Corrosion Treatment Plan (B/CTP) Annual Report - submitted to Tennessee Department of Environment and Conservation on February 7, 2006
 - H. Monthly Discharge Monitoring Report for January 2006 - submitted to Tennessee Department of Environment and Conservation on February 9, 2006
 - I. Multi-Sector Storm Water General Permit 2005 Storm Water Monitoring Report - submitted to Tennessee Department of Environment and Conservation on February 22, 2006
 - J. Monthly Discharge Monitoring Report for February 2006 - submitted to Tennessee Department of Environment and Conservation on March 13, 2006
 - K. Addition of MSW-101 to Biocide/Corrosion Treatment Plan (B/CTP) Annual Report - submitted to Tennessee Department of Environment and Conservation on March 27, 2006
 - L. Monthly Discharge Monitoring Report for March 2006 - submitted to Tennessee Department of Environment and Conservation on April 14, 2006
 - M. Monthly Discharge Monitoring Report for April 2006 - submitted to Tennessee Department of Environment and Conservation on May 10, 2006
 - N. Monthly Discharge Monitoring Report for May 2006 - submitted to Tennessee Department of Environment and Conservation on June 15, 2006
 - O. Monthly Discharge Monitoring Report for June 2006 - submitted to Tennessee Department of Environment and Conservation on July 12, 2006
 - P. Monthly Discharge Monitoring Report for July 2006 - submitted to Tennessee Department of Environment and Conservation on August 14, 2006
 - Q. MSW-101 updates including MSDS and Nalco letter - submitted to Tennessee Department of Environment and Conservation on August 15, 2006
 - R. DMR - QA Laboratory Performance Evaluation Study 26 - submitted to Environmental Resource Associates, Tennessee Department of Environment and Conservation, and Environmental Protection Agency on August 29, 2006
 - S. Monthly Discharge Monitoring Report for August 2006 - submitted to Tennessee Department of Environment and Conservation on September 13, 2006

V. ENVIRONMENTAL TECHNICAL SPECIFICATION (ETS) NONCOMPLIANCES

None.

VI. CHANGES MADE TO APPLICABLE STATE AND FEDERAL PERMIT CERTIFICATIONS

NPDES Permits: Concurrence was received from the Tennessee Department of Environment and Conservation Division of Water Pollution Control as follows:

The addition of MSW-101 was made to the Biocide/Corrosion Treatment Plan (B/CTP) on March 27, 2006. These changes were submitted to the Tennessee Department of Environment and Conservation and the Nuclear Regulatory Commission on March 27, 2006.

VII. CHANGES IN FACILITY DESIGN OR OPERATION

In accordance with Technical Specification 5.3.c, facility design and operational changes were reviewed for potential effect on the environment. This review is completed per Tennessee Valley Authority upper tier instruction IX Environmental Review and implementing Environmental Management System (EMS) procedures Environmental Review Process and Standards and Criteria for Environmental Reviews, in compliance with the National Environmental Policy Act. An evaluation of facility design and operational changes proposed from October 1, 2005, through September 30, 2006, was completed.

A. Special Tests

There were no special tests conducted during this period that met environmental impact criteria

B. Temporary Alterations

There were no temporary alterations conducted during this period that met environmental impact criteria.

C. Design and Operational Changes

The facility design and operational changes made during this reporting period with a potential impact on the environment were found to be within the scope of existing permits and in compliance with environmental regulations. Those changes reviewed are as follows:

Environmental Assessments - None.

Categorical Exclusion Checklists

1. Generic SQN Blanket Review
2. Sequoyah-Bowen 500-kV Transmission Line Up-rate to 100 deg C
3. Power System Optimization Project - Sequoyah Nuclear Plant - Metering
4. Electrical Breaker Shop and Battery Storage Facility
5. Channeling Barrier Road
6. Vital Battery II Replacement
7. SQN Laboratory Replacement Project
8. Temporary Piping and Hose for Plant Liquid Radwaste Releases
9. Sequoyah Nuclear Plant - Replace Free Standing Current Transformers (FSCTs) 874 and 998 and Sequential Function Chart (SFC) Capacitor Bank Relays
10. Decommission Cooling Tower Lift Pump 1B
11. Ground Water Well Sites for Tritium Monitoring
12. Emergency Diesel Generator 1A Battery Replacement

VIII. NON-ROUTINE REPORTS

None.

IX. SPECIAL STUDIES

There were two environmental studies conducted this year.

On March 7, 2006, TVA River Scheduling performed a calibration of the diffuser discharge for Outfall 101 per NPDES Permit TN0026450. The data demonstrated that the hydraulic characteristics of the diffusers continue to remain stable and provide a good method of measuring discharge from the plant. This information was submitted with the February 2006 Discharge Monitoring Report to both the Tennessee Department of Environment and Conservation and the Nuclear Regulatory Commission on March 13, 2006.

The second study titled, "Biological Monitoring of the Tennessee River Near Sequoyah Nuclear Plant Discharge 2005" was performed by TVA Aquatic Monitoring and Management. This report was submitted to the Tennessee Department of Environment and Conservation and Nuclear Regulatory Commission on June 15, 2006. This study concluded that the Sequoyah operation had no impact on the Chickamauga Reservoir resident fish community, on average, for 11 sampling seasons.

X. CHANGES IN APPROVED ENVIRONMENTAL TECHNICAL SPECIFICATION

There were no changes in approved ETSs during this period.