



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

November 19, 2008

Mr. William R. Campbell, Jr.
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 – NOTICE OF
CONSIDERATION OF ISSUANCE OF AMENDMENT TO FACILITY OPERATING
LICENSE, PROPOSED NO SIGNIFICANT HAZARDS CONSIDERATION
DETERMINATION, AND OPPORTUNITY FOR HEARING (TAC NOS. ME0103
AND ME0104)

Dear Mr. Campbell:

The U.S. Nuclear Regulatory Commission has forwarded the enclosed "Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration Determination, and Opportunity for a Hearing," to the Office of the Federal Register for publication.

This notice relates to your application dated November 12, 2008, in which you request to revise Technical Specification (TS) 3.3.3.1, "Radiation Monitoring," and TS 3.4.6.1, "Reactor Coolant System Leakage Detection Systems," at each unit to remove the requirement for one containment atmosphere gaseous radioactivity monitor to be operable in Modes 1, 2, 3 and 4. The requirement for one containment atmosphere particulate radioactivity monitor and one containment pocket sump level monitor to be operable in Modes 1, 2, 3 and 4 will remain. Additionally, corresponding changes to Surveillance Requirements 4.3.3.1 and 4.4.6.1 and modifications to existing TS Limiting Condition for Operation 3.4.6.1 action statements are proposed for each unit.

If you have any questions, please contact me at 301-415-3974.

Sincerely,

A handwritten signature in black ink that reads "Brendan T. Moroney".

Brendan T. Moroney, Project Manager
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-327 and 50-328

Enclosure: As stated

cc w/encl: Distribution via Listserv

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/RA/

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UNITED STATES NUCLEAR REGULATORY COMMISSIONTENNESSE VALLEY AUTHORITYDOCKET NOS. 50-327 AND 50-328NOTICE OF CONSIDERATION OF ISSUANCE OF AMENDMENT TO
FACILITY OPERATING LICENSE, PROPOSED NO SIGNIFICANT HAZARDS
CONSIDERATION DETERMINATION, AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (NRC, Commission) is considering issuance of an amendment to Facility Operating License Nos. DPR-77 and 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.

This notice relates to the licensee's application dated November 12, 2008, in which the licensee requests to revise Technical Specification (TS) 3.3.3.1, "Radiation Monitoring," and TS 3.4.6.1, "Reactor Coolant System Leakage Detection Systems," at each unit to remove the requirement for one containment atmosphere gaseous radioactivity monitor to be operable in Modes 1, 2, 3 and 4. The requirement for one containment atmosphere particulate radioactivity monitor and one containment pocket sump level monitor to be operable in Modes 1, 2, 3 and 4 will remain. Additionally, corresponding changes to Surveillance Requirements 4.3.3.1 and 4.4.6.1 and modifications to existing TS Limiting Condition for Operation (LCO) 3.4.6.1 action statements are proposed for each unit.

NRC Regulatory Guide (RG) 1.45, Revision 0 states that reactor coolant system (RCS) leakage monitoring instruments should be capable of detecting a 1 gallon per minute (gpm) leakage increase within 1 hour. NRC Information Notice 2005-24 informed licensees of the non-conservatism in the leakage detection sensitivity. The licensee had previously recognized the detection sensitivity limitations and took actions to clarify these in the TS Bases and Updated

Final Safety Analysis Report, as well as to create a rate of rise alarm on the plant computer for the gaseous channel. Based on the licensee's understanding of the operability requirements for the gaseous channel (i.e., 1 gpm leakage increase within 1 hour was not an explicit criterion based on the design basis source terms), the licensee deemed no further actions were necessary and continued to monitor the pending resolution of the industry issue. A subsequent draft improved standard TS change has been identified by the Pressurized Water Reactor Owners Group (i.e., WOG-196) and is currently out for industry comment. The licensee maintains that it operated in good faith in acting upon the information the NRC provided to the industry. However, the licensee did not recognize the NRC's position that the gaseous channel must meet the specific requirements of RG-1.45, Revision 0, regardless of RCS activity, to be operable.

On November 6, 2008, the NRC informed the licensee that the capability to detect 1 gpm in 1 hour regardless of RCS activity is required for the channel to be operable. The licensee subsequently declared the channel inoperable and entered the appropriate TS LCO 3.4.6.1 action statement for an inoperable gaseous radiation monitor. Because there is insufficient activity in the RCS under current operating conditions to enable a gaseous monitor to sense a 1 gpm leak within 1 hour, the TS is being changed to resolve this issue. Furthermore, because the licensee is currently in a 30-day TS action statement allowed outage time, this change is being processed as an exigent change in order to prevent an unnecessary shutdown and to allow the continued safe operation of the plant.

Before issuance of the proposed license amendment, the NRC will have made findings required by the Atomic Energy Act of 1954, as amended (the Act) and the NRC's regulations.

Pursuant to 10 CFR 50.91(a)(6) for amendments to be granted under exigent circumstances, the NRC's staff must determine that the amendment request involves no

significant hazards consideration. Under the NRC's regulations in 10 CFR 50.92, this means that operation of the facility in accordance with the proposed amendment 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?

Response: No

The proposed change has been evaluated and determined to not increase the probability or consequences of an accident previously evaluated. The proposed change does not make any hardware changes and does not alter the configuration of any plant system, structure or component (SSC). The containment atmosphere gaseous radioactivity monitor is not credited for use in the initiation of any protective functions. The proposed change only removes the containment atmosphere gaseous radioactivity monitor for meeting the operability requirements for Technical Specification (TS) 3.4.6.1 and TS 3.3.3.1. Therefore, the probability of occurrence of an accident is not increased. The TS will continue to require diverse means of leakage detection equipment, thus ensuring that leakage due to cracks would continue to be identified prior to breakage and the plant shutdown accordingly. Therefore, the consequences of an accident are not increased.

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

Response: No

The proposed change does not involve the use or installation of new equipment and the currently installed equipment will not be operated in a new or different manner. No new or different system interactions are created and no new processes are introduced. The proposed changes will not introduce any new failure mechanisms, malfunctions, or accident initiators not already considered in the design and licensing bases. The proposed change does not affect any SSC associated with an accident initiator. Based on this evaluation, the proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated.

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

Response: No

The proposed change does not make any alteration to any RCS leakage detection components. The proposed change removes the gaseous channel of the containment atmosphere radioactivity monitor from TS 3.4.6.1 and TS 3.3.3.1. The proposed amendment continues to require diverse means of leakage detection equipment with capability to promptly detect RCS leakage. Additional diverse means of leakage detection capability are available, although not provided in the TSs. Based on this evaluation, 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 NRC is seeking public comments on this proposed determination. Any comments received within 14 days after the date of publication of this notice will be considered in making any final determination.

Normally, the NRC will not issue the amendment until the expiration of the 14-day notice 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 NRC may issue the license amendment before the expiration of the 14-day notice period, provided that its final determination is that the amendment involves no significant hazards consideration. The final determination will consider all public and State comments received. Should the NRC take this action, it will publish in the *Federal Register* a notice of issuance. The NRC expects that the need to take this action will occur very infrequently.

Written comments may be submitted by mail to the Chief, Rulemaking, Directives and Editing 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, located at One White Flint North, Public File Area O1 F21, 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 person(s) may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person(s) whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request via electronic submission through the NRC E-filing system 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 NRC's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. Interested person(s) should consult a current copy of 10 CFR 2.309, which is available at the NRC'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.

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/requestor must also provide references to those specific sources and documents of which the petitioner/requestor is aware and on which the petitioner/requestor intends to rely to establish those facts or expert opinion. The petitioner/requestor must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact. Contentions shall be limited to matters within the scope of the amendment under consideration. The contention must be one which, if proven, would entitle the petitioner/requestor 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.

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.

If a hearing is requested, the NRC 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 NRC may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment. 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.

All documents filed in NRC adjudicatory proceedings, including a request for hearing, a petition for leave to intervene, any motion or other document filed in the proceeding prior to the submission of a request for hearing or petition to intervene, and documents filed by interested governmental entities participating under 10 CFR 2.315(c), must be filed in accordance with the NRC E-Filing rule, which the NRC promulgated on August 28, 2007 (72 FR 49139). The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in some cases to mail copies on electronic storage media. Participants may not submit paper copies of their filings unless they seek a waiver in accordance with the procedures described below.

To comply with the procedural requirements of E-Filing, at least ten (10) days prior to the filing deadline, the petitioner/ requestor must contact the Office of the Secretary by e-mail at hearing.docket@nrc.gov, or by calling (301) 415-1677, to request (1) a digital ID certificate, which allows the participant (or its counsel or representative) to digitally sign documents and access the E-Submittal server for any proceeding in which it is participating; and/or (2) creation of an electronic docket for the proceeding (even in instances in which the petitioner/requestor (or its counsel or representative) already holds an NRC-issued digital ID certificate). Each petitioner/requestor will need to download the Workplace Forms Viewer™ to access the Electronic Information Exchange (EIE), a component of the E-Filing system. The Workplace Forms Viewer™ is free and is available at <http://www.nrc.gov/site-help/e-submittals/install-viewer.html>. Information about applying for a digital ID certificate is available on NRC's public website at <http://www.nrc.gov/site-help/e-submittals/apply-certificates.html>.

Once a petitioner/requestor has obtained a digital ID certificate, had a docket created, and downloaded the EIE viewer, it can then submit a request for hearing or petition for leave to intervene. Submissions should be in Portable Document Format (PDF) in accordance with NRC

guidance available on the NRC public website at <http://www.nrc.gov/site-help/e-submittals.html>.

A filing is considered complete at the time the filer submits its documents through EIE. To be timely, an electronic filing must be submitted to the EIE system no later than 11:59 p.m. Eastern Time on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an e-mail notice confirming receipt of the document. The EIE system also distributes an e-mail notice that provides access to the document to the NRC Office of the General Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the documents on those participants separately. Therefore, applicants and other participants (or their counsel or representative) must apply for and receive a digital ID certificate before a hearing request/petition to intervene is filed so that they can obtain access to the document via the E-Filing system.

A person filing electronically may seek assistance through the "Contact Us" link located on the NRC website at <http://www.nrc.gov/site-help/e-submittals/contact-us-eie.html> or by calling the NRC technical help line, which is available between 8:30 a.m. and 4:15 p.m., Eastern Time, Monday through Friday. The help line number is (800) 397-4209 or locally, (301) 415-4737.

Participants who believe that they have a good cause for not submitting documents electronically must file a motion, in accordance with 10 CFR 2.302(g), with their initial paper filing requesting authorization to continue to submit documents in paper format. Such filings must be submitted 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; or (2) courier, express mail, or expedited delivery service to the Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville, Pike,

Rockville, Maryland, 20852, Attention: Rulemaking and Adjudications Staff. Participants filing a document in this manner are responsible for serving the document on all other participants. Filing is considered complete by first-class mail as of the time of deposit in the mail, or by courier, express mail, or expedited delivery service upon depositing the document with the provider of the service.

Documents submitted in adjudicatory proceedings will appear in NRC's electronic hearing docket which is available to the public at http://ehd.nrc.gov/ehd_proceeding/home.asp, unless excluded pursuant to an order of the Commission, an Atomic Safety and Licensing Board, or a Presiding Officer. Participants are requested not to include personal privacy information, such as social security numbers, home addresses, or home phone numbers in their filings. With respect to copyrighted works, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application, Participants are requested not to include copyrighted materials in their submissions.

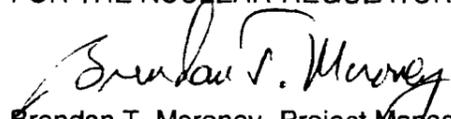
Non-timely requests and/or petitions and contentions will not be entertained absent a determination by the Commission or the presiding officer of the Atomic Safety and Licensing Board that the petition and/or request should be granted and/or the contentions should be admitted, based on a balancing of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

For further details with respect to this exigent license application, see the application for amendment dated November 12, 2008, which is available for public inspection at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically 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.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, or 301-415-4737, or by e-mail to pdr.resource@nrc.gov.

Dated at Rockville, Maryland, this 19 day of NOVEMBER 2008.

FOR THE NUCLEAR REGULATORY COMMISSION



Brendan T. Moroney, Project Manager
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation