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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

October 10, 2017

EA-17-164

Mr. Joseph W. Shea
Vice President, Nuclear Regulatory Affairs and Support Services
Tennessee Valley Authority
1101 Market Street, EB 9W
Chattanooga, TN 37402-2801

SUBJECT: SEQUOYAH NUCLEAR PLANT – NRC SECURITY INSPECTION REPORT
05000327/2017407 AND 05000328/2017407; PRELIMINARY GREATER THAN
GREEN FINDING

Dear Mr. Shea:

The enclosed report documents a finding with an associated apparent violation that the NRC has preliminarily determined to have greater than very low security significance. We assessed the significance of the finding using the Baseline Security Significance Determination Process (BSSDP) and readily available information. The deficiency was promptly corrected or compensated for, and actions were initiated to restore compliance with applicable physical protection and security requirements within the scope of this inspection before the inspectors left the area. We are considering escalated enforcement for the apparent violation consistent with our Enforcement Policy, which can be found at <https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. Because we have not made a final determination, no notice of violation is being issued at this time. Please be aware that further NRC review may prompt us to modify the number and characterization of the apparent violation.

We intend to issue our final significance determination and enforcement decision, in writing, within 90 days from the date of this letter. The NRC's significance determination process (SDP) is designed to encourage an open dialogue between your staff and the NRC; however, neither the dialogue nor the written information you provide should affect the timeliness of our final determination.

Before we make a final decision, you may choose to communicate your position on the facts and assumptions used to arrive at the finding and assess its significance by either (1) attending and presenting at a regulatory conference or (2) submitting your position in writing. The focus of a regulatory conference is to discuss the significance of the finding. Written responses should

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reference the inspection report number and enforcement action number associated with this letter in the subject line.

If you request a regulatory conference, it should be held within 40 days of your receipt of this letter. Please provide information you would like us to consider or discuss with you at least 10 days prior to any scheduled conference. If you choose to attend a regulatory conference, it will be closed for public observation. If you decide to submit only a written response, it should be sent to the NRC within 40 days of your receipt of this letter. If you choose not to request a regulatory conference or to submit a written response, you will not be allowed to appeal the NRC's final significance determination.

Please contact Binoy Desai at 404-997-4519, in writing, within seven days from the issue date of this letter to notify the NRC of your intentions. If we have not heard from you within seven days, we will continue with our significance determination and enforcement decision.

This letter will be made available for public inspection and copying at <https://www.nrc.gov/reading-rm/adams.html> and at the NRC Public Document Room in accordance with 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding."

However, the enclosed report contains Security-Related Information, so the enclosed report will not be made publically available in accordance with 10 CFR 2.390(d)(1). If you choose to provide a response that contains Security-Related Information, please mark your entire response "Security-Related Information–Withhold from public disclosure under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). The NRC is waiving the affidavit requirements for your response in accordance with 10 CFR 2.390(b)(1)(ii).

Sincerely,

/RA/

Anthony T. Gody, Director
Division of Reactor Safety

Docket Nos. 50-327 and 50-328
License Nos. DPR-77 and DPR-79

Enclosure:
Preliminary Significance Determination
and Apparent Violation (OUO)

cc: (See page 3)

J. Shea

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cc:

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Mr. Matthew Rasmussen
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SUBJECT: SEQUOYAH NUCLEAR PLANT – NRC SECURITY INSPECTION REPORT
5000327/2017407 AND 05000328/2017407; PRELIMINARY GREATER THAN
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* See previous page for concurrence

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NAME	J. Justice	B. Desai	A. Blamey	M. Kowal	B. Desai	A. Gody
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