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UNITED STATES NUCLEAR REGULATORY COMMISSION REGION II 101 MARIETTA ST., N.W., SUITE 3100 ATLANTA, GEORGIA 30303

50-327

JUN 0 2 1980

In Reply Refer To: RII:WTC 50-327/80-16

> Tennessee Valley Authority ATTN: H. G. Parris Manager of Power 500A Chestnut Street Tower II Chattanooga, TN 37401

Gentlemen:

This refers to the inspection conducted by W. T. Cottle of this office on April 8 through 30, 1980 of activities authorized by NRC Operating License No. DPR-77 for the Sequoyah facility, and to the discussion of our findings held with J. M. Ballentine at the conclusion of the inspection.

Areas examined during the inspection and our findings are discussed in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

During the inspection it was found that certain activities under your license appear to be in noncompliance with NRC requirements. This item and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. Corrective actions to prevent recurrence were completed prior to the conclusion of this inspection; therefore, a reply is not requested.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons on the basis of which it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

R. C. Lewis, Acting Chief Reactor Operations and Nuclear

Support Branch

Enclosures: See Page 2

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Enclosures:

- 1. Appendix A, Notice of Violation
- 2. Inspection Report No. 50-327/80-16

cc w/encl:

G. G. Stack, Project Manager P. O. Box 2000 Daisy, TN 37319

J. M. Ballentine Plant Superintendent P. O. Box 2000 Daisy, TN 37319

J. F. Cox 400 Commerce Street W10C131 C-K Knoxville, TN 37902

M. J. Burzynski, Project Engineer 400 Chestnut Street Tower II Chattanooga, TN 37401

T. B. Northern Construction Engineer Post Office Box 2000 Spring City, TN 37381

H. N. Culve-249-A HBB 400 Commerce Avenue Knoxville, TN 37902