

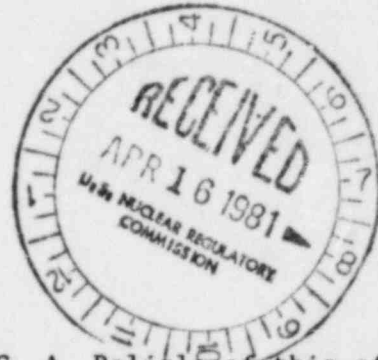


UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA ST., N.W., SUITE 3100
ATLANTA, GEORGIA 30303
FEB 13 1981

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

Gentlemen:

Subject: Report No. 50-327/80-46



This refers to the routine inspection conducted by G. A. Belisle of this office on December 4-5 and 8-10, 1980, of activities authorized by NRC Operating License No. DPR-77 for the Sequoyah facility. Our preliminary findings were discussed with J. M. Ballentine, Sequoyah Plant Superintendent, and A. W. Crevasse, Quality Assurance Manager at the conclusion of the inspection.

This inspection was a comprehensive examination of your management and quality assurance controls related to licensed activities. Inspection was conducted in selected key areas of responsibility at both the plant site and your corporate offices. 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 inspectors.

During the inspection, it was found that certain activities under your license appear to violate NRC requirements. These items and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. Elements to be included in your response are delineated in Appendix A.

In addition to the need for corrective action regarding these specific violations, we are concerned about the implementation of your quality assurance program that permitted their occurrence. Consequently, in your reply, you should describe in particular those actions taken or planned to improve the effectiveness of your quality assurance program.

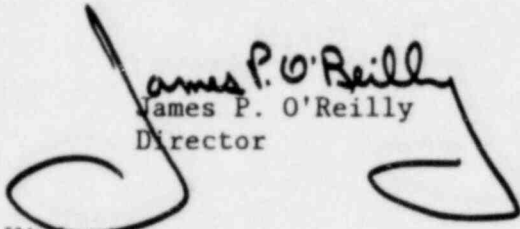
In accordance with Section 2.790 of the NRC "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC Public Document Room. If this report contains any information that you believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must include the basis for claiming that the information is proprietary and the proprietary information should be 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.

810.4210246

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

Sincerely,



James P. O'Reilly
Director

Enclosures:

1. Appendix A, Notice of Violation
2. Inspection Report No. 50-327/80-46

cc w/encl:

G. G. Stack, Project Manager
J. M. Ballentine, Plant
Superintendent
J. F. Cox, Supervisor, Nuclear
Licensing Section
M. J. Burzynski, Project Engineer
H. N. Culver, Chief, Nuclear Safety
Review Staff
H. J. Green, Division Director