UNITED STATES NUCLEAR REGULATORY COMMISSION REGION II TEL MARIETTA STREET, N.W.

Washington PAR

ATLANTA GEORGIA 30303

SEP 1 2 1978

In Reply Refer To: RII:SCE 50-327/78-23 50-328/78-17

> Tennessee Valley Authority ATTN: Mr. N. B. Hughes Manager of Power 830 Power Building Chattanooga, Tennessee 37401

Gentlemen:

This refers to the inspection conducted by Mr. S. C. Ewald of this office on August 2-3, 1978, of activities authorized by NRC Construction Permit Nos. CPPR-72 and CPPR-73 for the Sequoyah 1 and 2 facilities, and to the discussion of our findings held with Mr. W. F. Popp 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.

Within the scope of this inspection, no items of noncompliance were disclosed.

We have examined actions you have taken with regard to previously reported unresolved items. The status of these items is discussed in the enclosed report.

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.

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

Sincerely,

J. T. Sutherland, Chief Fuel Facility and Materials Safety Branch --- -- ---

Enclosure:

Inspection Report Nos. 50-327/78-23 50-328/78-17

cc v/encl: Mr. J. E. Gilleland Assistant Manager of Power 830 Power Building Chattanooga, Tennessee 37401

Mr. G. G. Stack, Project Manager Sequoyah Nuclear Plant P. O. Box 2000 Daisy, Tennessee 37319

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