

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

Washington P.D.
50-327
323

OCT 02 1978

In Reply Refer To:
R11:JKR
50-327/78-29
50-228/78-20

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. J. K. Rausch of this office on August 30-31 and September 1, 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. D. W. Mack 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 inspectors.

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

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

One new unresolved item resulted from this inspection and is discussed in the enclosed report. This item will be examined during subsequent inspections.

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

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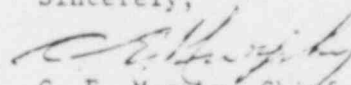
Tennessee Valley Authority

-2-

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,



C. E. Murphy, Chief
Reactor Construction and
Engineering Support Branch

Enclosure: Inspection Report Nos.
50-327/78-29 and 50-328/78-20

cc w/encl:
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