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

Tennessee Valley Authority ATTN: Dr. Mark O. Medford, Vice President Technical Support 3B Lookout Place 1101 Market Street Chattanooga, Tennessee 37402-2801

Gentlemen:

SUBJECT: NRC INSPECTION REPORT NOS. 50-327/93-52 AND 50-328/93-52

Thank you for your response of January 21, 1994, to our Notice of Violation, issued on December 23, 1993, concerning activities at your Sequoyah Nuclear Plant.

Your proposed corrective actions, including the development of a periodic means of inspecting the specific location of concern on the steel containment pressure vessel (SCPV), reflect your intention to preclude repetition of this NRC identified problem. In addition, we agree with your response, in that, the surveillance instructions SI-254 and SI-254.2 did not adequately address the inspection of the SCPV regarding degradation.

However, part of your response may require clarification. Your response states that the procedures referenced above "were adequate and met the regulatory requirements for complying with Appendix J inspections." We consider that your implementation of the requirements of 10 CFR 50, Appendix J, via the subject procedures, may not have met the regulatory requirements for complying with Appendix J inspections.

We are aware of your specific design configuration which consists of stainless steel flashing and insulation at the containment concrete/steel liner interface. However, we are continuing to evaluate whether the inspections described in 10 CFR 50 Appendix J, require removal of portions of the flashing for general inspections of the containment liner at the concrete/steel liner interface.

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You will receive subsequent communications regarding the result of our reviews. Until such time, we consider your violation response and immediate corrective actions acceptable, with the exceptions noted above.

We appreciate your cooperation in this matter.

Sincerely,

(Original signed by E. Merschoff)

Ellis W. Merschoff, Director Division of Reactor Projects

cc: (See page 3)

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Tennessee Valley Authority

cc: Craven Crowell, Chairman Tennessee Valley Authority ET 12A 400 West Summit Hill Drive Knoxville, TN 37402

> W. H. Kennoy, Director Tennessee Valley Authority ET 12A 400 West Summit Hill Drive Knoxville, TN 37902

> Johnny H. Hayes, Director Tennessee Valley Authority ET 12A 400 West Summit Hill Drive Knoxville, TN 37902

TVA Representative Tennessee Valley Authority Rockville Office 11921 Rockville Pike Suite 402 Rockville, MD 20852

General Counsel Tennessee Valley Authority ET 11H 400 West Summit Hill Drive Knoxville, TN 37902

B. S. Schofield, Manager
Nuclear Licensing and Regulatory Affairs
Tennessee Valley Authority
4G Blue Ridge
1101 Market Street
Chattanooga, TN 37402-2801

Ralph H. Shell Site Licensing Manager Sequoyah Nuclear Plant P. O. Box 2000 Soddy-Daisy, TN 37379 Robert Fenech, Vice President Sequoyah Nuclear Plant Tennessee Valley Authority P. O. Box 2000 Soddy-Daisy, TN 37379

O. J. Zeringue, Senior Vice President Nuclear Operations Tennessee Valley Authority 3B Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

Michael H. Mobley, Director Division of Radiological Health 3rd Floor, L and C Annex 401 Church Street Nashville, TN 37243-1532

County Judge Hamilton County Courthouse Chattanooga, TN 37402

Bill Harris Route 1, Box 26 Ten Mile, TN 37880

bcc: (See page 3)

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Tennessee Valley Authority

bcc : J. R. Johnson, RII G. C. Lainas, NRR B. Bordenick, OGC F. J. Hebdon, NRR P. J. Kellogg, RII D. E. Labarge, NRR S. E. Sparks, RII NRC Document Control Desk

> NRC Senior Resident Inspector U.S. Nuclear Regulatory Commission 2600 Igou Ferry Soddy-Daisy, TN 37379





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