Tennessee Valley Authority
ATTN: Mr. Oliver D. Kingsley, Jr.
President, TVA Nuclear and
Chief Nuclear Officer
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

SUBJECT: FINAL INTEGRATED PERFORMANCE ASSESSMENT PROCESS REPORT

FOR SEQUOYAH (NRC INSPECTION REPORT NO. 50-327/95-25

AND 50-328/95-25)

Dear Mr. Kingsley:

This letter, and the enclosed report, provide the results of the Integrated Performance Assessment Process team inspection for the Sequoyah Nuclear Power Station. Phase I of this assessment was a review of docketed material performed in the Region II Office between October 30 and November 9, 1995. The results of Phase I were provided to you in Inspection Report 50-327/95-22 and 50-328/95-22 dated November 9, 1995. Phase II of the assessment was conducted on-site between November 27 and December 8, 1995. The enclosed report provides an integrated assessment and inspection recommendations based on the docket review and information from the on-site inspection.

Overall, the team found performance in the areas of operations, engineering and maintenance at Sequoyah to be good. Performance in the plant support area was superior. The area of self assessment and corrective action was evaluated to be adequate. A summary of our recommended inspection efforts associated with each of these areas is provided in the Performance Assessment/Inspection Planning Tree which is appended to the inspection report.

Reliability of equipment remains a challenge at Sequoyah. Work control processes have been strengthened and improvements have been made in the material condition of the plant, but corrective actions have not been sufficient to fully address equipment reliability problems. Self assessments have been effective in identifying problems but corrective actions have not been fully effective. Continued management attention is needed in this area.

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No written response to this letter is required. As discussed in the exit on December 15, this assessment will provide significant input to the upcoming Systematic Assessment of Licensee Performance process.

Sincerely,

(Original signed by A. F. Gibson)

Albert F. Gibson, Director Division of Reactor Safety

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

Enclosure: (See page 3)

Enclosure: NRC Inspection Report

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

Dr. Mark O. Medford, Vice President Engineering and Technical Services 3B Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

D. E. Nunn, Vice President New Plant Completion Tennessee Valley Authority 3B Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

R. J. Adney Site Vice President Sequoyah Nuclear Plant Tennessee Valley Authority P. O. Box 2000 Soddy-Daisy, TN 37379

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

P. P. Carier, Manager Corporate Licensing 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

Distribution w/encl: (See page 4)

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

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

Ann Harris 305 Pickel Road Ten Mile, TN 37880

## Distribution w/encl:

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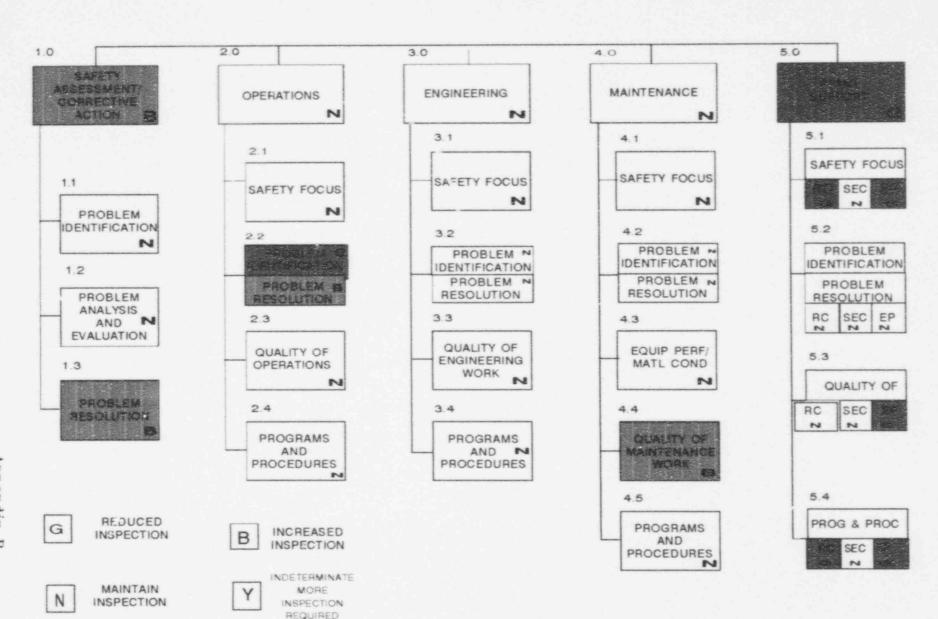
NRC Resident Inspector, Operations U. S. Nuclear Regulatory Commission 1260 Nuclear Plant Road Spring City, TN 37381

NRC Resident Inspector Sequoyah Nuclear Plant U. S. Nuclear Regulatory Commission 2600 Igou Ferry Road Soddy-Daisy, TN 37379

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COPY?	(YES) NO	YES NO	(YES) NO	YES NO	YES NO	YES	NO

## SEQUOYAH UNITS 1 AND 2

## PERFORMANCE ASSESSMENT/INSPECTION PLANNING TREE



Appendix I