FEB 15 1989

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

Mr. Oliver D. Kingsley, Jr. Senior Vice President, Nuclear Power Tennessee Valley Authority 6N 38A Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

Dear Mr. Kingsley:

SUBJECT: NRC INSPECTION REPORT NOS. 50-327/89-03 AND 50-328/89-03

This refers to the Nuclear Regulatory Commission (NRC) inspection conducted by B. R. Crowley on January 9 - 13, 1989. The inspection included a review of activities authorized for your Sequoyah facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed Inspection Report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

Within the scope of the inspection, no violations or deviations were identified.

Your attention is invited to the unresolved item identified in the Inspection Report. This matter will be pursued during future inspections.

In accordance with Section 2.790 of the NPC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

Should you have any questions concerning this letter, please contact us.

Sincerely, original signed by Linda Watson

Frank R. McCoy, Assistant Director for TVA Inspection Programs TVA Projects Division Office of Nuclear Reactor Regulation

Enclosure: NRC Inspection Report

cc w/encl: (See page 2)

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Oliver D. Kingsley, Jr.

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cc w/encl: J. A. Kirkebo, Vice President, Nuclear Engineering J. L. LaPoint, Site Director Sequoyah Nuclear Plant R. L. Gridley, Director Nuclear Safety and Licensing M. Ray, Site Licensing Manager TVA Representative, Rockville Office General Counsel, TVA State of Tennessee

bcc w/encl: M. L. Ernst, RII D. M. Crutchfield, NRR B. D. Liaw, NRR S. C. Black, NRR R. C. Pierson, NRR F. R. McCoy, NRR/RII L. J. Watson, NRR/RII J. B. Brady, NRR/RII J. Rutberg, OGC NRC Resident Inspector NRC Document Control Desk

BCrowley:sda 02/10/89





RII LWatson 02/15/89