



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

August 9, 2022

Mr. James Barstow
Vice President, Nuclear Regulatory Affairs
and Support Services
Tennessee Valley Authority
1101 Market Street, LP 4A-C
Chattanooga, TN 37402-2801

SUBJECT: SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2 – REGULATORY
AUDIT IN SUPPORT OF REVIEW OF THE REQUEST FOR ALTERNATIVE TO
AMERICAN SOCIETY OF MECHANICAL ENGINEERS OPERATION AND
MAINTENANCE CODE (EPID L-2022-LLR-0034)

Dear Sir or Madam:

By letter dated March 15, 2022, (Agencywide Documents Access and Management System (ADAMS) Accession No. ML22074A315), as supplemented by a letter dated June 28, 2022 (ML22179A357), Tennessee Valley Authority (the licensee) submitted a request for an alternative to Inservice Testing (IST) Program requirements for Sequoyah Nuclear Plant, Units 1 and 2, respectively. The alternative would apply to compliance with the American Society of Mechanical Engineers (ASME) Operation and Maintenance (OM) Code, Subsection ISTC, paragraphs ISTC-3630, ISTC-3630(f), ISTC-5221(a)(1), and ISTC-5224, for specific IST Program requirements for certain pressure isolation valves (PIVs).

The U.S. Nuclear Regulatory Commission (NRC) staff has identified the need for a regulatory audit to examine the licensee's non-docketed information with the intent to gain understanding, to verify information, or to identify information that will require docketing to support the basis of the licensing or regulatory decision.

The NRC staff will conduct the audit virtually at NRC Headquarters in Rockville, Maryland, via a licensee-established electronic portal available to NRC staff from approximately August 10, 2022, through August 31, 2022, with formal audit meetings to be scheduled during this period as needed. The detailed audit plan is enclosed with this letter.

J. Barstow

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If you have any questions, please contact me at (301) 415-1383 or by e-mail at Perry.Buckberg@nrc.gov.

Sincerely,

/RA/

Perry H. Buckberg, Senior Project Manager
Plant Licensing Branch II-2
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-327 and 50-328

Enclosure:
Audit Plan

cc: Listserv

REGULATORY AUDIT PLAN
BY THE OFFICE OF NUCLEAR REACTOR REGULATION
TO SUPPORT THE REVIEW OF THE REQUEST FOR ALTERNATIVE TO
AMERICAN SOCIETY OF MECHANICAL ENGINEERS OPERATION AND MAINTENANCE
CODE SUBSECTION ISTC-3630
TENNESSEE VALLEY AUTHORITY
SEQUOYAH NUCLEAR PLANT, UNITS 1 AND 2
DOCKET NOS. 50-327 AND 50-328

1.0 BACKGROUND

By letter dated March 15, 2022, (Agencywide Documents Access and Management System (ADAMS) Accession No. ML22074A315), as supplemented by a letter dated June 28, 2022 (ML22179A357), Tennessee Valley Authority (the licensee) submitted a request for an alternative to the Inservice Testing (IST) Program requirements for Sequoyah Nuclear Plant, Units 1 and 2, respectively. The alternative would apply to compliance with American Society of Mechanical Engineers (ASME) Operation and Maintenance (OM) Code of Record, Subsection ISTC, paragraphs ISTC-3630, ISTC-3630(f), ISTC-5221(a)(1), and ISTC-5224, for specific IST Program requirements for certain pressure isolation valves (PIVs).

The staff from the U.S. Nuclear Regulatory Commission's (NRC) Office of Nuclear Reactor Regulation (NRR) has initiated its review of the request in accordance with NRR Office Instruction LIC-102, Revision 3, "Review of Relief Requests, Proposed Alternatives, and Requests to Use Later Code Editions and Addenda" (ML18351A218).

2.0 REGULATORY AUDIT BASIS

A regulatory audit is a planned license- or regulation-related activity that includes the examination and evaluation of primarily non-docketed information associated with the licensee's request. An audit is conducted to gain understanding, to verify information, and to identify information that will require docketing to support the basis of a licensing or regulatory decision. An audit will assist the NRC staff in efficiently conducting its review and gaining insights to the licensee's processes and procedures. Information that the NRC staff relies upon to make the safety determination must be submitted on the docket. This audit will be conducted in accordance with NRR Office Instruction LIC-111, "Regulatory Audits," Revision 1, dated October 2019 (ADAMS Accession No. ML19226A274), with exceptions noted within this audit plan.

The NRC staff will perform the audit to support its evaluation of whether the licensee's request can be approved per Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.55a, "Codes and Standards," paragraph (z)(2). The audit will assist the NRC staff with understanding the licensee's proposed alternative to ISTC-3630.

3.0 REGULATORY AUDIT SCOPE AND METHODOLOGY

NRC's objectives of the audit are the following:

- Gain a better understanding of the specific actions that the licensee may take to address pressure isolation valve (PIV) leakage and use of mechanical agitation as an alternative to compliance with ISTC-3630.

The NRC staff will audit the methods that the licensee would use to mechanically agitate a PIV following failure of a leakage test as part of a repair activity to achieve acceptable seat leakage.

4.0 INFORMATION AND OTHER MATERIAL NECESSARY FOR THE AUDIT

The NRC staff will request information and an audit meeting(s) throughout the audit period. The NRC staff will use an "Audit Items List" to identify the information (e.g., methodology, process information, and calculations) to be audited. The NRC staff will provide the final "Audit Items List" as an enclosure to the audit summary report, which will be publicly available. The attachment to this audit plan includes the "Initial Audit Items List." Throughout the audit period, the NRC staff may provide the licensee with audit questions and audit-related requests so that the licensee can better prepare for audit discussions with NRC staff. Any information accessed through the licensee's portal will not be held or retained in any way by NRC staff. The NRC staff requests the licensee to have the information listed in the audit items list to be readily available and accessible for the NRC staff's review via a web-based portal.

5.0 TEAM ASSIGNMENTS

The audit team will consist of the following NRC staff from NRR and contractors.

- Perry Buckberg, Plant Licensing Branch II-2 (LPL2-2)
- Gurjendra Bedi, Mechanical Engineering and Inservice Testing Branch (EMIB)
- Thomas Scarbrough, EMIB
- Ian Tseng, EMIB

6.0 LOGISTICS

To support the review schedule communicated to Tennessee Valley Authority (TVA) when the NRC staff accepted the request for technical review, audit activities will be performed remotely and virtually using Microsoft Teams, teleconference, and a web-based portal or other virtual meeting space created by the licensee. NRC information requests and communications with licensee staff will be coordinated through the NRC's licensing project manager.

The virtual audit will begin approximately August 10, 2022 and will continue through August 31, 2022. The NRC's entrance meeting with the licensee will take place the first week of the audit. The NRC's licensing project manager will inform the licensee of the entrance and exit meeting dates when they are established. The NRC intends to establish an audit meeting(s) (e.g., a single, multi-day audit meeting; periodic audit meetings throughout the audit period) on mutually agreeable dates and times (to be determined) to discuss information needs and questions arising from the NRC's review of the audited items.

The NRC staff requests the licensee to have the information referenced in section 4.0 of this audit plan available and accessible for the NRC staff's review via an internet-based portal within 1-week of the date of this audit plan. The NRC staff requests that any supplemental information requested be available and accessible for the NRC staff's review within 1-week of the date of the NRC's notification to the licensee of the new requests. The NRC's licensing project manager will inform the licensee via routine communications when the NRC staff no longer needs access to the portal. The NRC staff requests the licensee to notify the review team when an audit item is added to its portal by sending an e-mail to the NRC licensing project manager.

7.0 SPECIAL REQUESTS

The NRC requests access to requested documents and information through a web-based portal that allows the NRC staff to access documents over the internet. The following conditions associated with the online portal must be maintained while the NRC staff and contractors have access to the online portal:

- The online portal will be password-protected. A separate password will be assigned to each member of the NRC staff and NRC contractors participating in the audit.
- The online portal will prevent the NRC participants from printing, saving, downloading, or collecting any information directly from the online portal.
- Conditions of use of the online portal will be displayed on the login screen and will require acknowledgment by each user.

Username and password and/or other web-based portal access information should be provided directly to members of the NRC staff and contractors as needed. The NRC licensing project manager will provide the licensee with names and contact information of the NRC staff and contractors participating in the audit. All other communications should be coordinated through the NRC project manager.

8.0 DELIVERABLES

The NRC staff will develop any requests for additional information (RAIs), as needed, via NRR Office Instruction LIC-115, Revision 1, "Processing Requests for Additional Information" (ML21141A238) and issue such RAIs separately from audit-related correspondence. The NRC staff will issue an audit summary report prior to completing its review of the request.

Initial Audit Items List

Item #	Audit Item
1	The Tennessee Valley Authority (TVA) developed technical evaluation to formally document the guidance for performing mechanical agitation of the pressure isolation valves. This technical evaluation was referred to in the June 28, 2022, TVA letter (ML22179A357)
2	Technical evaluation supporting documentation as requested by the NRC

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ADAMS Accession No.: ML22220A107

OFFICE	NRR/DORL/LPLII-2/PM	NRR/DORL/LPLII-2/LA	NRR/DEX/EMIB/BC	NRR/DORL/LPLII-2/PM
NAME	PBuckberg	RButler	SBailey	PBuckberg
DATE	8/8/2022	8/9/2022	8/8/2022	8/9/2022
OFFICE	NRR/DORL/LPLII-2/BC			
NAME	DWrona (LHaeg for)			
DATE	8/9/2022			

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