



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II  
SAM NUNN ATLANTA FEDERAL CENTER  
61 FORSYTH STREET, SW, SUITE 23T85  
ATLANTA, GEORGIA 30303-8931

March 2, 2006

Tennessee Valley Authority  
ATTN.: Mr. K. W. Singer  
Chief Nuclear Officer and  
Executive Vice President  
6A Lookout Place  
1101 Market Street  
Chattanooga, TN 37402-2801

SUBJECT: ANNUAL ASSESSMENT LETTER - SEQUOYAH NUCLEAR PLANT (NRC  
INSPECTION REPORT 05000327/2006001, 05000328/2006001)

Dear Mr. Singer:

On February 9, 2006, the NRC staff completed its performance review of the Sequoyah Nuclear Plant. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter, designated and marked as Official Use Only - Security-Related Information", will include the physical protection review and resultant inspection plan.

Overall, Sequoyah Units 1 and 2 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Licensee Response column of the NRC's Action Matrix. We base this conclusion on the fact that all inspection findings were classified as having very low safety significance (Green) and all PIs indicated performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct reactor oversight process (ROP) baseline inspections at your facility. We also plan on conducting several non-ROP inspections which include a routine independent spent fuel storage installation (ISFSI) operations inspection, inspections of planned upgrades to the Unit 2 containment sump, and reactor pressure vessel head and penetration nozzle examination inspections on Unit 2.

The enclosed inspection plan details the inspections, less those related to physical protection scheduled through September 30, 2007. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last nine months of the inspection plan are tentative and may be revised at the mid-cycle review. Although our intent is to maintain the enclosed inspection plan fixed for the first nine months, a need may arise to conduct one or more unanticipated inspections prior to issuing an updated inspection plan with the 2006 assessment

Pkg - ML060610530  
Ltr - ML060610534  
Encl - ML060610560

cycle mid-cycle letter. If an inspection of this type becomes necessary, we will notify you of the planned inspection dates as soon as possible to resolve as much as we can, any scheduling and personnel availability conflicts you may have.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 404-562-4550 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

***/RA by Scott M. Shaeffer Acting for/***

Malcolm T. Widmann, Chief  
Reactor Projects Branch 6  
Division of Reactor Projects

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

Enclosure: Sequoyah Inspection/Activity Plan

cc w/encl: (See page 3)

cc w/encl:

Ashok S. Bhatnagar  
Senior Vice President  
Nuclear Operations  
Tennessee Valley Authority  
Electronic Mail Distribution

Larry S. Bryant, Vice President  
Nuclear Engineering &  
Technical Services  
Tennessee Valley Authority  
Electronic Mail Distribution

Randy Douet  
Site Vice President  
Sequoyah Nuclear Plant  
Electronic Mail Distribution

Robert J. Beecken, Vice President  
Nuclear Support  
Tennessee Valley Authority  
Electronic Mail Distribution

General Counsel  
Tennessee Valley Authority  
Electronic Mail Distribution

John C. Fornicola, Manager  
Nuclear Assurance and Licensing  
Tennessee Valley Authority  
Electronic Mail Distribution

Glenn W. Morris, Manager  
Corporate Nuclear Licensing and  
Industry Affairs  
Tennessee Valley Authority  
Electronic Mail Distribution

Paul L. Pace, Manager  
Licensing and Industry Affairs  
ATTN: James D. Smith  
Sequoyah Nuclear Plant  
Tennessee Valley Authority  
Electronic Mail Distribution

David A. Kulisek, Plant Manager  
Sequoyah Nuclear Plant  
Tennessee Valley Authority  
Electronic Mail Distribution

Lawrence E. Nanney, Director  
TN Dept. of Environment & Conservation  
Division of Radiological Health  
Electronic Mail Distribution

County Mayor  
Hamilton County Courthouse  
Chattanooga, TN 37402-2801

Ann Harris  
341 Swing Loop  
Rockwood, TN 37854

James H. Bassham, Director  
Tennessee Emergency Management  
Agency  
Electronic Mail Distribution

Institute of Nuclear Power Operations  
700 Galleria Parkway  
Atlanta, GA 30339-5957

**Sequoyah**  
**Inspection / Activity Plan**  
**03/01/2006 - 09/30/2007**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>EB3-ISI - U1 INSERVICE INSPECTION</b>		<b>1</b>			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/17/2006	04/21/2006	Baseline Inspections
	<b>PSB1-RP - RP PUBLIC PREINSP VISIT/ ISFSI</b>		<b>1</b>			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		05/15/2006	05/17/2006	Baseline Inspections
	<b>PSB1-RP - RP PUBLIC BASELINE</b>		<b>4</b>			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		06/05/2006	06/09/2006	Baseline Inspections
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/05/2006	06/09/2006	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/05/2006	06/09/2006	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control P		06/05/2006	06/09/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		06/05/2006	06/09/2006	Baseline Inspections
	<b>ISFSI-O - 60855.1 - OPERATION OF AN ISFSI</b>		<b>1</b>			
1	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		07/03/2006	07/07/2006	Other Routine
	<b>EB3-MR - MR EFFECTIVENESS</b>		<b>2</b>			
1,2	IP 7111112B	Maintenance Effectiveness		08/14/2006	08/18/2006	Baseline Inspections
	<b>PS2-EP - EP EXERCISE</b>		<b>3</b>			
1,2	IP 7111401	Exercise Evaluation		08/28/2006	09/01/2006	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/28/2006	09/01/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		08/28/2006	09/01/2006	Baseline Inspections
	<b>OL RQ - REQUAL INSPECTION</b>		<b>2</b>			
1,2	IP 7111111B	Licensed Operator Requalification Program		10/16/2006	10/20/2006	Baseline Inspections
	<b>EB1-MODS - MODIFICATIONS/10CFR50.59</b>		<b>3</b>			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		11/13/2006	11/17/2006	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		11/13/2006	11/17/2006	Baseline Inspections
	<b>EB3-ISI - U2-INSERVICE INSPECTION</b>		<b>1</b>			
2	IP 7111108P	Inservice Inspection Activities - PWR		12/04/2006	12/08/2006	Baseline Inspections
	<b>EB3TI150 - 2515/150 U-2: RPV &amp; VHP NOZZLES</b>		<b>1</b>			
2	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC ORDER EA-03-		12/04/2006	12/08/2006	Safety Issues
	<b>EB3SGISI - U2 STEAM GENERATOR ISI</b>		<b>1</b>			
2	IP 7111108P	Inservice Inspection Activities - PWR		12/11/2006	12/15/2006	Baseline Inspections
	<b>EB1-SUMP - PWR CONTAINMENT SUMP BLOCKAGE TI (U-2)</b>		<b>2</b>			
2	IP 71111	Reactor Safety-Initiating Events, Mitigating Systems, Barrier Integrity		12/17/2006	12/22/2006	Baseline Inspections
	<b>OL PREP - INITIAL EXAM PREP</b>		<b>3</b>			
1	V23243	SEQUOYAH/APRIL 2007 EXAM AT POWER FACILITIES		03/19/2007	03/23/2007	Not Applicable
	<b>EB3-HS - HEAT SINK</b>		<b>1</b>			
1,2	IP 7111107B	Heat Sink Performance		03/26/2007	03/30/2007	Baseline Inspections

This report does not include INPO and OUTAGE activities.  
This report shows only on-site and announced inspection procedures.

Enclosure

**Sequoyah**  
**Inspection / Activity Plan**  
**03/01/2006 - 09/30/2007**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>OL EXAM - INITIAL EXAM WEEK 1</b>		<b>3</b>			
1	V23243	SEQUOYAH/APRIL 2007 EXAM AT POWER FACILITIES		04/09/2007	04/13/2007	Not Applicable
	<b>OL EXAM - INITIAL EXAM WEEK 2</b>		<b>3</b>			
1	V23243	SEQUOYAH/APRIL 2007 EXAM AT POWER FACILITIES		04/23/2007	04/27/2007	Not Applicable
	<b>EB1-CDB - COMPONENT DESIGN BASES INSPECTION</b>		<b>5</b>			
1,2	IP 7111121	Component Design Bases Inspection		05/14/2007	05/18/2007	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		06/04/2007	06/08/2007	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		06/18/2007	06/22/2007	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		07/09/2007	07/13/2007	Baseline Inspections
	<b>PS2-EP - EP INSP</b>		<b>1</b>			
1,2	IP 7111402	Alert and Notification System Testing		05/21/2007	05/25/2007	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		05/21/2007	05/25/2007	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		05/21/2007	05/25/2007	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		05/21/2007	05/25/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		05/21/2007	05/25/2007	Baseline Inspections
	<b>RPB6-PIR - BIENNIAL PI&amp;R INSPECTION</b>		<b>4</b>			
1,2	IP 71152B	Identification and Resolution of Problems		05/21/2007	05/25/2007	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		06/04/2007	06/08/2007	Baseline Inspections
	<b>PSB1-RP - RP OCCUPATIONAL PRE-INSP VISIT/ISFSI</b>		<b>1</b>			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		09/04/2007	09/06/2007	Baseline Inspections