



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

March 1, 2007

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

SUBJECT: ANNUAL ASSESSMENT LETTER - SEQUOYAH NUCLEAR PLANT,
NRC INSPECTION REPORT 05000327/2007001 AND 05000328/2007001

Dear Mr. Singer:

On February 6, 2007, the NRC technical staff completed its performance review of the Sequoyah Nuclear Plant for the period from January 1 through December 31, 2006. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. 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 the enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Exempt from Public Disclosure in Accordance with 10 CFR 2.390" will include the physical protection review and a 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 the first three quarters of the assessment cycle, was in the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating 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 non-ROP inspections of the independent spent fuel storage facility, containment emergency recirculation sump blockage modifications, and reactor pressure vessel head and penetration nozzle examinations. Additionally, initial reactor operator licensing examinations are scheduled.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through September 30, 2008. The inspection plan is provided to minimize the resource impact on your staff and 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 twelve months of the inspection plan are tentative and may be revised at the mid-cycle review meeting.

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 the 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/

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

Docket No.: 50-327, 50-328
Licensee No.: DPR-77and DPR-79

Enclosure: Sequoyah Inspection/Activity Plan

cc w/encl: (See page 3)

cc w/encl:

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Sequoyah
Inspection / Activity Plan
03/01/2007 - 09/30/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	60855.1	- OPERATIONAL ISFSI INSPECTION BY RESIDENT	1			
1	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		03/01/2007	04/30/2007	Other Routine
	OL PREP	- INITIAL EXAM PREP	3			
1	V23243	SEQUOYAH/APRIL 2007 EXAM AT POWER FACILITIES		03/19/2007	03/23/2007	Not Applicable
	EB3-HS	- HEAT SINK	1			
1,2	IP 7111107B	Heat Sink Performance		03/26/2007	03/30/2007	Baseline Inspections
	OL EXAM	- INITIAL EXAM WEEK 1	3			
1	V23243	SEQUOYAH/APRIL 2007 EXAM AT POWER FACILITIES		04/09/2007	04/13/2007	Not Applicable
	PSB1-EP	- EP INSP	1			
1,2	IP 7111402	Alert and Notification System Testing		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 71151-EP01	Drill/Exercise Performance		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 71151-EP02	ERO Drill Participation		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 71151-EP02	ERO Drill Participation		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 71151-EP03	Alert & Notification System		05/07/2007	05/11/2007	Baseline Inspections
	EB1-CDBI	- COMPONENT DESIGN BASES INSPECTION	6			
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
	RPB6-PIR	- BIENNIAL PI&R INSPECTION	4			
1,2	IP 71152B	Identification and Resolution of Problems		07/23/2007	07/27/2007	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		08/06/2007	08/10/2007	Baseline Inspections
	PSB1-RP	- RP OCCUPATIONAL PRE-INSP VISIT/ISFSI	1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		09/04/2007	09/06/2007	Baseline Inspections
	PSB1-RP	- RP OCCUPATIONAL BASELINE INSP WK1	3			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		10/01/2007	10/05/2007	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		10/01/2007	10/05/2007	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		10/01/2007	10/05/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		10/01/2007	10/05/2007	Baseline Inspections
	EB3ISI	- U1 ISI	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		10/15/2007	10/19/2007	Baseline Inspections

Sequoyah
Inspection / Activity Plan
03/01/2007 - 09/30/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	EB1-SUMP - PWR CONTAINMENT SUMP BLOCKAGE TI (U-1)		1			
1	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02]		10/22/2007	10/26/2007	Safety Issues
	EB3ISI - U1 TI-150		1			
1	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC ORDER EA-03-		10/22/2007	10/26/2007	Safety Issues
	PSB1-RP - RP OCCUPATIONAL BASELINE INSP WK 2		2			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		10/22/2007	10/26/2007	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		10/22/2007	10/26/2007	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		10/22/2007	10/26/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		10/22/2007	10/26/2007	Baseline Inspections
	OL PREP - INITIAL EXAM PREP		2			
1	V23276	SEQUOYAH/JANUARY 2008 EXAM AT POWER FACILITIES		01/07/2008	01/11/2008	Not Applicable
	OL EXAM - INITIAL EXAM		2			
1	V23276	SEQUOYAH/JANUARY 2008 EXAM AT POWER FACILITIES		01/28/2008	02/01/2008	Not Applicable
	PSB1-RP - RADIATION PROTECTION PREINSPECTION VISIT		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		04/28/2008	04/30/2008	Baseline Inspections
	EB3-ISI - UNIT 2 - ISI		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		04/28/2008	05/02/2008	Baseline Inspections
	EB2-TFP - TRIENNIAL FIRE PROTECTION		5			
1,2	IP 7111105T	Fire Protection [Triennial]		05/06/2008	05/08/2008	Baseline Inspections
1,2	IP 7111105T	Fire Protection [Triennial]		05/19/2008	05/23/2008	Baseline Inspections
1,2	IP 7111105T	Fire Protection [Triennial]		06/02/2008	06/06/2008	Baseline Inspections
	PSB1-RP - RADIATION PROTECTION PUBLIC BASELINE		4			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		06/16/2008	06/20/2008	Baseline Inspections
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/16/2008	06/20/2008	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/16/2008	06/20/2008	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control P		06/16/2008	06/20/2008	Baseline Inspections
1,2	IP 71151-OR01	Occupational Exposure Control Effectiveness		06/16/2008	06/20/2008	Baseline Inspections
1,2	IP 71151-PR01	RETS/ODCM Radiological Effluent		06/16/2008	06/20/2008	Baseline Inspections
	OL PREP - INITIAL EXAM PREP		3			
1	V23287	SEQUOYAH/SEPTEMBER 2008 EXAM AT POWER FACILITIES		09/01/2008	09/05/2008	Not Applicable
	OL EXAM - INITIAL EXAM		3			
1	V23287	SEQUOYAH/SEPTEMBER 2008 EXAM AT POWER FACILITIES		09/22/2008	10/03/2008	Not Applicable