



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

August 31, 2007

Tennessee Valley Authority
ATTN: Mr. William R. Campbell
Chief Nuclear Officer and
Senior Vice President
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - SEQUOYAH
NUCLEAR PLANT

Dear Mr. Campbell:

On August 16, 2007, the NRC staff completed its performance review of the Sequoyah Nuclear Plant for the first half of the calendar year 2007 assessment cycle. 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, both Sequoyah Units operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for Sequoyah Units 1 and 2 for the most recent quarter 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, other than those related to security, 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. In addition to the ROP baseline inspections, we plan to conduct non-baseline inspections involving containment sump blockage and reactor vessel head penetration nozzles.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 2009. 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 end-of-cycle review.

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).

The NRC is currently evaluating the scope and frequency of all baseline inspection procedures. If the results of the evaluation, or any other circumstances, 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/

Tilda Y. Liu, Acting Chief
Reactor Projects Branch 6
Division of Reactor Projects

Docket Nos.: 50-327, 50-328, 72-034
License Nos.: DPR-77, DPR-79

Enclosure: Sequoyah Inspection/Activity Plan

cc w/encl: (See page 3)

cc w/encl:

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