



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

September 2, 2008

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

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN –
SEQUOYAH NUCLEAR STATION UNITS 1 AND 2**

Dear Mr. Campbell:

On August 14, 2008, the NRC staff completed its performance review of the Sequoyah Nuclear Station Units 1 and 2 for the first half of the calendar year 2008 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 security information. A separate letter designated and marked as "Official Use Only – Security Related Information" will include the Physical Protection/Security cornerstone performance review and resultant inspection plan.

Plant performance for the most recent quarter, at Sequoyah Units 1 and 2, was within 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 several non-ROP inspections, which involve: site specific implementation of B.5.b phase 2 and 3 mitigation strategies (Temporary Instruction (TI) 2515/171); reactor coolant system dissimilar metal butt welds (TI 2515/172); emergency diesel generator technical specification requirements (TI 2515/176); emergency response organization drill/exercise performance indicator program review (TI-2515/175); operator licensing examinations; and the Independent Spent Fuel Storage Installation. In addition, TI 2515/173, Review of the Implementation of the Industry Ground Water Protection Voluntary Initiative, will be performed at your facility prior to August 30, 2010. In the near term, we will contact you to assess your readiness for this inspection and then finalize our schedule accordingly.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through December 31, 2009. 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 nine months of the inspection plan are tentative and may be revised at the end-of-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) 562-4662 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Eugene F. Guthrie, Chief
Reactor Projects Branch 6
Division of Reactor Projects

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

Enclosure: Sequoyah Inspection/Activity Plan

cc w/encl: (See page 3)

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Sequoyah
Inspection / Activity Plan
09/02/2008 - 12/31/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	EB3TI172 - U2 TI-172		3			
1, 2	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		09/08/2008	09/12/2008	Generic Safety Inspectio
	TI-171 - B.5.B PHASE 2&3		3			
1, 2	IP 2515/171	Verification of Site Specific Implementation Of B.5.b Phase 2 & 3 Mitigating Strategies		10/06/2008	10/10/2008	Generic Safety Inspectio
	PSB1-EP - EMERGENCY PREPAREDNESS EXERCISE		4			
1, 2	IP 2515/175	Emergency Response Organization, Drill/Exercise Performance Indicator, Program Review		10/13/2008	10/17/2008	Baseline Inspections
1, 2	IP 7111401	Exercise Evaluation		10/13/2008	10/17/2008	EP Baseline Inspection
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/13/2008	10/17/2008	EP Baseline Inspection
1, 2	IP 71151-EP01	Drill/Exercise Performance		10/13/2008	10/17/2008	Baseline Inspections
1, 2	IP 71151-EP02	ERO Drill Participation		10/13/2008	10/17/2008	Baseline Inspections
1, 2	IP 71151-EP03	Alert & Notification System		10/13/2008	10/17/2008	Baseline Inspections
	TI-176 - EDG TECH SPEC SURV ENDURANCE MARGIN TEST		2			
1, 2	IP 2515/176	Emergency Diesel Generator Tech Spec Surveillance Requirements Re: Endurance & Margin Testing		10/28/2008	10/29/2008	Generic Safety Inspectio
	OL RQ - REQUAL INSPECTION		2			
1, 2	IP 7111111B	Licensed Operator Requalification Program		12/01/2008	12/05/2008	Baseline Inspections
	EB1-MODS - MODIFICATIONS-10CFR50.59		6			
1, 2	IP 7111117	Evaluations of Changes, Tests, or Experiments and Permanent Plant Modifications		12/01/2008	12/05/2008	Baseline Inspections
1, 2	IP 7111117	Evaluations of Changes, Tests, or Experiments and Permanent Plant Modifications		12/08/2008	12/12/2008	Baseline Inspections
	OL EXAM - INITIAL EXAM PREP		4			
1	V23307	SEQUOYAH/JANUARY 2009 EXAM AT POWER FACILITIES		01/05/2009	01/09/2009	Not Applicable
	OL EXAM - INITIAL EXAM - WEEK 1		4			
1	V23307	SEQUOYAH/JANUARY 2009 EXAM AT POWER FACILITIES		01/26/2009	01/31/2009	Not Applicable
	OL EXAM - INITIAL EXAM - WEEK 2		3			
1	V23307	SEQUOYAH/JANUARY 2009 EXAM AT POWER FACILITIES		02/02/2009	02/06/2009	Not Applicable
	PSB1-RP - RP OCCUPATIONAL PREINSPECTION VISIT		1			
1, 2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		02/17/2009	02/19/2009	Other Routine
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		02/17/2009	02/19/2009	Baseline Inspections
	PSB1-RP - RP OCCUPATIONAL INSPECTION WK1 (OUTAGE)		2			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/30/2009	04/03/2009	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		03/30/2009	04/03/2009	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		03/30/2009	04/03/2009	Baseline Inspections
1, 2	IP 71151-OR01	Occupational Exposure Control Effectiveness		03/30/2009	04/03/2009	Baseline Inspections
1, 2	IP 71151-PR01	RETS/ODCM Radiological Effluent		03/30/2009	04/03/2009	Baseline Inspections
	EB3ISI - UNIT 1 INSERVICE PROTECTION		2			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/06/2009	04/10/2009	Baseline Inspections

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

Sequoyah
Inspection / Activity Plan
09/02/2008 - 12/31/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EB3TI172 - TI-172 RCS DM BUTT WELDS		1			
1	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		04/06/2009	04/10/2009	Generic Safety Inspectio
	PSB1-RP - RP OCCUPATIONAL INSPECTION WK2 (OUTAGE)		2			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/13/2009	04/19/2009	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/13/2009	04/19/2009	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		04/13/2009	04/19/2009	Baseline Inspections
	PI&R - PROBLEM IDENTIFICATION AND RESOLUTION		5			
1	IP 71152B	Identification and Resolution of Problems		08/10/2009	08/14/2009	Baseline Inspections
1	IP 71152B	Identification and Resolution of Problems		08/24/2009	08/28/2009	Baseline Inspections
	EB3-HS - HEAT SINK		1			
1, 2	IP 7111107B	Heat Sink Performance		08/24/2009	08/28/2009	Baseline Inspections
	PSB1EP - EMERGENCY PREPAREDNESS INSPECTION		1			
1, 2	IP 2515/175	Emergency Response Organization, Drill/Exercise Performance Indicator, Program Review		10/26/2009	10/30/2009	Baseline Inspections
1, 2	IP 7111402	Alert and Notification System Testing		10/26/2009	10/30/2009	EP Baseline Inspection
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		10/26/2009	10/30/2009	EP Baseline Inspection
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		10/26/2009	10/30/2009	EP Baseline Inspection
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		10/26/2009	10/30/2009	EP Baseline Inspection
1, 2	IP 71151-EP01	Drill/Exercise Performance		10/26/2009	10/30/2009	Baseline Inspections
1, 2	IP 71151-EP02	ERO Drill Participation		10/26/2009	10/30/2009	Baseline Inspections
1, 2	IP 71151-EP03	Alert & Notification System		10/26/2009	10/30/2009	Baseline Inspections
	EB3ISI - UNIT 2 INSERVICE INSPECTION		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		11/02/2009	11/06/2009	Baseline Inspections
	EB3TI172 - TI-172 RCS DM BUTT WELDS		1			
2	IP 2515/172	Reactor Coolant System Dissimilar Metal Butt Welds		11/02/2009	11/06/2009	Generic Safety Inspectio
	OL EXAM - INITIAL EXAM PREP		3			
1	V23325	SEQUOYAH/JANUARY 2010 EXAM AT POWER FACILITIES		12/14/2009	12/18/2009	Not Applicable

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