



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

March 4, 2013

Mr. Joseph W. Shea
Vice President, Nuclear Licensing
Tennessee Valley Authority
1101 Market Street, LP 3D-C
Chattanooga, TN 37402-2801

**SUBJECT: ANNUAL ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT
UNITS 1 AND 2, (REPORT 05000327/2012001 AND 05000328/2012001)**

Dear Mr. Shea:

On February 14, 2013, the NRC completed its end-of-cycle performance review of the Sequoyah Nuclear Plant. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2012 through December 31, 2012. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined that overall, Sequoyah Units 1 and 2 operated in a manner that preserved public health and safety and met all cornerstone objectives. The NRC determined the performance at Sequoyah Nuclear Plants Unit 1 and 2 during the most recent quarter was within the Licensee Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because all inspection findings had very low (i.e. green) safety significance, and all PIs indicated that your performance was within the nominal expected range (i.e. green). Therefore, the NRC plans to conduct ROP baseline inspections at your facility. During the first quarter 2012, Sequoyah Unit 1 was within the Regulatory Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because the Unplanned Scrams per 7000 Critical Hours performance indicator provided a White input in the 3rd quarter of 2011. This PI had returned to Green status in the 4th quarter 2011; however, in addition to ROP baseline inspections, a supplemental inspection in accordance with Inspection Procedure 95001, "Supplemental Inspection for One or Two White Inputs in a Strategic Performance Area" was required. The NRC completed this inspection in March 2012, which resulted in Unit 1 returning to the Licensee Response Column in the second quarter 2012 as documented in an NRC Assessment Follow-up letter dated March 29, 2012.

The enclosed inspection plan lists the inspections scheduled through June 30, 2014. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-publicly available correspondence.

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J. Shea

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In addition to the baseline inspection we plan on conducting initial reactor operator licensing examinations and Temporary Instruction (TI) 2515/182, "Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping and Tanks".

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be 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).

Please contact Scott Shaeffer at 404-997-4521 with any questions you have regarding this letter.

Sincerely,

/RA/

Richard P. Croteau, Director
Division of Reactor Projects

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

Enclosure: Sequoyah Inspection/Activity Plan

cc w/encl: (See page 3)

J. Shea

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cc w/encl:
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Sequoyah

Inspection / Activity Plan

03/01/2013 - 06/30/2014

Unit Number	Planned Dates Start End	Inspection Activity	Title	No. of Staff on Site
1	04/22/2013 04/26/2013	OL EXAM - INITIAL EXAM PREP V23408	SEQUOYAH/MAY 2013 INITIAL EXAM AT POWER FACILITIES	3
1	05/13/2013 05/17/2013	OL EXAM - INITIAL EXAM - WEEK 1 V23408	SEQUOYAH/MAY 2013 INITIAL EXAM AT POWER FACILITIES	3
1,2	06/03/2013 06/07/2013	RP - RP PUBLIC RAD SAFETY BASELINE IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	2
1,2	06/03/2013 06/07/2013	IP 71124.07	Radiological Environmental Monitoring Program	
1,2	06/03/2013 06/07/2013	IP 71151	Performance Indicator Verification	
1,2	06/10/2013 06/14/2013	PI&R IP 71152B	- PROBLEM IDENTIFICATION AND RESOLUTION Problem Identification and Resolution	4
1,2	06/24/2013 06/28/2013	IP 71152B	Problem Identification and Resolution	
1,2	06/17/2013 06/21/2013	CDBI IP 7111121	- COMPONENT DESIGN BASES INSPECTION Component Design Bases Inspection	7
1,2	07/08/2013 07/12/2013	IP 7111121	Component Design Bases Inspection	
1,2	07/22/2013 07/26/2013	IP 7111121	Component Design Bases Inspection	
1,2	08/05/2013 08/09/2013	IP 7111121	Component Design Bases Inspection	
1,2	09/30/2013 10/04/2013	EP IP 7111402	- EMERGENCY PREPAREDNESS INSPECTION Alert and Notification System Testing	1
1,2	09/30/2013 10/04/2013	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1,2	09/30/2013 10/04/2013	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1,2	09/30/2013 10/04/2013	IP 71151	Performance Indicator Verification	
1	10/21/2013 10/25/2013	ISI IP 7111108P	- UNIT 1 INSERVICE INSPECTION Inservice Inspection Activities - PWR	1
1	11/04/2013 11/08/2013	OL EXAM - INITIAL EXAM PREP WEEK V23417	SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES	3
1,2	11/04/2013 11/08/2013	RP - RAD HAZARD ANALYSIS AND TRANSPORTATION IP 71124.01	Radiological Hazard Assessment and Exposure Controls	2
1,2	11/04/2013 11/08/2013	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1,2	11/04/2013 11/08/2013	IP 71151	Performance Indicator Verification	
1	12/02/2013 12/06/2013	OL EXAM - INITIAL EXAM WEEK 1 V23417	SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES	3
1,2	12/09/2013 12/11/2013	TI-182 IP 2515/182	- TI-182 BURIED PIPING/TANK - PHASE 2 Review of the Implementation of the Industry Initiative to Control Degradation of Underground Piping	1

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

Enclosure

Sequoyah

Inspection / Activity Plan

03/01/2013 - 06/30/2014

Unit Number	Planned Dates Start End	Inspection Activity	Title	No. of Staff on Site
1	12/09/2013 12/13/2013	OL EXAM - INITIAL EXAM WEEK 2 V23417	SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES	3
1,2	01/27/2014 01/31/2014	TFPI IP 7111105T	Fire Protection [Triennial]	4
1,2	02/10/2014 02/14/2014	IP 7111105T	Fire Protection [Triennial]	
1,2	05/12/2014 05/16/2014	RP IP 71124.01	- RP OCCUPATIONAL BASELINE Radiological Hazard Assessment and Exposure Controls	2
1,2	05/12/2014 05/16/2014	IP 71124.02	Occupational ALARA Planning and Controls	
1,2	05/12/2014 05/16/2014	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1,2	05/12/2014 05/16/2014	IP 71124.04	Occupational Dose Assessment	
1,2	05/12/2014 05/16/2014	IP 71124.05	Radiation Monitoring Instrumentation	
1,2	05/12/2014 05/16/2014	IP 71151	Performance Indicator Verification	
2	05/19/2014 05/23/2014	ISI IP 7111108P	- UNIT 2 IN-SERVICE INSPECTION Inservice Inspection Activities - PWR	1
2	05/26/2014 05/30/2014	SGISI IP 7111108P	- UNIT 2 SG IN-SERVICE INSPECTION Inservice Inspection Activities - PWR	1
1,2	06/02/2014 06/06/2014	RP IP 71124.01	- RP OCCUPATIONAL BASELINE WEEK2 Radiological Hazard Assessment and Exposure Controls	3
1,2	06/02/2014 06/06/2014	IP 71124.02	Occupational ALARA Planning and Controls	
1,2	06/02/2014 06/06/2014	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1,2	06/02/2014 06/06/2014	IP 71124.04	Occupational Dose Assessment	
1,2	06/02/2014 06/06/2014	IP 71124.05	Radiation Monitoring Instrumentation	
1,2	06/02/2014 06/06/2014	IP 71151	Performance Indicator Verification	

Comments:

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