



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

September 2, 2014

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

**SUBJECT: MID-CYCLE ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT UNITS
1 AND 2, NRC INSPECTION REPORT 05000327/2014006, 05000328/2014003**

Dear Shea:

On August 14, 2014, the NRC completed its mid-cycle performance review of the Sequoyah Nuclear Plant Units 1 and 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from July 1, 2013, through June 30, 2014. 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 the performance at the Sequoyah Nuclear Plant Units 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.

The NRC determined that the performance at Sequoyah Nuclear Plant Units 1 and 2 during the fourth quarter of 2013 was within the Degraded Cornerstone Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because of one or more greater-than-green Security Cornerstone input and two White findings in the Mitigating Systems Cornerstone in the first quarter of 2013.

On September 27, 2013, the NRC completed a supplemental inspection in accordance with Inspection Procedure 95001, "Supplemental Inspection for One or Two White Inputs in a Strategic Performance Area." The NRC determined that the inspection objectives of inspection procedure (IP) 95001 have been satisfied and the Greater than Green security finding is was closed.

On December 13, 2013, the NRC completed a supplemental inspection in accordance with Inspection Procedure 95002, "Supplemental Inspection for One Degraded Cornerstone or Any Three White Inputs in a Strategic Performance Area." Based on the results of this inspection, the NRC determined that your staff adequately addressed the causes for both White findings. Therefore, both findings were closed and Sequoyah Units 1 and 2, transitioned to the Licensee Response Column of the NRC's ROP Action Matrix on January 1, 2014.

The NRC identified a cross-cutting theme in the Evaluation component of the Problem Identification and Resolution Area (P.2). Specifically, four findings with the P.2 cross-cutting aspect were identified during the assessment period. The NRC determined that a substantive cross-cutting issue (SCCI) associated with P.2 the cross-cutting aspect does not exist because the NRC does not have a concern with your staff's scope of effort and progress in addressing the cross-cutting theme. This is based on a review of the root cause conducted by your staff and consideration that the corrective action program needs a reasonable amount of time to incorporate these issues into corrective actions. The NRC will continue to monitor your staff's effort and progress in addressing the theme until the theme criteria are no longer met.

The enclosed inspection plan lists the inspections scheduled through December 31, 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 end-of-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.

In addition to the ROP baseline inspections at your facility, we also plan on conducting infrequently performed inspections which include: Problem Identification and Resolution, Modifications Inspection, Triennial Heat Sink Inspection, and IP 92702 inspection for follow-up of the December 22, 2009, Confirmatory Order.

In response to the accident at Fukushima, the Commission issued Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events," which requires licensees to develop, implement, and maintain guidance and strategies to maintain or restore core cooling, containment, and spent fuel pool cooling capabilities following a beyond-design-basis external event. Additionally, the Commission issued Order EA-12-051, "Order Modifying Licenses with Regard to Reliable Spent Fuel Pool Instrumentation," which requires licensees to have a reliable means of remotely monitoring wide-range Spent Fuel Pool levels to support effective prioritization of event mitigation and recovery actions in the event of a beyond-design-basis external event. The NRC is conducting audits of licensee efforts towards compliance with these Orders. This audit includes an onsite component in order for the NRC to evaluate licensee plans for complying with the Orders, as described in site-specific submittals, and to receive and review information relative to associated open items. This onsite activity will occur in the months prior to a declaration of compliance for the first unit at each site, and will aid staff in development of an ultimate Safety Evaluation for the site. The date for the onsite component at your site is being coordinated with your staff. The onsite component at your site is scheduled to begin December 1, 2014. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

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).

J. Shea

3

Please contact me at 404-997-4607 with any questions you have regarding this letter.

Sincerely,

/RA/

Jonathan H. Bartley, 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
(09/01/2014 – 12/31/2015)

cc distribution via ListServ

J. Shea

3

Please contact me at 404-997-4607 with any questions you have regarding this letter.

Sincerely,

/RA/

Jonathan H. Bartley, 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
(09/01/2014 – 12/31/2015)

cc distribution via ListServ

PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE
ADAMS: Yes ACCESSION NUMBER: _____ SUNSI REVIEW COMPLETE FORM 665 ATTACHED

OFFICE	RII:DRP	RII:DR					
SIGNATURE	JDH /RA/	JHB /RA/					
NAME	JHamman	JBartley					
DATE	08/27/2014	08/26/2014					
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

OFFICIAL RECORD COPY DOCUMENT NAME: S:\DRP\PERIODIC ASSESSMENTS & REPORTS\EOC & MID-CYCLE\2014\MID-CYCLE\ADMIN WORKING FOLDER\LETTERS\SEQUOYAH 2014 MID CYCLE.DOCX

J. Shea

4

Letter to Joseph W. Shea from Jonathan H. Bartley dated September 2, 2014

SUBJECT: MID-CYCLE ASSESSMENT LETTER FOR SEQUOYAH NUCLEAR PLANT UNITS
1 AND 2, NRC INSPECTION REPORT 05000327/2014006, 05000328/2014003

DISTRIBUTION:

D. Gamberoni, RII

L. Douglas, RII

OE Mail

RIDSNNRRDIRS

PUBLIC

R. Pascarelli, NRR

RidsNrrPMSequoyah Resource

ROP Assessment

ROP Reports

Institute of Nuclear Power Operations (INPO)

Sequoyah

Inspection / Activity Plan

09/01/2014 - 12/31/2015

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
1, 2	11/17/2014	11/21/2014	EP - EP EXERCISE		3
			IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	11/17/2014	11/21/2014	IP 7111407	Exercise Evaluation - Hostile Action (HA) Event	
1, 2	11/17/2014	11/21/2014	IP 71151	Performance Indicator Verification	2
			OL RQ - REQUAL INSP		
1, 2	12/01/2014	12/05/2014	IP 7111111B	Licensed Operator Requalification Program	2
			RP - RP PUBLIC RAD SAFETY BASELINE		
1, 2	01/26/2015	01/30/2015	IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	
1, 2	01/26/2015	01/30/2015	IP 71124.07	Radiological Environmental Monitoring Program	
1, 2	01/26/2015	01/30/2015	IP 71151	Performance Indicator Verification	3
			OL EXAM - INITIAL LICENSE EXAM PREP		
1	02/02/2015	02/06/2015	V23432	SEQUOYAH/MARCH 2015 INITIAL EXAM AT POWER FACILITIES	3
			OL EXAM - INITIAL LICENSE EXAM		
1	03/02/2015	03/27/2015	V23432	SEQUOYAH/MARCH 2015 INITIAL EXAM AT POWER FACILITIES	3
			ISI - UNIT 1 IN-SERVICE INSPECTION & RVH EXAM		
1	04/20/2015	04/24/2015	IP 711108P	Inservice Inspection Activities - PWR	2
			SGISI - UNIT 1 SG IN-SERVICE INSPECTION		
1	04/27/2015	05/01/2015	IP 711108P	Inservice Inspection Activities - PWR	1
			PI&R - PROBLEM IDENTIFICATION AND RESOLUTION		
1, 2	06/08/2015	06/12/2015	IP 71152B	Problem Identification and Resolution	4
1, 2	06/22/2015	06/26/2015	IP 71152B	Problem Identification and Resolution	
			MODS - PLANT MODIFICATION INSPECTION		
1, 2	07/13/2015	07/17/2015	IP 711117T	Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications	6
1, 2	07/27/2015	07/31/2015	IP 711117T	Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications	1
			HS - TRIENNIAL HEAT SINK PERFORMANCE		
1, 2	07/20/2015	07/24/2015	IP 711107T	Heat Sink Performance	1
			EP - EP PROGRAM INSPECTION		
1, 2	11/02/2015	11/06/2015	IP 7111402	Alert and Notification System Testing	2
1, 2	11/02/2015	11/06/2015	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1, 2	11/02/2015	11/06/2015	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	11/02/2015	11/06/2015	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1, 2	11/02/2015	11/06/2015	IP 71151	Performance Indicator Verification	

This report does not include INPO and OUTAGE activities.

This report shows only on-site and announced inspection procedures.

Enclosure

Sequoyah

Inspection / Activity Plan

09/01/2014 - 12/31/2015

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
-------------	---------------------	-------------------	---------------------	-------	----------------------

			RP	- RAD HAZARDS ANALYSIS AND TRANSPORTATION	
1, 2	11/02/2015	11/06/2015	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	2
1, 2	11/02/2015	11/06/2015	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1, 2	11/02/2015	11/06/2015	IP 71151	Performance Indicator Verification	
			ISI	- UNIT 2 IN-SERVICE INSPECTION	1
2	11/09/2015	11/13/2015	IP 7111108P	Inservice Inspection Activities - PWR	
			SGISI	- UNIT 2 SG IN-SERVICE INSPECTION	1
2	11/16/2015	11/20/2015	IP 7111108P	Inservice Inspection Activities - PWR	

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