



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II**
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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.

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)

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Sequoyah
Inspection / Activity Plan
03/01/2013 - 06/30/2014

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
1	04/22/2013	04/26/2013	OL EXAM - INITIAL EXAM PREP	SEQUOYAH/MAY 2013 INITIAL EXAM AT POWER FACILITIES	3
1	05/13/2013	05/17/2013	OL EXAM - INITIAL EXAM - WEEK 1	SEQUOYAH/MAY 2013 INITIAL EXAM AT POWER FACILITIES	3
1,2	06/03/2013	06/07/2013	RP - RP PUBLIC RAD SAFETY BASELINE	Radioactive Gaseous and Liquid Effluent Treatment Radiological Environmental Monitoring Program Performance Indicator Verification	2
1,2	06/03/2013	06/07/2013	PI&R - PROBLEM IDENTIFICATION AND RESOLUTION	Problem Identification and Resolution	4
1,2	06/10/2013	06/14/2013	IP 71152B	Problem Identification and Resolution	
1,2	06/24/2013	06/28/2013	IP 71152B	Problem Identification and Resolution	
1,2	06/17/2013	06/21/2013	CDBI - 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 - EMERGENCY PREPAREDNESS INSPECTION	Emergency Preparedness Inspection	1
1,2	09/30/2013	10/04/2013	IP 71111402	Alert and Notification System Testing	
1,2	09/30/2013	10/04/2013	IP 71111403	Emergency Preparedness Organization Staffing and Augmentation System	
1,2	09/30/2013	10/04/2013	IP 71111405	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 - UNIT 1 INSERVICE INSPECTION	Inservice Inspection Activities - PWR	1
1	11/04/2013	11/08/2013	OL EXAM - INITIAL EXAM PREP WEEK	SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES	3
1	11/04/2013	11/08/2013	RP - RAD HAZARD ANALYSIS AND TRANSPORTATION	Radiological Hazard Assessment and Exposure Controls	2
1,2	11/04/2013	11/08/2013	IP 71124.01	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1,2	11/04/2013	11/08/2013	IP 71124.08		
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	SEQUOYAH/DECEMBER 2013 INITIAL EXAM AT POWER FACILITIES	3
1	12/09/2013	12/11/2013	TI-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 NPO 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	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
1	12/09/2013	12/13/2013	V23417	OL EXAM - INITIAL EXAM WEEK 2	3
1,2	01/27/2014	01/31/2014	TFPI	- TRIENNIAL FIRE PROTECTION INSPECTION	4
1,2	02/10/2014	02/14/2014	IP 7111105T IP 7111105T	Fire Protection [Triennial] Fire Protection [Triennial]	
			RP	- RP OCCUPATIONAL BASELINE	2
1,2	05/12/2014	05/16/2014	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
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	
			ISI	- UNIT 2 IN-SERVICE INSPECTION	1
2	05/19/2014	05/23/2014	IP 7111108P	Inservice Inspection Activities - PWR	
			SGISI	- UNIT 2 SG IN-SERVICE INSPECTION	1
2	05/26/2014	05/30/2014	IP 7111108P	Inservice Inspection Activities - PWR	
			RP	- RP OCCUPATIONAL BASELINE WEEK2	3
1,2	06/02/2014	06/06/2014	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
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 NPO and OUTAGE activities.
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Enclosure