



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23TB5
ATLANTA, GEORGIA 30303-8931**

August 26, 2002

Tennessee Valley Authority
ATTN: Mr. J. A. Scalice
Chief Nuclear Officer and
Executive Vice President
6A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

**SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
SEQUOYAH NUCLEAR PLANT DOCKET NOS. 50-327, 50-328**

Dear Mr. Scalice:

On August 6, 2002, the NRC staff completed its mid-cycle plant performance assessment of the Sequoyah Nuclear Plant. In accordance with NRC Inspection Manual Chapter 0305 "Operating Reactor Assessment Program", the mid-cycle review involved the participation of all technical divisions in evaluating the performance of your Sequoyah facility for the first half of the current assessment cycle, January 1 - December 31, 2002. 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 so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections which may conflict with your plant activities.

Plant performance for the most recent quarter 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 only baseline inspections at your facility through September 30, 2003. On August 20, 2002, we met with your staff to discuss your plans on constructing an independent spent fuel storage installation at Sequoyah. As discussed in this meeting, we plan to conduct inspections of this facility based on your progress, and will inform you of the inspections as they are scheduled.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The last six months of the inspection plan is tentative and may be revised at the end-of-cycle review. In addition, the NRC is in the process of finalizing a Temporary Instruction that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security Order to all commercial nuclear power plants, dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

In accordance with 10 CFR 2.790 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 404-562-4530 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Paul E. Fredrickson, Chief
Reactor Projects Branch 6
Division of Reactor Projects

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

Enclosure: Sequoyah Nuclear Plant Inspection/ Activity Plan

cc w/encl: (See page 3)

cc w/encl:

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Sequoyah
Inspection / Activity Plan
09/01/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	OL-EP	- EMERGENCY EXERCISE	2			
1, 2	IP 7111401	Exercise Evaluation		09/30/2002	10/04/2002	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		09/30/2002	10/04/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		09/30/2002	10/04/2002	Baseline Inspections
	ISFSI	- ISFSI CONSTRUCTION	1			
1, 2	IP 60853	On-Site Fabrication Of Components And Construction On An ISFSI		10/28/2002	10/30/2002	Other Routine
	PS-SEC	- SECURITY	2			
1, 2	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Strategy)		10/28/2002	11/01/2002	Baseline Inspections
	EB2-MR	- MAINTENANCE RULE	2			
1, 2	IP 7111112B	Maintenance Effectiveness		11/11/2002	11/15/2002	Baseline Inspections
	OL-PREP	- INITIAL EXAM PREP	3			
1	V23203	SEQUOYAH/EXAMS AT POWER FACILITIES		11/12/2002	11/15/2002	Not Applicable
	PS-RP	- RADIATION PROTECTION	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		11/12/2002	11/15/2002	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		11/12/2002	11/15/2002	Baseline Inspections
	OL-EXAM	- INITIAL EXAM	3			
1	V23203	SEQUOYAH/EXAMS AT POWER FACILITIES		12/02/2002	12/06/2002	Not Applicable
	PS-RP	- RADIATION PROTECTION	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		12/09/2002	12/10/2002	Baseline Inspections
	EB1SSDPC	- SSDPC PRE-INSPECTION VISIT	1			
1, 2	IP 7111121	Safety System Design and Performance Capability		01/13/2003	01/17/2003	Baseline Inspections
	PB6-FP	- FLOOD PROTECTION	1			
1, 2	IP 7111106	Flood Protection Measures		01/13/2003	01/17/2003	Baseline Inspections
	EB1SSDPC	- SAFETY SYS DESIGN & PERFORMANCE CAPABILITY	6			
1, 2	IP 7111121	Safety System Design and Performance Capability		02/10/2003	02/14/2003	Baseline Inspections
1, 2	IP 7111121	Safety System Design and Performance Capability		02/24/2003	02/28/2003	Baseline Inspections
	EB2-SGRP	- SGRP-U1	1			
1	IP 50001	Steam Generator Replacement Inspection		03/16/2003	05/30/2003	Other Routine
	EB2-ISI	- INSERVICE INSPECTION-U1	1			
1	IP 7111108	Inservice Inspection Activities		03/24/2003	03/28/2003	Baseline Inspections
	PS-RP	- RADIATION PROTECTION	3			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/14/2003	04/18/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/14/2003	04/18/2003	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		04/14/2003	04/18/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		04/14/2003	04/18/2003	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
09/01/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
PS-RP - RADIATION PROTECTION			2			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		05/12/2003	05/16/2003	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		05/12/2003	05/16/2003	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		05/12/2003	05/16/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		05/12/2003	05/16/2003	Baseline Inspections
OL EP - EP INSPECTION			1			
1, 2	IP 7111402	Alert and Notification System Testing		06/23/2003	06/27/2003	Baseline Inspections
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		06/23/2003	06/27/2003	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/23/2003	06/27/2003	Baseline Inspections
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		06/23/2003	06/27/2003	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		06/23/2003	06/27/2003	Baseline Inspections
EB2-HS - HEAT SINK			1			
1, 2	IP 7111107B	Heat Sink Performance		07/07/2003	07/11/2003	Baseline Inspections
PI&R - IDENTIFICATION AND RESOLUTION OF PROBLEM			3			
1, 2	IP 71152	Identification and Resolution of Problems		07/14/2003	07/18/2003	Baseline Inspections
PI&R - IDENTIFICATION AND RESOLUTION OF PROBLEM			3			
1, 2	IP 71152	Identification and Resolution of Problems		07/28/2003	08/01/2003	Baseline Inspections
EB2-MODS - MODIFICATIONS/10CFR50.59			3			
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		08/25/2003	08/29/2003	Baseline Inspections
1, 2	IP 7111117B	Permanent Plant Modifications		08/25/2003	08/29/2003	Baseline Inspections

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