



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

March 8, 2001

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: NOTICE OF ENFORCEMENT DISCRETION FOR TENNESSEE VALLEY
AUTHORITY REGARDING WATTS BAR NUCLEAR PLANT UNIT 1, NOED
NO. 2001-2-001**

Dear Mr. Scalice:

By letter dated March 7, 2001, you formally documented a verbal request made on March 6, 2001 for discretionary enforcement concerning Watts Bar Nuclear Plant Unit 1 Technical Specification (TS) 3.8.7, Inverters-Operating. Your letter addressed the information previously discussed with the NRC in a telephone conference on March 6, 2001, at 2:30 p.m. EST. The principal NRC staff members who participated in that telephone conference included H. N. Berkow, Director, Project Directorate II, Nuclear Reactor Regulation (NRR); R. P. Correia, Chief, Project Directorate II-2, NRR; K. D. Landis, Chief, Reactor Projects Branch 5, Division of Reactor Projects (DRP) Region II (RII) and R. H. Bernhard, Senior Reactor Analyst, Division of Reactor Safety, RII. You stated that on March 7, 2001, at 1:32 a.m., Watts Bar Unit 1 would not be in compliance with TS 3.8.7, Limiting Condition for Operation (LCO), Action A, which requires restoration of failed vital inverter 1-I to operable status within 24 hours or be in Hot Standby in 6 hours. TS 3.8.7, Action A, was entered on March 6, 2001, at 1:32 a.m. You requested that a Notice of Enforcement Discretion (NOED) be issued pursuant to the NRC's policy regarding exercise of discretion for an operating facility, set out in Section VII.c, of the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, and be effective for an additional 24 hours to complete repairs, testing, and the restoration of vital inverter 1-I to operable status. This letter documents our telephone conversation on March 6, 2001, at 4:48 p.m. when we verbally issued this NOED. We understand that, as stated in your letter, the actual work was completed and vital inverter 1-I declared operable and returned to service at 1:15 a.m. on March 7, 2001, within the original required action completion time of 24 hours. Therefore, the subject NOED was not used.

During the event, Watts Bar Unit 1 was operating at 100 percent power when an odor of overheated electrical components and a small amount of smoke coming from vital inverter 1-I was noticed. Power to vital power board 1-I was manually transferred to the alternate power supply and vital inverter 1-I was removed from service. Your subsequent investigation revealed that the vital inverter 1-I, 15 Kva constant voltage transformer had visible damage. Your safety significance evaluation and qualitative risk assessment, derived from a probabilistic risk analysis, concluded that an additional 24 hours to effect inverter repairs, testing and restoration of vital inverter 1-I to an operable status, entailed no appreciable increase in risk and that no

significant hazard consideration was involved. Your compensatory measures, to be taken until vital inverter 1-I was returned to service, included deferring any work on the Unit 1 power distribution systems and the emergency diesel generators. The load dispatcher would also not conduct any work activities on the Watts Bar offsite power distribution system that could affect Unit 1.

On the basis of the staff's evaluation of your request and the information provided in your letter dated March 7, 2001, we concluded that an NOED was warranted because we were clearly satisfied that this action involved minimal or no safety impact, was consistent with the enforcement policy and staff guidance, and had no adverse impact on public health and safety. Therefore, it was our intention to exercise discretion not to enforce compliance with TS 3.8.7 for the period from March 6, 2001, at 1:32 a.m. until March 8, 2001, at 1:32 a.m. However, as stated above, subsequent to our verbally granting this NOED on March 6, 2001, you exited TS 3.8.7 prior to the TS action completion time and the NOED was not used.

Sincerely,

//RA//

Luis A. Reyes
Regional Administrator

Docket No.: 50-390,
License No.: NPF-90

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PUBLIC DOCUMENT (circle one): YES

OFFICE	RII:DRP	RII:DRP	NRR:PDII-2	RII:ORA			
SIGNATURE	PEF	KDL	PEF PER TELECON w/R.CORREIA	BSM			
NAME	PFREDRICKSO	KLANDIS	HBERKOW	BMALLETT			
DATE	3/8/01	3/8/01	3/8/01	3/8/01			
E-MAIL COPY?	YES NO	NO	YES NO	NO			