July 6, 1998

EA 98-343

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

SUBJECT: NRC MAINTENANCE RULE INSPECTION REPORT 50-390/98-05, AND NOTICE OF VIOLATION

Dear: Mr. Zeringue

An NRC inspection was conducted May 18 - 22, 1998, at your Watts Bar Unit 1 reactor facility. This was an inspection of your implementation of the requirements of 10 CFR 50.65, "Requirements for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants" [the Maintenance Rule]. The enclosed report presents the results of that inspection.

Your program for implementing the requirements of the Maintenance Rule followed the guidance provided in NUMARC 93-01, "Industry Guideline for Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," Revision 2, dated April 1996, which was endorsed in Regulatory Guide 1.160, "Monitoring the Effectiveness of Maintenance at Nuclear Power Plants," Revision 2, dated March 1997. The inspection concluded that your program was comprehensive and was being effectively implemented.

Based on the results of this inspection, the NRC has determined that violations of NRC requirements occurred. The violations are cited in the enclosed Notice of Violation (Notice), and the circumstances surrounding the violation are described in detail in the enclosed report. Section X1 of the enclosed report recognizes your concerns with one of the violations. Notwithstanding these concerns, all the violations herein have been reviewed by the NRC national panel for Maintenance Rule Violations, determined to be valid, and are issued herewith. You are required to respond to Violation A and C of this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should

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document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

For Violation B, the NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence is already adequately addressed on the docket in the attached inspection report. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to provide additional information, you should follow the instructions specified in the enclosed Notice.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosures, and any response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Sincerely,
/S/
Johns P. Jaudon, Director
Division of Reactor Safety

Docket Nos.: 50-390
License Nos.: NPF-90

Enclosures: 1. Notice of Violation
2. Inspection Report
50-390/98-05
3. Handout "Watts Bar Nuclear
Plant Maintenance Rule
Presentation May 18, 1998"

cc w/encls:
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Senior Vice President
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Dayton, TN 37321

County Executive
Meigs County Courthouse
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NRC Resident Inspector
U.S. Nuclear Regulatory Commission
1260 Nuclear Plant Road
Spring City, TN 37381

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