

official

MAY 02 1989

Docket No. 50-390
License No. CPPR-91

Mr. Oliver D. Kingsley, Jr.
Senior Vice President, Nuclear Power
Tennessee Valley Authority
6N 38A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

Dear Mr. Kingsley:

SUBJECT: NOTICE OF VIOLATION
(INSPECTION REPORT NO. 50-390/89-02)

This refers to the Nuclear Regulatory Commission (NRC) team inspection conducted on February 13-17, 1989, of the Watts Bar Vertical Slice Review (VSR) effort at the Sargent and Lundy Corporate Office in Chicago, Illinois. The inspection included a review of activities authorized for your Watts Bar facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed inspection report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of examinations of QA Audits, personnel qualification, Part 21 compliance, Internal Review Committee functions, and review of 36 VSR documented discrepancies in the area of records, construction and engineering.

The inspection findings indicate that certain activities appeared to violate NRC requirements. The violation involved a failure of TVA to issue Condition Adverse to Quality Reports (CAQRs) as required by the TVA Nuclear Quality Assurance Manual (NQAM), Part 1, Section 2.16, "Corrective Action", when nonconforming conditions were identified by Sargent and Lundy's review. Also, a nonconforming condition identified by the Vertical Slice Review, and described on a CAQR, failed to be properly dispositioned for a two-month period. When it was properly dispositioned, it was determined to potentially affect operability of Sequoyah, Units 1 and 2. This is contrary to the NQAM specified criteria of immediate notification by transmittal of the CAQR to the affected plant. Additionally, to effect adequate closure of NRC Order 85-49 at Sequoyah, the Manager of Nuclear Power issued a directive on February 12, 1988, which required an additional management level review of all CAQRs for operability and reportability. This additional management review was not conducted for CAQR's resulting from the VSR. The violation, references to pertinent requirements, and elements to be included in your response are described in the enclosed Notice of Violation.

8905190207 890502
PDR ADDOCK 05000390
Q PNU

LEO

MAY 02 1989

Oliver D. Kingsley, Jr.

2

Two unresolved items are identified in the inspection report: 1) TVA's issuance of a "Problem Report Document" (PRD) in lieu of a CAQR for deficiencies that involve procedure or hardware noncompliances and, 2) calculating all loads on concrete slabs in the facility.

The team inspection concluded that the contractor's activity associated with the VSR is adequate. The trending analysis and review of the final report were not evaluated at this time.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

The responses directed by this letter and its enclosure are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Should you have any questions concerning this letter, please contact us.

Sincerely,

Original signed by Bruce Wilson

Bruce A. Wilson, Assistant Director
for Inspection Programs
TVA Projects Division
Office of Nuclear Reactor Regulation

Enclosures:

1. Notice of Violation
2. NRC Inspection Report

cc w/encls:

F. L. Moreadith, Vice President,
Nuclear Engineering
R. A. Pedde, Site Director
Watts Bar Nuclear Plant
R. L. Gridley, Director
Nuclear Safety and Licensing
D. E. McCloud, Site Licensing
Manager
TVA Representative, Rockville
Office
General Counsel, TVA
State of Tennessee

MAY 02 1989

Oliver D. Kingsley, Jr.

3

bcc w/encls:

D. M. Crutchfield, NRR
B. D. Liaw, NRR
S. C. Black, NRR
R. C. Pierson, NRR
K. P. Barr, NRR/RII
J. Rutberg, OGC
NRC Resident Inspector
NRC Document Control Desk

RII

GW
GWalton:ser
04/21/89

RII

MB
MBranch
04/21/89

HO

SB
SBlack
04/25/89

HO

HG
HGarg
04/24/89

HO

RS
RShewmaker
04/24/89

RII

KB
KBarr
04/26/89

Per telecon

Per telecon

Per Telecon