

TENNESSEE VALLEY AUTHORITY

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JUN 07 1989

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Gentlemen:

In the Matter of the Application of) Docket Nos. 50-390
Tennessee Valley Authority) 50-391

WATTS BAR NUCLEAR PLANT (WBN) - NRC INSPECTION REPORT NO. 50-390/89-02 - REPLY
TO NOTICE OF VIOLATION

Enclosed is our response to NRC's letter dated May 2, 1989, to TVA, which transmitted the subject inspection report, citing activities at WBN that appeared to be in violation of NRC regulations. This response addresses violation 390/89-02-01. Enclosure 2 identifies commitments made in this response.

The enclosed response indicates that some activities did violate requirements of WBN condition adverse to quality report (CAQR) procedures and the Nuclear Quality Assurance Manual. However, all the cited examples had already been dispositioned under the WBN vertical slice review program controls. This violation is therefore considered to have no impact on safety or quality for WBN.

The enclosed response addresses the cited examples and extent of condition of these examples, based on the cause analysis for the violation. TVA considers the violation to be isolated to corrective action for discrepancies identified during the vertical slice review program for WBN. As a result of discussions with the NRC resident inspector, TVA understands that NRC has concerns with the CAQR program or its implementation at WBN which go beyond the scope of this violation. TVA is evaluating concerns raised by the inspector and employee concerns program and will provide a separate submittal by July 17, 1989, addressing any programmatic or generic weaknesses identified in the CAQR program or its implementation at WBN.

A delay of this submittal in order to determine the best approach to resolve the additional concerns was discussed with G. A. Walton on May 31, 1989.

If there are any questions, please telephone G. R. Ashley at (615) 365-8527.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

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Enclosures
cc: See page 2

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U.S. Nuclear Regulatory Commission

JUN 07 1989

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ENCLOSURE 1

WATTS BAR NUCLEAR PLANT UNIT 1
RESPONSE TO NRC'S MAY 2, 1989 LETTER TO TVA
NRC VIOLATION 390/89-02-01

DESCRIPTION OF VIOLATION

10 CFR 50, Appendix B, Criterion II, as implemented by TVA's Quality Assurance (QA) Topical Report, TVA-TR75-1A, revision 10, section 17.1, "QA Program Applicable to Design and Construction Quality Assurance Program," requires that the applicant establish and implement a QA program that is documented and conducted in accordance with written procedures.

QA Topical Report Table 17E-1 states that the Nuclear Quality Assurance Manual (NQAM) delineates responsibilities, requirements, and commitments for the QA program during design and construction.

NQAM Part 1, section 2.16, revision 4, "Corrective Action," paragraph 2.1 requires that items discovered during installation or in-process work activities that require repair or accept-as-is disposition or failure of the approved design to comply with engineering input documents, licensing, or regulatory commitments, be documented and issued on a CAQR [condition adverse to quality report]. Further, paragraph 2.13 of NQAM, "Evaluation for Effect on Plant Operability," requires that if a management reviewer determines that a CAQR potentially affects operability of a nuclear unit, a copy of the CAQR shall be immediately sent to the affected site.

Contrary to the above, for the five examples listed below, the CAQR process was not properly implemented, in that:

- a. Vertical slice review (VSR) discrepancy numbers DR-95 and -430 identified nonconformances in mounting Bailey Meter clamp bars needed to meet seismic requirements. These nonconformances were documented on a CAQR but were inappropriately reviewed and dispositioned with respect to its impact on TVA operating sites. The failure to properly review and disposition this CAQR resulted in a two-month notification delay to an operating plant (Sequoyah) which was affected and subsequently entered a technical specifications action statement to implement corrective actions.
- b. A VSR-identified discrepancy, number DR-437, involving grouted anchor spacings which do not conform to General Construction Specification G-32, was not documented by the licensee on a CAQR as required.
- c. A VSR-identified discrepancy, number DR-587, involving motor operator valve positions which deviate from design drawings, was not documented by the licensee on a CAQR as required.
- d. A VSR-identified discrepancy, number DR-134, involving D.C. battery charger breaker status not being provided in the control room as stated in the FSAR [Final Safety Analysis Report] and SER [Safety Evaluation Report], was not documented by the licensee on a CAQR as required.

- e. A VSR-identified discrepancy, number DR-104, documents discrepancies that not all loads on the subject floor slab were considered. Also TVA stated in their resolution report (RR) that these discrepancies were documented in CAQR-WBN 880786. This CAQR fails to document these discrepancies.

This is a severity level IV (supplement II) and applies to unit 1.

RESPONSE

Admission or Denial of the Violation:

TVA admits the violation occurred.

a. Reason For The Violation:

The review for potential impact on operability was performed by a qualified management reviewer in a systematic, logical fashion. The deficiency dealt with seismic qualification of instrument panels, and based on the management reviewer's experience, he believed that the deficiency would not impact operability of the affected components. However, the CAQR was later revised by the responsible (dispositioning) organization and at that time was determined to potentially impact operability at Sequoyah Nuclear Plant (SQN). The failure to immediately notify SQN resulted from initially adopting a less conservative approach in a borderline case than was later deemed appropriate.

As a result of concerns with regard to performance of CAQR program management reviews, the Manager of Nuclear Power issued a memorandum on February 12, 1988, requiring additional management level reviews, in part, to ensure that operability reviews were made by qualified individuals. The additional review was not performed for this CAQR because corrective actions had been completed to address the initial concerns with regard to management reviewer qualification. These corrective actions included reducing the number of CAQR management reviewers, training them in the management review process, with emphasis on potential operability impact.

Corrective Steps Taken and Results Achieved:

The CAQR, when revised, was determined to potentially affect operability and was sent to SQN as required. SQN entered a technical specification action statement to implement corrective actions, and reported the deficiency on Licensee Event Report (LER) SQRO-50-328/88041.

TVA reviewed CAQRs which provided dispositions for VSR-identified discrepancies. Those which had been previously identified as having no potential impact on operability and which had been determined to be design significant in accordance with the VSR program or potentially generic according to the CAQR program were reevaluated to determine whether the evaluation for potential impact on operability had been performed conservatively. This reevaluation was performed by Plant Operations Review Staff (PORS) personnel who were independent of the original evaluation. Those considered by PORS to possibly be unconservative were reviewed by the condition adverse to quality (CAQ)

management review committee (MRC). As a result of this reevaluation, one other CAQR was determined to potentially affect operability and was sent to SQN for evaluation. SQN determined that this CAQR did not impact operability. Based on the results of this review, TVA considers the corrective actions implemented in response to the concerns with management reviewer qualification to have been effective and this cited failure to make an appropriate evaluation for potential impact on operability to represent an isolated case.

b, c. Reason for the Violation:

Failure to initiate CAQRs as required was caused by the responsible organization's CAQ reviewer misinterpreting the site procedure implementing NQAM requirements. It was misinterpreted that a design change notice (DCN) could be initiated instead of a CAQR for use-as-is dispositions when the discrepancy was identified as part of a systematic evaluation rather than as part of installation or in-process work activities.

Corrective Steps Taken and Results Achieved:

TVA has reviewed open DCNs and identified those which should have been documented in the CAQ program. CAQR WBP 890083 reflects the cited examples as well as the other DCNs issued for use-as-is discrepancy dispositions.

d. Reason For the Violation:

TVA considers that the condition cited in Discrepancy Report (DR)-134 does not require a CAQR, and therefore does not represent an additional example of the violation. As stated in the RR No. 134/0, revision 1, dated January 10, 1989, a review of the governing drawings "confirm that vital battery charger output breaker status is alarmed in the main control room." The RR also provides specific information regarding the conditions and devices which provide main control room and local panel alarms for the diesel generator (DG), battery charger, and DC bus.

During the evaluation of DR-134 with the Vertical Slice Review Team (VSRT), TVA determined that the description of the alarm provided in FSAR, section 8.3.1.1 (page 8.3-16B, Amendment 48), and FSAR Figure 8.3-24 needed to be clarified to preclude the potential for future misunderstanding regarding the method for alarming the DG battery charger output breaker status. Accordingly, TVA reclassified the condition as a discrepancy, even though the condition was judged to meet the FSAR commitment. This was based on the low threshold established in the VSR procedures which required a DR to be classified as discrepant whenever a document revision was committed.

Therefore, the classification of the DR as discrepant does not imply that the condition constitutes a failure to comply with a licensing commitment. As stated in the RR, TVA has confirmed that the DG battery charger output circuit status is alarmed in the main control room. Therefore, it is our position that a CAQR condition does not exist.

As stated above, the FSAR revision referred to in the RR is intended to clarify the method by which TVA provides the main control room alarms. The FSAR revision is not intended to "delete" the requirement for compliance with Institute of Electrical and Electronic Engineers (IEEE) 308-1971 as is implied in the fourth paragraph of page 12 in the NRC inspection report.

DR Completion Report (CR) No. 134/O/1, revision 1, dated January 17, 1989, supports TVA's position that the commitment is satisfied. In this CR, the VSRT concluded that the DR classification was "not design or safety significant." Based on the DR classification definitions, any DR which constitutes a failure to satisfy licensing commitments would have been classified as either design significant or safety significant. Additionally, the VSRT concluded in the CR that "the existing alarms will provide sufficient information relative to the status of the DC bus and charger operation."

Corrective Steps Taken and Results Achieved:

None required.

e. Reason For the Violation:

This violation occurred as a result of an oversight on the part of the engineer initiating CAQR WBP 880786. The CAQR was initiated to cover 18 DRs addressing civil calculations, including DR-104. This item was inadvertently left out.

Corrective Steps Taken and Results Achieved:

The responsible engineer had identified the oversight and was in the process of revising the CAQR to ensure this item was addressed when he was notified of the NRC finding. The CAQR was revised and this DR was included on CAQR WBP 880786, revision 3. Subsequently, a review of DR responses which referred to CAQRs was performed to ensure that the DRs were specifically identified on the CAQR. It was found that specific VSR discrepancies were not always documented on the CAQR when the overall issue had been previously identified on the CAQR. Where the issue was identified and the corrective action would correct the VSR-identified discrepancy, it had been considered unnecessary to specifically identify the discrepancy on the CAQR, since the VSR tracking program would track the discrepancies to resolution. These CAQRs are being revised where necessary to include the VSR discrepancies on the CAQRs. CAQR WBP 890117 is tracking resolution of this item.

Corrective Steps to Prevent Further Violation:

TVA has revised the site CAQR procedure to eliminate the possibility of misinterpreting the requirement to document CAQRs requiring use-as-is dispositions on CAQRs. Additionally, CAQR WBP 890117 is correcting the failure to document specific discrepancies identified in VSR on CAQRs.

A management review committee with representatives from various site organizations, including individuals qualified to perform operability reviews, is now performing the management review function. This group review will improve consistency and help to ensure appropriate conservatism in evaluations of CAQRs.

Date of Full Compliance:

TVA will be in full compliance by July 17, 1989.

ENCLOSURE 2

LIST OF COMMITMENTS

TVA reviewed CAQRs which provided dispositions for VSR-identified discrepancies. This reevaluation was performed by Plant Operations Review Staff (PORS) personnel who were independent of the original evaluation. Those considered by PORS to possibly be unconservative were reviewed by the condition adverse to quality (CAQ) management review committee (MRC).

TVA has reviewed open DCNs and identified those which should have been documented in the CAQ program. CAQR WBP 890083 reflects the cited examples as well as the other DCNs issued for use-as-is discrepancy dispositions.

DR-104 was included on CAQR WBP 880786, revision 3.

CAQR WBP 890117 will correct the failure to document specific discrepancies identified in VSR on CAQRs by July 17, 1989.

TVA has revised the site CAQR procedure to eliminate the possibility of misinterpreting the requirement to document CAQs requiring use-as-is dispositions on CAQRs.

A management review committee with representatives from various site organizations, including individuals qualified to perform operability reviews, is now performing the management review function. This group review will improve consistency and help to ensure appropriate conservatism in evaluations of CAQRs.

TVA is evaluating concerns raised by the inspector and employee concerns program and will provide a separate submittal by July 17, 1989, addressing any programmatic or generic weaknesses identified in the CAQR program or its implementation at WBN.