

TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 37401

5N 157B Lookout Place

SEP 21 1988

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 NOS. 50-390/86-25 AND
50-391/86-25 - REVISED FINAL RESPONSE TO NOTICE OF VIOLATIONS 390/86-25-07 AND
391/86-25-05

Enclosure 1 is the revised final response to TVA's March 6, 1987 response to
Notice of Violations 390/86-25-07 and 391/86-25-05. This response provides a
clarification of TVA's handling of significance determination in our condition
adverse to quality (CAQ) program. Enclosure 2 contains the commitment made by
TVA in the response.

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

Very truly yours,

TENNESSEE VALLEY AUTHORITY


R. Gridley, Manager
Nuclear Licensing and
Regulatory Affairs

Enclosures
cc: See page 2

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PDR ADOCK 05000390
Q PIC

JE01
1/L

U.S. Nuclear Regulatory Commission

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cc (Enclosures):

Ms. S. C. Black, Assistant Director
for Projects
TVA Projects Division
U.S. Nuclear Regulatory Commission
One White Flint, North
11555 Rockville Pike
Rockville, Maryland 20852

Mr. F. R. McCoy, Assistant Director
for Inspection Programs
TVA Projects Division
U.S. Nuclear Regulatory Commission
Region II
101 Marietta Street, NW, Suite 2900
Atlanta, Georgia 30323

U.S. Nuclear Regulatory Commission
Watts Bar Resident Inspector
P.O. Box 700
Spring City, Tennessee 37381

ENCLOSURE 1

WATTS BAR NUCLEAR PLANT (WBN) UNITS 1 AND 2
TVA REVISED FINAL RESPONSE TO VIOLATIONS
390/86-25-07 AND 391/86-25-05

REFERENCE: NRC INSPECTION REPORT NOS. 50-390/86-25 AND 50-391/86-25 AND
TVA's MARCH 6, 1987 RESPONSE

Violation 390/86-25-07 and 391/86-25-05

During the Nuclear Regulatory Commission (NRC) inspection conducted on November 21, 1986 to January 4, 1987, violations of NRC requirements were identified. The violations involved failure to comply with requirements of a drawing and failure to implement effective corrective action for conditions adverse to quality. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR 2, Appendix C (1985), the violations are listed below:

10 CFR 50, Appendix B, Criterion XVI, as implemented by TVA's QA Topical Report, TVA-TR75-1A, revision 8, paragraphs 17.1.16 and 17.2.16, "Adverse Conditions and Corrective Actions," require that conditions adverse to quality be promptly corrected and reported to the appropriate levels of management.

Contrary to the above, ineffective corrective action was taken on Nonconforming Condition [Nonconformance] Reports (NCRs) 6713 and 6738 in that major rework (which is significant) was performed on instrument racks to restore them to compliance with the drawing, while the NCRs were evaluated as non-significant.

This is a Severity Level IV Violation (Supplement II) and applies to Units 1 and 2.

Admission or Denial of the Alleged Violation (or Finding)

TVA admits the violation. NCRs 6713 and 6738 initially were determined to be nonsignificant and were not upgraded to significant after an investigation determined that extensive action was required.

Reasons for the Violations (or Findings) if Admitted

The designated quality reviewer determined the significance of NCR 6713 for unit 2 and NCR 6738 for unit 1 before all actions to determine the extent of corrective action required had been taken. Originally, the NCRs appeared to represent a documentation problem. Later, as part of the corrective action investigation, an informal walkdown was performed by Nuclear Construction personnel for general weld appearance, and 11 panels (100 percent of the sample) were shown to have unacceptable weld penetration. When the corrective action was added to NCRs 6713 and 6738, the significance of the NCRs was not reconsidered by either the organization responsible for solving the problem or the designated quality reviewer.

The line organization who determined the corrective action was not accustomed to evaluating conditions for significance; therefore, there was not a sensitivity to the need to upgrade or resubmit these NCRs to the designated quality reviewer. Furthermore, governing procedures did not require a second significance review.

Corrective Steps Which Have Been Taken and Results Achieved

1. NCR 6713 has been revised and upgraded to significant. NCR 6738 has been replaced with NCR W-559-P. Both NCRs 6713 and 6738 were reported under 10 CFR 50.55(e) requirements on February 19, 1987. Resultant reviews including root cause analysis, action required to prevent recurrences, and generic implications have been performed.
2. A memorandum was issued by the site quality manager emphasizing the importance of the NCR review process. Attention was given to the importance of examining the NCR for hardware-related items.

Corrective Steps Which Will Be Taken to Avoid Further Violations (or Findings)

1. All WBN site-generated NCRs from September 3, 1985 (issue date of Quality Assurance Procedure (QAP)-16.1, revision 7, which allowed the significance determination to be made before establishing corrective action) to March 30, 1987, which have significance determination dates preceding the proposed corrective action date have been reviewed. This review determined if the corrective action investigation added information which indicated that a nonsignificant NCR should be upgraded to significant. No instances were found where it was necessary to upgrade an NCR to significant because of the addition of corrective action. This review provides additional assurance that this violation was an isolated case, and no programmatic failure exists in our condition adverse to quality report (CAQR) significance reviews. This review was completed March 25, 1988.
2. The WBN CAQR program which existed before the implementation of Administrative Instruction (AI)-2.8.14 required that significance be determined within seven working days of the origination date. As an additional assurance that this violation will not occur again, a requirement will be added to the appropriate site CAQR procedure (AI-2.8.5) to require the responsible organization to reconfirm the significance determination during verification of corrective action. This review will be accomplished by reviewing the total CAQR package and will be considered complete when the responsible organization signs a CAQR continuation sheet reverifying the significance determination. This review provides assurance that CAQR significance will be reviewed after corrective action, and therefore, this violation should not occur again.
3. The WBN corrective action program as implemented in AI-2.8.14 now consists of an administrative control program and a CAQR program. The current CAQR program requires that significance be determined within seven working days of the origination date for CAQRs by performing a quality assurance (QA) programmatic deficiency and a potential reportability review. A requirement will be added to the appropriate site CAQR procedure (AI-2.8.14) to require the responsible organization to reconfirm the significance determination during verification of corrective action.

This review will be accomplished by reviewing the total CAQR package and will be considered complete when the responsible organization signs the CAQR verifying completion of corrective action. This review provides additional assurance that CAQR significance was appropriately performed.

The administrative control program corrects those conditions determined to be conditions adverse to quality (CAQs) but which do not meet the criteria for a CAQR as defined in AI-2.8.14. CAQs reported on documents of the administrative control program, as a minimum, shall be promptly identified, documented, evaluated, corrected, tracked, trended, and reported to the appropriate level of management. CAQs identified in the administrative control program shall have a documented review for compliance with the criteria for a CAQR. For those CAQs meeting this criteria, a CAQR shall be initiated instead of an administrative control program document. Also, for CAQs identified on administrative control program documents that indicate an adverse trend, a CAQR will be initiated. Furthermore, WBN has an ongoing audit program to monitor the administrative control programs to determine if CAQs are being properly documented and upgraded to CAQRs as necessary. This ensures that CAQRs identified in the administrative control program will be initiated as necessary.

Date When Full Compliance Will Be Achieved

The requirement described above will be added to the appropriate site procedures by October 1, 1988.

ENCLOSURE 2

LIST OF COMMITMENTS

1. A requirement will be added to the appropriate site CAQR procedure (AI-2.8.5) to require the responsible organization to reconfirm the significance determination during verification of corrective action. This review will be accomplished by reviewing the total CAQR package and will be considered complete when the responsible organization signs a CAQR continuation sheet reverifying the significance determination.
2. A requirement will be added to the appropriate site CAQR procedure (AI-2.8.14) to require the responsible organization to reconfirm the significance determination during verification of corrective action. This review will be accomplished by reviewing the total CAQR package and will be considered complete when the responsible organization signs the CAQR verifying completion of corrective action.

These requirements will be added to the appropriate site procedures by October 1, 1988.