

**TENNESSEE VALLEY AUTHORITY**

CHATTANOOGA, TENNESSEE 37401

400 Chestnut Street Tower II

July 31, 1985

U.S. Nuclear Regulatory Commission  
Region II  
Attn: Dr. J. Nelson Grace, Regional Administrator  
101 Marietta Street, NW, Suite 2900  
Atlanta, Georgia 30323

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Dear Dr. Grace:

WATTS BAR NUCLEAR PLANT UNITS 1 AND 2 - RESPONSE TO VIOLATION 50-390/85-44-01,  
50-391/85-35-01 - FAILURE TO AUDIT ALL APPLICABLE CONSTRUCTION ELEMENTS

This is in response to R. D. Walker's letter dated July 5, 1985, report numbers 50-390/85-44 50-391/85-35 concerning activities at the Watts Bar Nuclear Plant which appeared to have been in violation of NRC regulations. Enclosed is our response to the citation.

If you have any questions concerning this matter, please get in touch with R. H. Shell at FTS 858-2688.

To the best of my knowledge, I declare the statements contained herein are complete and true.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

J. A. Domer, Chief  
Nuclear Licensing Branch

**Enclosure**

cc: Mr. James Taylor, Director (Enclosure)  
Office of Inspection and Enforcement  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

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ENCLOSURE

WATTS BAR NUCLEAR PLANT UNITS 1 AND 2  
RESPONSE TO SEVERITY LEVEL IV VIOLATION  
50-390/85-44-01, 50-391/85-35-01  
FAILURE TO AUDIT ALL APPLICABLE CONSTRUCTION ELEMENTS

Description of Violation

10 CFR 50, Appendix B, Criterion XVIII, states that a comprehensive system of planned and periodic audits shall be carried out to verify compliance with all aspects of the quality assurance program. The licensee's accepted quality assurance program (TVA TR75-1A, revision 8) endorses Regulatory Guide 1.144 and ANSI N45.2.12 (1977). Regulatory Guide 1.144, Regulatory Position C.3a(2) requires applicable elements of an organization's quality assurance program to be audited at least annually or at least once in the life of the activity, whichever is shorter.

Contrary to the above, the licensee failed to audit all applicable construction elements during 1984, in that training was not audited between December 1983 and May 1985.

TVA's Response

1. Admission or Denial of the Alleged Violation

TVA admits the violation occurred as stated.

2. Reason for Violation

During the timeframe of the cited example, TVA's quality assurance organizations were involved in a major reorganization. As a result, audit schedules were periodically revised to reflect different phases during the reorganization. Revisions to these schedules did not fully address all elements of the quality assurance program. The root cause can be attributed to oversight.

3. Corrective Steps Taken and Results Achieved

An independent review of audit performance was completed on February 15, 1985. This review identified that not all elements of the quality assurance program were audited.

On February 20, 1985, Office of Construction (OC) Quality Assurance Branch management reviewed the conclusions and recommendations resulting from the independent review. Audit schedules were revised to expedite coverage of elements missed. Of the expedited audits, all but one have been completed. The remaining audit is currently in progress. Although audit performance was deficient during the cited years, the elements omitted from the audit program did not significantly deviate from program requirements during later review. To assure that no other inadvertent