UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA ST., N.W., SUITE 3100
ATLANTA, GEORGIA 30303

JUN 2 0 1980

In Reply Refer To:
RII:JAM
50-390/80-16

Tennessee Valley Authority
ATTN: H. G. Parris
Manager of Power
500A Chestnut Street Tower II
Chattanooga, TN 37401

Gentlemen:

This refers to the inspection conducted by J. A. McDonald of this office on May 1 through 30, 1980 of activities authorized by NRC Construction Permit No. CPPR-91 for the Watts Bar facility, and to the discussion of our findings held with J. E. Wilkins at the conclusion of the inspection.

Areas examined during the inspection and our findings are discussed in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

During the inspection, it was found that certain activities under your license appear to be in noncompliance with NRC requirements. This item and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 20 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved.

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 the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons on the basis of which it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

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Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

R. C. Lewis, Acting Chief
Reactor Operations and Nuclear
Support Branch

Enclosures:
1. Appendix A, Notice of Violation
2. Inspection Report No. 50-390/80-16

cc w/encl:
C. C. Mason, Acting Plant
Superintendent
J. E. Wilkins, Project Manager
J. F. Cox, Supervisor, Nuclear
Licensing Section
D. P. Ormsby, Project Engineer
H. N. Culver, Chief, Nuclear Safety
Review Staff