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

APR 29 1981

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

Gentlemen:

Subject: Report Nos. 50-390/81-06 and 50-391/81-06

This refers to the routine inspection conducted by J. L. Coley of this office on March 31 through April 3, 1981, of activities authorized by NRC Construction Permit Nos. CPPR-91 and CPPR-92 for the Watts Bar facility. Our preliminary findings were discussed 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 inspectors.

During the inspection, it was found that certain activities under your license appear to violate NRC requirements. This item and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. Elements to be included in your response are delineated in Appendix A.

We have examined actions you have taken with regard to previously identified enforcement matters and unresolved items. The status of these items is discussed in the enclosed report.

In accordance with Section 2.790 of the NRC "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 Public Document Room. If this report contains any information that you 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 the basis for claiming that the information is proprietary and the proprietary information should be 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

R. C. Lewis, Acting Director
Division of Resident and
Reactor Project Inspection

Enclosures:
1. Appendix A, Notice of Violation
2. Inspection Report Nos. 50-390/81-06 and 50-391/81-06

cc w/encl:
H. J. Green, Division Director
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