



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION II  
101 MARIETTA ST., N.W., SUITE 3100  
ATLANTA, GEORGIA 30303

OFFICIAL COPY  
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APR 28 1981

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

Gentlemen:

Subject: Report No. 50-390/81-08, 50-391/81-08

This refers to the investigation conducted by Mr. E. L. Williamson, Regional Investigator, on February 9 - March 13, 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 Mr. J. E. Wilkins, Plant Manager at the conclusion of the investigation. This also refers to my conversation with Mr. L. Mills, Manager of Nuclear Regulation and Safety on April 22, 1981, regarding the system for resolving nonconforming conditions at your nuclear facilities.

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

During the investigation additional examples of failure to follow procedure WBNP-QCI-1.2 were identified. Previous examples were cited in the Notice of Violation to you dated March 10, 1981 which accompanied IE Inspection Report 50-390/80-36. Your corrective actions in response to that Notice and our evaluation of your actions should ensure resolution of the additional examples identified in the enclosed report. Accordingly, no specific response to these additional examples is requested. However, in view of the information obtained in this investigation and the fact that during the past year we have identified eight different situations relating to the failure to properly initiate, process or review nonconforming condition reports or make reports required by 10 CFR 50.55(e); we are concerned that adequate management attention may not have been directed to the resolution of this problem. Accordingly, a response to this particular matter is requested. Your response should include information on whether or not you plan to conduct an audit by Office of Engineering Design and Construction QA personnel to determine if these incidents of improper handling of nonconforming condition reports at Watts Bar are an isolated case or if the problem exists at other construction sites, or within the Division of Construction and the Division of Engineering Design. This information will be of value in our continuing evaluation of this problem.

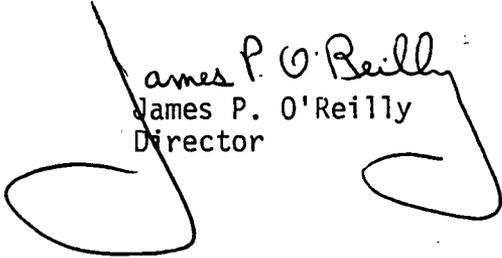
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In accordance with Section 2.790 of the NRC "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed investigation report will be placed in the NRC Public Document Room. If this report contains any 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.

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

Sincerely,



James P. O'Reilly  
James P. O'Reilly  
Director

Enclosure:  
Investigation Report  
No. 50-390/81-08, 50-391/81-08

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  
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