Official Copy

Docket Nos. 50-390, 50-391 License Nos. CPPR-91, CPPR-92

Mr. Oliver D. Kingsley, Jr. President, Generating Group Tennessee Valley Authority 6N 38A Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

Dear Mr. Kingsley:

SUBJECT: NOTICE OF VIOLATION

(NRC INSPECTION REPORT NOS. 50-390/90-30 AND 50-391/90-30)

This refers to the inspection conducted by G. A. Walton of this office on November 17 - December 21, 1990. The inspection included a review of activities authorized for your Watts Bar facility. At the conclusion of the inspection, the findings were discussed with J. Garrity, Vice President, Watts Bar Site and those members of your staff identified in the enclosed report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

Based on the results of this inspection, certain of your activities appeared to be in violation of NRC requirements, as specified in the enclosed Notice of Violation. We are concerned about the violation because NRC relies on licensees to identify and report significant safety issues found during the construction of a facility.

In addition, one apparent violation involving control of work activities was identified and is being considered for escalated enforcement action in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy), 10 CFR Part 2, Appendix C (1990). Accordingly, no Notice of Violation is presently being issued for these inspection findings. Please be advised that the number and characterization of apparent violations described in the enclosed inspection report may change as a result of further NRC review.

An enforcement conference to discuss this apparent violation will be scheduled at a later date. The purposes of this conference are to discuss the apparent violation, its causes and safety significance; to provide you the opportunity to point out any errors in our inspection report; to provide an opportunity for you to present your proposed corrective actions; and to discuss any other

information that will help us determine the appropriate enforcement action in accordance with the Enforcement Policy. You will be advised by separate correspondence of the results of our deliberations on this matter. No response regarding this apparent violations is required at this time.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be placed in the NRC Public Document Room.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice of Violation when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with the NRC regulatory requirements.

The responses directed by this letter and its enclosures are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Public Law No. 96-511.

Should you have any questions concerning this letter, please contact us.

Sincerely,

(Original signed by J. Milhoan)

Stewart D. Ebneter Regional Administrator

Enclosures: (See page 3)

Mr. Oliver D. Kingsley, Jr.

Enclosures:

1. Notice of Violation

2. NRC Inspection Report

cc w/encls:
M. Runyon, Chairman
Tennessee Valley Authority
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Knoxville, TN 37902

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J. B. Waters, Director Tennessee Valley Authority ET 12A 9A 400 West Summit Hill Drive Knoxville, TN 37902

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D. Nunn, Vice President Nuclear Projects 1101 Market Street 6A Lookout Place Chattanooga, TN 37402

J. H. Garrity Vice President, Watts Bar Site Tennessee Valley Authority P. O. Box 800 Chattanooga, TN 37402-2801

Dr. M. O. Medford Vice President, Corporation Nuclear Assurance, Licensing, and Fuels Tennessee Valley Authority 6N 38A Lookout Place Chattanooga, TN 37402-2801 Honorable Johnny Powell County Judge Meigs County Courthouse Route 2 Decatur, TN 37322

Dr. Henry Myers, Science Advisor Committee on Interior and Insular Affairs U. S. House of Representatives Washington, D. C. 20515

Honorable Robert Aikman County Judge Rhea County Courthouse Dayton, TN 37321

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General Counsel Tennessee Valley Authority 400 West Summit Hill Drive ET 11B 33H Knoxville, TN 37902

State of Tennessee

bcc w/encls: (See page 4)

Mr. Oliver D. Kingsley, Jr.

bcc w/encls:

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