MAR 1 1 1991

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: NRC INSPECTION REPORT NOS. 50-390/90-31 AND 50-391/90-31

This refers to the inspection conducted by A. R. Long of this office on November 26-30, December 10-14, 1990, and January 30 - February 1, 1991. 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. H. Garrity, Site Vice President, 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.

In addition, one apparent violation, with multiple examples, 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). The apparent violation involves failure to establish and implement an adequate corrective action program for conditions adverse to quality. We are concerned about this apparent violation because an effective program to identify and correct conditions adverse to quality is vital to plant safety. 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 violation is required at this time.

TEO!

Mr. Oliver D. Kingsley, Jr.

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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.

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

Sincerely,

(Original signed by S. Ebneter)

Stewart D. Ebneter Regional Administrator

Enclosure: (See page 3)

Enclosure: NRC Inspection Report

cc w/encl:
M. Runyon, Chairman
Tennessee Valley Authority
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Dr. M. O. Medford Vice President, Nuclear Assurance Licensing and Fuels Tennessee Valley Authority 6N 38A Lookout Place Chattanooga, TN 37402-2801

Honorable Robert Aikman County Judge Rhea County Courthouse Dayton, TN 37321 Honorable Johnny Powell County Judge Meigs County Courthouse Route 2 Decatur, TN 37322

E. G. Wallace, Manager
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John H. Garrity
Site Vice President
Watts Bar Nuclear Plant
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State of Tennessee

bcc w/encl: (See page 4)

Mr. Oliver D. Kingsley, Jr.

bcc w/encl:

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