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

Tennessee Valley Authority
ATTN: Dr. Mark O. Medford
Vice President, Nuclear
Assurance, Licensing & Fuels
6N 38A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

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Gentlemen:

SUBJECT: NOTICE OF VIOLATION

(NRC INSPECTION REPORT NOS. 50-390/92-34 AND 50-391/92-34)

This refers to the inspection conducted by A. Tillman of this office on October 21-23, 1992. The inspection included a review of activities authorized for your Watts Bar facility. At the conclusion of the inspection, the findings were discussed with 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 (Notice). The violations are of concern because they indicate a lack of awareness of procedural requirements for protection of safeguards information and compliance with the provisions of the Fitness for Duty Program. Clearly, additional training of personnel responsible for administration and compliance with these programs is warranted. In addition, the enclosed Inspection Report identifies activities that violated NRC requirements that will not be subject to enforcement action because the licensee's efforts in identifying and/or correcting the violation meet the criteria specified in Section VII.B. of the Enforcement Policy.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice 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 NRC regulatory requirements.

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The material enclosed herewith contains Safeguards Information as defined by 10 CFR Part 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will <u>not</u> be placed in the Public Document Room.

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

Sincerely,

Juncy Millet f

J. Philip Stohr, Director Division of Radiation Safety and Safeguards

## Enclosures:

- Notice of Violation (Safeguards Information)
- NRC Inspection Report (Safeguards Information)

cc w/encls:
D. Nunn, Vice President
Nuclear Projects
Tennessee Valley Authority
3B Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

W. J. Museler Site Vice President Watts Bar Nuclear Plant Tennessee Valley Authority P. O. Box 2000 Spring City, TN 37381

Mark J. Burzynski, Manager Nuclear Licensing and Regulatory Affairs Tennessee Valley Authority 5B Lookout Place 1101 Market Street Chattanooga, TN 37402-2801

cc w/Inspection Summary: (See page 3)

MUN US HOW

cc w/Inspection Summary: J. B. Waters, Chairman Tennessee Valley Authority ET 12A 400 West Summit Hill Drive Knoxville, TN 37902

G. L. Pannell Site Licensing Manager Watts Bar Nuclear Plant Tennessee Valley Authority P. O. Box 2000 Spring City, TN 37381

TVA Representative Rockville Office 11921 Rockville Pike Suite 402 Rockville, MD 20852

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

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

Honorable Johnny Powell County Judge Meigs County Courthouse Route 2 Decatur, TN 37322

Michael H. Mobley, Director Division of Radiological Health 3rd Floor, L and C Annex 401 Church Street Nashville, TN 37243-1532

## A. Harris

bcc w/Inspection Summary: E. W. Merschoff, DRP/RII J. R. Johnson, DRP/RII

(bcc w/Inspection Summary cont'd - See page 4)

Tennessee Valley Authority

(bcc w/Inspection cont'd)

K. P. Barr, DRP/RII J. B. Brady, DRP/RII

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C. A. Julian, DRS/RII
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NRC Resident Inspector U.S. Nuclear Regulatory Comm. Route 2, Box 700 Spring City, TN 37381

bcc w/encls: NRR/DRIS/SB

ATILMAN: JC

MCGUIRE 11/19 /92

RII:DRSS COLLINS 11/19/92

RII:DRSS