



Tennessee Valley Authority, Post Office Box 2000, Spring City, Tennessee 37381

APR 25 1995

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555

Gentlemen:

In the Matter of the Application of) Docket Nos. 50-390
Tennessee Valley Authority) 50-391

WATTS BAR NUCLEAR PLANT (WBN) - UNIT 1 AND UNIT 2 - NRC INSPECTION REPORT
NOS. 50-390, 391/95-10 - REPLY TO NOTICE OF VIOLATION

The purpose of this letter is to provide a reply to Notice of Violation
390/95-10-01 cited in the subject Inspection Report dated March 17, 1995.
TVA provided a discussion of this violation in the public meeting held at
the Region II offices on April 19, 1995.

TVA regrets that some of the information pertaining to this issue was not
discussed or provided to the staff during the subject inspection.
Subsequently, this information was discussed in the April 19 meeting. TVA
believes that the enclosed response and previous discussion should provide
the staff with a different perspective and a better understanding of
Nuclear Assurance's efforts and involvement in this area. In regard to
the identification and escalation of vendor information problems, TVA
believes that Nuclear Assurance's efforts are very effective in this area
and provide "value add" to the resolution of this outstanding issue.

TVA is confident that Watts Bar's ongoing improvements of the corrective
action and trend program are providing Watts Bar management with the
information necessary to effectively correct deficiencies and make changes
to support Watts Bar in its transition from a construction to an operation
facility.

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Enclosure 1 provides TVA's response to this violation.

If you should have any questions, contact P. L. Pace at (615)-365-1824.

Sincerely,



Q. J. Zeringue

Enclosure

cc (Enclosure):

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ENCLOSURE 1

WATTS BAR NUCLEAR PLANT UNIT 1
RESPONSE TO NRC'S MARCH 17, 1995 LETTER TO TVA
NRC VIOLATION 390/95-10-01

DESCRIPTION OF VIOLATION

"10 CFR 50, Appendix B, Criterion V, and the applicant's accepted Nuclear Quality Assurance Plan, TVA-NQA-PLN89-A, Revision 4, Section 6.2.2B, require, in part that quality related activities shall be performed in accordance with approved and controlled instructions, procedures, and drawings.

TVA Procedure SSP-3.04, Corrective Action Program, Rev. 14, lists the criteria for items which must be reported on Significant Corrective Action Reports (SCARs). One of the criterion states that a major safety-related or QA program condition that has occurred with a frequency as to indicate that past recurrence control has been lacking or ineffective must be reported on a SCAR.

Contrary to the above, as of February 17, 1995, activities were not performed in accordance with Procedure SSP-3.04 in that a SCAR had not been initiated when there was sufficient evidence to show that recurrence controls had not been effective in preventing deficiencies during the use of vendor information. During 1994 and 1995, examples of deficiencies in using vendor information were identified in at least 17 Problem Evaluation Reports (PERs), five Nuclear Assurance assessments, and two NRC violations."

TVA RESPONSE - REASON FOR THE VIOLATION

The violation occurred because TVA personnel did not effectively communicate to NRC the ongoing review activities and existing corrective action documents which addressed the identified deficiencies at the time of the inspection.

TVA concludes that the 17 deficiencies mentioned above (1) were identified and tracked through existing SCARs, (2) had PERs written which deal with the specific area of weakness, or (3) are in the appropriate process for review of a SCAR condition. TVA was aware of the series of deficiencies detailed in the referenced reports, Nuclear Assurance assessments, and NRC violations; however, our analyses of those deficiencies have consistently shown they have been more closely associated with the general controls for processing design documents and preparing work implementation documents, not to deficiencies in the Vendor Information (VI) Corrective Action Program (CAP). This conclusion is drawn from reviews in two different areas of TVA's Nuclear Assurance program discussed below:

TVA's Assessments of Corrective Action Programs/Special Projects

During the subject NRC inspection, TVA's Nuclear Assurance organization discussed one of their ongoing Vendor Information Corrective Action Program assessments (NA-WB-94-0135) with the inspection team. That assessment included an evaluation of deficiencies involving vendor information. It concluded that plant procedures and work orders properly addressed vendor manual requirements. However, recurrence controls from past deficiencies had not always been effective in ensuring that correct vendor manual requirements had been implemented through work documents. That assessment had concluded,

however, that due to ongoing line activities (discussed further below), no additional SCAR condition existed at that time.

TVA's Trending of Conditions Adverse To Quality

As discussed with the staff on April 19, 1995, Nuclear Assurance's trending of conditions adverse to quality is performed on a process basis. Even though vendor information is used throughout design documents and work documents, the design and work processes, themselves, must correctly implement the available vendor information according to existing procedures. As stated above, for the 17 PERs which are the subject of the violation, TVA has, where appropriate, either initiated SCARs or is evaluating the need for SCARs in the areas affected to address repetitive problems in accordance with the requirements of SSP-3.04. SSP-3.06, "Problem Evaluation Reports," requires all PERs to be reviewed against the SCAR criteria in Site Standard Practice (SSP)-3.04, Appendix B, by the initiating supervisor, and later by the responsible organization (1) at the time of developing the corrective action plan, and (2) at the closure of the PER. The Management Review Committee currently overviews these three reviews.

CORRECTIVE ACTIONS THAT HAVE BEEN TAKEN AND RESULTS ACHIEVED

The following actions for the 17 PERs have been taken or are in process:

- Seven of the PERs (WPPER940153, WPPER940446, WPPER940506, WPPER940541, WPPER940594, WPPER940661, and WPPER950096) addressed the deficiency of not following procedural requirements in the development and implementation of work orders. In September 1994, Nuclear Assurance identified a potential adverse trend with work orders. A special review of work orders was initiated, and it concluded that an adverse trend did exist. SCAR WBSA940061 was issued to increase management's attention to the fact that this repetitive problem existed. This SCAR specifically indicates in the Root Cause Detailed Analysis that for unapproved vendor information and drawings in work documents, recurrence control has not been effective. WPPER940506 is referenced in WBSA940061.
- Four of the PERs (WPPER940184, WPPER940242, WPPER940436, and WPPER940685) are related to not following procedural requirements in the preparation of work plans. It should be noted that SCAR WBSA940063 involves multiple work plan errors, and, in part, addressed the misuse of vendor instructions through the use of the wrong electrical splice kits. One resulting action was the revision of SSP-2.10, "Vendor Manual/Information Control," clarifying the usage and requirements for vendor information.
- One of the PERs (WPPER940355) addresses the failure of design change notices (DCNs) to list applicable vendor instructions for use in work plan and work order installations, the failure to revise applicable vendor technical manuals (VTMs), and the failure to reference applicable existing VTMs as instructed by Engineering Administrative Instruction (EAI)-3.05, "Design Change Notices." Through TVA's normal process of dispositioning the PER in accordance with SSP-3.06, this PER is in the process of being evaluated against the SCAR criteria. Nuclear Assurance

had initiated this PER during an assessment of the program, and had been closely monitoring the extent of condition review to ensure that a proper SCAR resolution decision was made.

- Two of the PERs (WBPER940116 and WBPER940298) relate to the inadequate control, use, and reference of vendor instructions in procedures. Our conclusion to date does not indicate a SCAR condition exists in the procedures area. (Note: WBPER940298 is referenced by WBSA940061 because the PER identifies problems in the development of work orders.)
- One PER (WBPER940592) involves the NSSS supplier (Westinghouse) using an incorrect vendor drawing in scaling setpoint documents (SSDs). This is not a VI CAP issue, and is being resolved through Westinghouse.
- One PER (WBPER940173) involves a conflict between two design documents, a pipe support drawing and a vendor load capacity data sheet. (Note: A vendor load capacity data sheet is a TVA document which is comprised of vendor data.) This PER is being resolved as a design problem.
- One PER (WBPER950093) was invalidated.

CORRECTIVE STEPS THAT WILL BE TAKEN TO AVOID FURTHER VIOLATIONS

As indicated above, TVA is in the process of taking action in the appropriate areas of design and work implementation through our Corrective Action Program. This is not to say, however, that TVA has been unaware of or inattentive to potential problems within the Vendor Information Program. In October 1994, TVA conducted a review in response to a variety of condition indicators, which gave preliminary indication of recurring implementation problems with vendor information. That analysis indicated a random and sporadic distribution of problem causes involving a variety of responsible organizations.

Though it is TVA's belief that no additional SCAR conditions existed in relation to the WBN Vendor Information Corrective Action Program specific activities, TVA, independently and prior to the subject inspection, took effective action to address vendor program problems and weaknesses. For instance, TVA assigned a program manager familiar with both vendor issues and CAP requirements to oversee the implementation and closeout of the program. This action afforded greater attention to the entire Vendor Information Program and emphasized the importance of resolving all vendor-related issues.

The new Vendor Information CAP manager also undertook an aggressive training effort in December 1994 aimed at those site personnel who use vendor information. This action afforded greater attention to the entire Vendor Information Program and emphasized the importance of resolving all vendor-related implementation issues.

As a result of input derived from these training efforts as well as input from efforts to resolve SCAR WBSA940063, SSP-2.10 was revised. This revision was designed to make the procedure easier to use, to expand the requirements for documenting reviews for impacts on previous installations when vendor requirements change, to clarify the usage for catalogue-type information, and limit those who are permitted to use it.

The existing SCARs and management directed Vendor Information Program improvements are considered by TVA to be sufficient to prevent further problems in the areas discussed above.

DATE WHEN FULL COMPLIANCE WILL BE ACHIEVED

With respect to the cited violation, TVA is in full compliance.

ADDITIONAL INFORMATION

As discussed with the staff, TVA is still confirming the effectiveness of the implementation of vendor information requirements. TVA is confident that the corrective action documents discussed above will ensure the effectiveness of the program. The licensing staff will keep the resident inspectors informed regarding the closure of these corrective action documents.