

Official copy

MAR 16 1992

Docket Nos. 50-390, 50-391
License Nos. CPPR-91, CPPR-92
EA 92-047

Tennessee Valley Authority
ATTN: Dr. M. O. Medford
Vice President,
Nuclear Assurance
Licensing and Fuels
3B Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

Gentlemen:

SUBJECT: NRC INSPECTION REPORT NO. 50-390/92-03 AND 50-391/92-03

This refers to the inspection conducted by Ron Gibbs of this office on February 10-14 and 17-20, 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 inspection report.

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

As a result of this inspection, eight apparent violations were identified and are 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 (1991). The NRC is concerned with the number and nature of deficiencies identified in the enclosed inspection report concerning your Material Improvement Program. The purpose of that program is to prevent material of unknown quality from being installed in the plant, without an engineering review and reinspection to verify acceptability. As evidenced by the findings of this inspection your program has failed to accomplish that purpose. 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.

Additionally, we are concerned that the program controls for the material receipt inspection area were reduced after construction restart without notification of the NRC, contrary to one of the conditions which were agreed to prior to construction restart approval. Your program to control this notification of the NRC warrants management attention.

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Tennessee Valley Authority

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An NRC investigation of the apparent violations discussed in the inspection report is continuing. An enforcement conference to discuss these apparent violations will be scheduled by separate correspondence. The purposes of this conference are to discuss the apparent violations, 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.

Even though no response to the apparent violations is required at this time, the schedule to complete this enforcement action may not support your current schedule for unconditional release of construction activities. Therefore, we request you provide a detailed description of corrective actions taken to address the issues identified in this report. Please respond within 30 days from the date of this letter.

In accordance with Section 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 L. Reyes)

Luis A. Reyes, Director
Division of Reactor Projects

Enclosure:
NRC Inspection Report

cc w/encl: (See page 3)

Tennessee Valley Authority

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cc w/encl:

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State of Tennessee

bcc w/encl: (See page 4)

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Tennessee Valley Authority

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bcc w/encl:

S. D. Ebnetter, RII
L. A. Reyes, DRP/RII
J. R. Johnson, DRP/RII
K. P. Barr, DRP/RII
B. Bordenick, OGC
J. B. Brady, DRP/RII
M. S. Callahan, GPA/CA
R. D. Gibbs, DRP/RII
F. J. Hebdon, NRR
G. C. Lainas, NRR
J. Lieberman, OE
H. H. Livermore, DRP/RII
A. R. Long, DRP/RII
P. S. Tam, NRR
NRR Document Control Desk

NRC Resident Inspector
U. S. Nuclear Regulatory Commission
Route 2, Box 700
Spring City, TN 37381

PREVIOUS CONCURRENCES

* See previous concurrence

RII:DRP * RGibbs:vyg 03/ /92	RII:DRP KBarr 03/11/92 3/16/92	RII:DRP * GWalton 03/ /92	RII:DRP * Klvey 03/ /92	RII:DRP * Wilson 03/11/92	RII:DRP * JMihoan 03/ /92	RII:DRP * LReyes 03/12/92
RII:EICS * GJenkins 03/11/92	RII:ORA * JMihoan 03/ /92	L. Robinson has reviewed a draft of this report and agrees with its contents. L. Robinson 3/11/92				

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bcc w/encl:

S. D. Ebnetter, RII
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← J. Lieberman, OE

NRC Resident Inspector
U. S. Nuclear Regulatory Commission
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Spring City, TN 37381

PREVIOUS CONCURRENCES

RII:DRP <i>RDH</i> RGibbs:vyg 03/10 /92	RII:DRP <i>JS</i> KBarr 03/10 /92	RII:DRP <i>RDH FDR</i> GWalton 03/10 /92	RII:DRP <i>RDH FDR</i> Klvey 03/10 /92	RII:DRP BWilson 03/ /92	<i>RDH</i> RII:DRP JMilhoan 03/ /92	RII:DRP LReyes 03/ /92
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RII:EICS GJenkins 03/ /92	RII:ORA JMilhoan 03/ /92
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