

July 2, 1992

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

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

Gentlemen:

SUBJECT: NOTICE OF VIOLATION  
(NRC INSPECTION REPORT NOS. 50-390/92-03 AND 50-391/92-03 and NRC  
INVESTIGATION REPORT NO. 2-92-002R)

This refers to the inspection conducted on February 10-14 and 17-20, 1992 at the Watts Bar facility. This inspection was a review of the Watts Bar Material Improvement Project. The report documenting this inspection was sent to you by letter dated March 16, 1992. Your response to the NRC concerning that inspection was dated April 29, 1992. A follow-up inspection, NRC Inspection Report 50-390, 391/92-11, was also conducted. As a result of the initial inspection significant failures to comply with NRC regulatory requirements were identified, and accordingly, NRC concerns relative to the inspection findings were discussed in an Enforcement Conference held in Region II on June 4, 1992.

Based on our evaluation of the information provided during the enforcement conference, we have concluded that the violations addressed in the enclosed Notice of Violation (Notice) do not constitute a program breakdown in the material control area. Accordingly, the violations have each been categorized at Severity Level IV or V as appropriate. Enclosure 3 provides the Enforcement Conference Summary.

The cover letter to Inspection Report 50-390,391/92-03 addressed two issues that require additional clarification. First, the letter indicated that a separate investigation was ongoing concerning some of the issues discussed in the Inspection Report. Enclosure 2 is a Synopsis of the Investigation Report and it concluded there was no wrongdoing. Second, the cover letter identified a concern that TVA was reducing program controls in the material receipt inspection area without prior notification of the NRC, contrary to the agreements documented in the construction restart approval letter dated November 26, 1991. Although the Material Improvement Project Receipt Inspection Procedure did allow the potential to reduce controls, the NRC has concluded that there was no intent on the part of TVA to do so without prior

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NRC notification and the reductions in the program were apparently never implemented. We have reviewed your current revision of this procedure and have concluded that it is not a reduction from the program in effect at restart.

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. Reference may be made to previous submittals to NRC. 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.

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

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Pub. L. No. 96-511.

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

Sincerely

Original signed by:  
Jon R. Johnson

Jon R. Johnson, Acting Director  
Division of Reactor Projects

Enclosures:

1. Notice of Violation
2. Synopsis of OI Report
3. Enforcement Conference Summary

cc w/encls: (See page 3)

Tennessee Valley Authority

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cc w/encls:

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

D. E. Nunn, Vice President  
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

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  
T.E.R.R.A. Building, 6th Floor  
150 -9th Avenue North  
Nashville, TN 37243-1532

bcc w/encls: (See page 4)

July 2, 1992

bcc w/encls:

J. Lieberman, OE

B. A. Wilson, RII

K. P. Barr, RII

J. B. Brady, RII

B. Bordenick, OGC

M. S. Callahan, GPA/CA

R. D. Gibbs, RII

F. J. Hebdon, NRR

G. R. Jenkins, RII

J. R. Johnson, RII

G. C. Lainas, NRR

H. H. Livermore, RII

L. A. Reyes, RII

P. S. Tam, NRR

Document Control Desk

J. Wechselberger, EDO

NRC Resident Inspector

U.S. Nuclear Regulatory Commission

Route 2, Box 700

Spring City, TN 37381

\* See Previous concurrences attached.

RII:DRP

RII:EICS

\*RGibbs

06/ /92

\*GJenkins

07/ /92

RII:DRP

RII:DRP

RII:DRP

RII:DRP

\*KBarr

06/ /92

\*BWilson

06/ /92

\*GWalton

06/ /92

\*Kivey

06/ /92

Tennessee Valley Authority

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July 2, 1992

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B. A. Wilson, RII  
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H. H. Livermore, RII  
L. A. Reyes, RII  
P. S. Tam, NRR  
Document Control Desk

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

RII:DRP  
*RDM*  
RGibbs  
06/29/92

RII:EXCS  
*RGJ*  
GJenkins  
06/11/92

RII:DRP  
*KBarr*  
KBarr  
06/29/92

RII:DRP  
*BWilson*  
BWilson  
06/30/92

RII:DRP  
*GWalton*  
GWalton  
06/29/92

RII:DRP  
*Kivey*  
Kivey  
06/29/92

*for J. Vorse*  
*7/1/92*

Release of synopsis approved  
by CI Memo dtd. 6/29/92.