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79022-03L

## TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 37401

400 Chestnut Street Tower II

July 3, 1979

Mr. James P. O'Reilly, Director Office of Inspection and Enforcement U.S. Nuclear Regulatory Commission Region II - Suite 3100 101 Marietta Street Atlanta, Georgia 30303

REGULATORY DOCKET FILE GOPY

Dear Mr. O'Reilly:

WATTS BAR NUCLEAR PLANT UNITS 1 AND 2 - REACTOR VESSEL INSULATION - NCR CEB 79-21 - FIRST INTERIM REPORT

The subject deficiency was initially reported to NRC-OIE Inspector R. McFarland on June 4, 1979, in accordance with 10 CFR 50.55(e). Enclosed is our first interim report. We expect to submit our next report by August 31, 1979.

If you have any questions concerning this matter, please get in touch with D. L. Lambert at FTS 854-2581.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

L. M. Mills, Manager

Nuclear Regulation and Safety

Enclosure

cc: Mr. John G. Davis, Acting Director (Enclosure)
Office of Inspection and Enforcement
U.S. Nuclear Regulatory Commission
Washington, DC 20555

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