



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555

JUL 27 1992

Docket Nos. 50-390
and 50-391

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

Dear Dr. Medford:

SUBJECT: WATTS BAR NUCLEAR PLANT - CORRECTIVE ACTION PROGRAM ON REPLACEMENT
ITEMS, REV. 4 (TAC M71922)

By letter dated February 11, 1991, we stated that Rev. 3 of the Watts Bar Corrective Action Program (CAP) for Replacement Items was acceptable, but that the issue of dedication of commercial grade parts for safety-related applications remains open. By letter dated February 3, 1992, Mr. J. H. Garrity of your site staff, submitted Rev. 4 of the CAP to address, among other things, the open issue. A letter from Mr. W. Museler, dated July 1, 1992, further clarified TVA's February 3, 1992 letter.

Our Vendor Inspection Branch has briefly reviewed Rev. 4 of the CAP. The revision addresses actions taken to assure that replacement parts obtained as commercial-grade are suitable for safety-grade applications. We note that the July 1, 1992 clarification letter states that TVA will conform to the guidance endorsed by the staff in Generic Letter 91-05, "Licensee Commercial-Grade Procurement and Dedication", only "to the extent that the generic letter does not deviate from the guidance set forth in EPRI NP-5652...." Furthermore, TVA stated that it "has previously committed to meeting the intent [emphasis added] of Generic Letter 89-02...." GL 89-02 contains specific exceptions to EPRI NP-5652 that the staff considers essential to meeting the requirements of 10 CFR Part 50, Appendix B. GL 91-05 provided staff positions on the implementation of commercial grade dedication programs with respect to critical characteristics and like-for-like replacements which are not as explicitly addressed in EPRI NP-5652. Since the TVA commitments take exception to the staff position and do not provide acceptable alternate positions, the staff cannot, at this time conclude that the CAP is acceptable in the area of commercial grade dedication.

Results of recent procurement assessments indicate that although most licensees' procurement and commercial grade dedication programs are generally consistent with NRC expectations, there are implementation weaknesses. Since experience shows that problems lie principally in the implementation of the programs, a review and approval of the program plan alone would not fully

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Dr. Mark O. Medford

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evaluate its effectiveness. Therefore, an effective evaluation should be accomplished through an inspection. An inspection which will determine the acceptability of the commercial grade dedication program, will be performed by the NRC as part of the NRC review of this CAP.

This completes our program review efforts on Rev. 4 of the CAP. The review was performed by Messrs. Ronald Frahm and Greg Cwalina, of the Vendor Inspection Branch in consultation with Mr. Ronald Gibbs of our Region II staff.

Sincerely,

Peter S. Tam, Senior Project Manager
Project Directorate II-4
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulation

cc: see next page

*See previous concurrence

OFC	PDII4/LA <i>M</i>	PDII-4/PM	RVIB/SC*	RVIB/BC <i>C</i>	PDII4/D <i>for</i>
NAME	MSanders	PTam <i>PST</i>	GCwalina	<i>for</i> LNoorholm	FHebdon <i>for</i>
DATE	7/24/92	7/27/92	7/16/92	7/27/92	7/27/92

Watts Bar Nuclear Plant

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