

TENNESSEE VALLEY AUTHORITY

KNOXVILLE, TENNESSEE 37902

October 8, 1980

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SD-327
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Mr. James P. O'Reilly
Office of Inspection and Enforcement
U.S. Nuclear Regulatory Commission, Region II
101 Marietta Street, Suite 3100
Atlanta, Georgia 30303

Dear Mr. O'Reilly:

Reference is made to your letters dated July 28, 1980, and August 6, 1980, and TVA's response of September 2, 1980, all three referring to the inspection of TVA's Division of Engineering Design of July 7-11, 1980.

In the exit interview at the conclusion of the July 7-11 inspection, V. L. Brownlee discussed concerns of findings during the inspection indicating a lack of quality assurance organizational freedom, authority, and access to management. In order to keep you properly informed of our program in resolving your concerns, I thought it would be helpful if I outlined to you some of the actions we have taken and the organizational changes we have made. Details of these changes will be incorporated in the formal licensing documents and will be submitted through official channels at a later date.

Immediately after the exit interview, the senior staff of the Office of Engineering Design and Construction (OEDC), the Manager of the Division of Engineering Design, and others met with the OEDC Quality Assurance Staff and the Engineering Design Quality Assurance Staff. The details of the concerns were discussed in depth at these meetings. Immediately following these meetings, personal interviews were held with each member of the two quality assurance staffs.

As a result of these meetings, we confirmed that there was widespread perception by personnel in the Quality Assurance organization, that they did not have sufficient organizational freedom and that management did not give adequate support to quality assurance. We decided that prompt action was needed to strengthen the management of the quality assurance function and to give increased emphasis and stature to the Quality Assurance organization in the Office of Engineering Design and Construction. Some of the actions which we took are described below.

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The OEDC Quality Assurance Staff has been elevated to the same organizational level as the branches and projects in Engineering Design and Construction. A new Manager of OEDC Quality Assurance was appointed. This new manager has successfully managed key positions in nuclear engineering and nuclear safety in TVA. The former Manager of Quality Assurance is retained in a staff position in the OEDC QA organization.

The quality assurance function in the Division of Engineering Design was separated from the Quality Engineering Branch and elevated to a separate branch reporting to an assistant manager. A person having a strong nuclear background and who has demonstrated outstanding management capability was selected as branch chief. The head of the former quality assurance group has a staff position in the new Quality Assurance Branch. One supervisor in the former quality assurance group was transferred at the same grade to a position not having quality assurance responsibilities.

All of the above transfers were at the same grade and level except that the Chief of the new Quality Assurance Branch and the new supervisor of the Quality Engineering Section received promotions.

The Division of Construction Quality Assurance Staff was elevated to the same level as the branches and major projects in the division. The head of the former Construction Quality Assurance Staff was promoted to Chief of the new Construction Quality Assurance Branch.

There was one other organizational adjustment directed at providing access to management. The Chiefs of the new Quality Assurance Branch in Engineering Design and the Quality Assurance Branch in Construction report administratively to an assistant manager. However, they are expected to report directly to the Manager of Engineering Design or the Manager of Construction, as appropriate, on significant matters related to quality. Similarly, the Manager of OEDC QA is expected to report directly to the Manager of OEDC on significant matters related to quality. The Manager of Quality Assurance and the Chiefs of the two Quality Assurance Branches work together as a team. The Manager of EN DES, Construction, and OEDC are corporate-level positions. The quality assurance organization is independent of cost and scheduling.

In addition to the organizational adjustments, the OEDC Quality Assurance Program has been reinforced to improve the quality achieving functions as well as the quality assuring functions. The program stresses that line organizations are responsible and will be held accountable for the quality of their work. The Quality Assurance organizations have responsibility and authority for ensuring that quality requirements are defined, are being met, and that corrective actions are properly implemented when problems are identified.

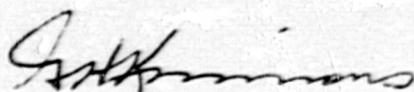
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I reiterate that we are committed to have a top Quality Assurance organization in the Office of Engineering Design and Construction. The managers of the new Quality Assurance organization are charged with fulfilling that commitment.

We are confident that the changes we have made are the first step toward fully resolving the problem whereby QA personnel perceive that they lack sufficient organizational freedom, authority, and access to management to do their job.

Sincerely,



G. H. Kimmons
Manager of Engineering Design
and Construction

cc: H. G. Parris
TVA, Manager of Power