

TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 37401

5N 157B Lookout Place

JUL 22 1986

U.S. Nuclear Regulatory Commission  
Region II

Attn: Dr. J. Nelson Grace, Regional Administrator  
101 Marietta Street, NW, Suite 2900  
Atlanta, Georgia 30323

Dear Dr. Grace:

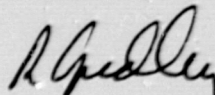
Please refer to my June 27, 1986 letter to you in which I committed to supplying you with a update on the status of the investigation of allegations supplied to TVA in the May 1 and May 13, 1986 letters to S. A. White from J. A. Olshinski.

Nine of the 23 allegations are being investigated and will be closed out by the Watts Bar Employee Concern Task Group. The remaining 14 allegations are being investigated by the "new" Employee Concern Program. Enclosed is a copy of the investigation report on RII-85-A-205 for your information. We will send other investigation reports as they are completed and will update you no later than mid-August on the status of our investigations.

Please telephone R. F. Campbell at FTS 858-4892, if you have any questions.

Very truly yours,

TENNESSEE VALLEY AUTHORITY



R. L. Gridley, Director  
Nuclear Safety and Licensing

Enclosure

ENCLOSURE

submitted in the plan; however, the lack of details on implementation does not permit the staff to express its views on the adequacy of the plan to eliminate the root causes of the TVA problems and to ensure safe operation. NRC indicated that additional information was requested to facilitate their review and a schedule for implementation.

#### IV. Conclusion

This concern is substantiated to the degree that the findings indicate that a stronger central management and control organization is currently being implemented as part of TVAs Corporate Nuclear Performance Plan. Documented actions to restructure TVAs nuclear organization (III.4) are not yet complete; however, these actions clearly show that TVAs nuclear activities will be subject to centralized management direction and control.

#### V. Recommendations

None

#### VI. Document Reviewed

1. Revised Corporate Nuclear Performance Plan, TVA, dated March 1986
2. Letter from B. J. Youngblood, USNRC, to Steven A. White, "Staff Actions Regarding TVA" dated May 28, 1986 (A02 860530 004)