TENNESSEE VALLEY AUTHORITY
CHATTANOOGA, TENNESSEE 37401
400 Chestnut Street Tower II

September 2, 1980

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

Dear Mr. O'Reilly:

Enclosed is our response to your August 6, 1980, letter to H. G. Parris, RII:VLB 50-327/80-24, -328/80-15, -390/80-20, -391/80-14, -438/80-13, -439/80-13, -518/80-11, -519/80-11, -520/80-11, -521/80-11, -553/80-11, -554/80-10, -566/80-10, -567/80-10, regarding activities at our Sequoyah, Watts Bar, Bellefonte, Phipps Bend, and Yellow Creek Nuclear Plants which appeared to have been in violation of NRC regulations. If you have any questions regarding this subject, please call Jim Domer at FTS 857-2014.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

L M Mills by

L. M. Mills, Manager
Nuclear Regulation and Safety

Enclosure

8010170123

OFFICIAL COPY

ENCLOSURE

RESPONSE TO NRC-OIE LETTER
FROM JAMES P. O'REILLY TO H. G. PARRIS
DATED MAY 9, 1980

REFERENCE: RII:VLB 50-327/80-24, 50-328/80-15
50-390/80-20, 50-391/80-14
50-438/80-13, 50-439/80-13
50-518/80-11, 50-519/80-11
50-520/80-11, 50-521/80-11
50-553/80-11, 50-554/80-10
50-566/80-10, 50-567/80-10

This report responds to the Notice of Violation described in Appendix A of the OIE Inspection Report referenced above. This is the final report on the subject noncompliances.

Noncompliance Item - Infraction 518/80-11-01; 519/80-11-01; 520/80-11-01; 521/80-11-01; 553/80-11-01; 554/80-10-01; 566/80-10-01; 567/80-10-01

A. As required by 10 CFR 50, Appendix B, Criterion V, as implemented by Hartsville, Phipps Bend, and Yellow Creek SAR's and Topical Report Section 17.1A.5 which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures, and drawings, . . . and shall be accomplished in accordance with these instructions, procedures, . . ." Quality Assurance Procedure MO-QAP No. 3.1, defines the method of reporting and documenting OEDC audit findings. By procedure, audit deficiencies are to be recorded on form TVA 22008 and reviewed for significant conditions adverse to quality per OEDC QAI-4.

Contrary to the above, audit findings for OEDC QA audits numbered M78-6, M78-21, and MR79-7 were reported/documented as conclusions and recommendations rather than as deficiencies and consequently not evaluated for significance.

This is an infraction applicable to licensee numbers CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, CPPR-163, CPPR-172, and CPPR-173.

Response

1. Corrective Action and Results Achieved

The subject OEDC QA audits have been reviewed to identify any conclusions and recommendations which were found to be deficiencies. The results of the review are as follows:

M78-6, Audit of GE/Braun/CBIN

Items 1, 2, 4, 6, and 8 are identified as deficiencies, but none are significant.

M79-7, Review of Combustion Engineering

Item 4 is identified as a deficiency, but is not significant.

M78-21, Audit of Interface between TVA and CE/Braun/CBIN

Items 4, 6, 10, and 11 are identified as deficiencies, but none are significant.

We have reviewed other OEDC management audits, reviews, evaluations, and investigations not documented under the OEDC audit procedure MO-QAP-3.1 and have not identified any deficiencies which are significant.

Action taken to prevent further noncompliance

A new procedure has been developed which requires that all formal OEDC quality assurance appraisals are to be reviewed against OEDC QA program requirements and any deficiencies will be identified. Identified deficiencies will be reviewed for significance and appropriate corrective action will be taken. We will issue this procedure by August 29, 1980.

3. Date When Full Compliance Will Be Achieved

Full compliance was achieved on August 29, 1980.

Noncompliance Item - Infraction 518/80-11-02; 519/80-11-02;
520/80-11-02; 521/80-11-02;
553/80-11-02; 554/80-10-02;
556/80-10-02; 567/80-10-02

B. As required by 10 CFR 50, Appendix B, Criterion V, as implemented by Hartsville, Phipps Bend and Yellow Creek SAR's and Topical Report Section 17.1A.5 which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures, and drawings, . . . and shall be accomplished in accordance with these instructions, procedures, . . ." The subject SAR's and Topical Report impose ANSI N45.2.12, Draft 3, Revision 4, on the licensee. ANSI N45.2.12, Draft 3, Revision 4, Paragraph 3.4.2 requires that, "applicable elements of the quality assurance program be audited at least annually or at least once within the life of the activity, whichever is shorter." IE's position is that all elements (engineering branches and design project groups) within EN DES Division which perform quality-related activities are to be audited against all applicable Appendix B criterion on an annual basis.

Contrary to the above, engineering procedure EN DES-EP 1.29 for handling internal EN DES audits does not provide assurance that all elements of the EN DES organizaiton are audited against applicable Appendix B criterion on an annual basis nor is there evidence that this requirement has been met.

This is an infraction applicable to licensee numbers CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, CPPR-163, CPPR-172, and CPPR-173.

Response

1. Corrective Action Taken and Results Achieved

Engineering Procedure 1.29, "Internal EN DES Quality Assurance Audit Program," presently requires in paragraph 4.1 that each organization doing QA-related work is audited once each year to the QA criteria applicable to EN DES. This will be revised by September 30, 1980, to state that each EN DES branch/project/staff doing quality-related work is audited once each year to the QA criteria applicable.

Additionally, QA audits to criteria I, II, and XVIII are conducted in EN DES by the OEDC Manager's office. The attached Composite OEDC-EN DES Audit Program Matrix of EN DES indicates the audits that have been/will be conducted in calendar year 1980. This is consistent with commitments in the Topical Report TVA-TR-75-1. An additional audit (80-6A) has been added to complete the schedule.

2. Action Taken to Prevent Further Noncompliance

The requirements of the revised EN DES procedure 1.29 will ensure that each EN DES organization is annually audited to applicable QA criteria.

3. Date Full Compliance Will Be Achieved

Full compliance will be achieved by September 30, 1980.

10 CFR 50 APPENDIX B	PGT	TAS	ACB	CDB	EDB	PDB	PLP	EPP	TDP	MPP	YCP	SMP	CEB	EEB	PEB	MEB	CEB	CEB
I ORGANIZATION	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-9*	[illegible] MDD-5	MDD-9*	MDD-9*	MDD-6	MDD-7	MDD-6	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-9*
II QA PROGRAM	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-9*	MDD-5	MDD-9*	MDD-9*	MDD-6	MDD-7	MDD-6	MDD-9*	MDD-9*	MDD-9*	MDD-9*	[illegible]	MDD-9*
III DESIGN CONTROL	N/A	N/A	DD-5	DD-6	DD-6	DD-6	DD-14*	N/A	[illegible] DD-13*	MDD-10 DD-10 MDD-6	DD-13 MDD-7 MDD-1	[illegible] DD-11*	DD-1	DD-6	DD-3	DD-7 [illegible]	N/A	N/A
IV PROCUREMENT DOCUMENT CONTROL	N/A	N/A	DD-5	DD-6	DD-6	DD-1	DD-11*	N/A	DD-13*	MDD-10 DD-10	DD-13* MDD-1	DD-11*	DD-1	DD-6	DD-3	DD-1	DD-6	MDD-9*
V INSTRUCTIONS, PROCEDURES AND DRAWINGS	N/A	MDD-9*	DD-5	DD-6	DD-6	DD-6	DD-14* MDD-5	N/A	DD-13*	DD-10	DD-13* MDD-7	DD-11*	DD-1	DD-6	DD-3	DD-3	[illegible] MDD-3	MDD-9*
VI DOCUMENT CONTROL	N/A	MDD-9*	DD-5	DD-6	DD-6	DD-6	[illegible]	N/A	DD-13*	MDD-6	MDD-1	DD-11*	DD-1	DD-3	DD-3	DD-3	DD-6	MDD-9*
VII CONTROL OF PURCHASED MATERIAL, EQUIP., AND SERVICES	N/A	N/A	DD-5	DD-6A *	DD-6A *	DD-6A *	DD-14*	N/A	DD-13*	MDD-10	DD-13*	DD-11*	DD-1 MDD-6 DD-11	DD-6	DD-3	DD-3	DD-7 DD-9 DD-10 DD-11	N/A
VIII IDENT. & CONTROL OF MATERIALS, PARTS AND COMPONENTS	N/A	N/A	← INCLUDED UNDER PROCUREMENT DOCUMENT CONTROL →														N/A	N/A
IX CONTROL OF SPECIAL PROCESSES	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	DD-3	DD-7	DD-7 DD-9 DD-11 DD-10	N/A
X INSPECTION	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	DD-6 MDD-1	N/A
XI TEST CONTROL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	[illegible]	N/A	N/A
XII CONTROL OF MEASURING AND TEST EQUIPMENT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	DD-6	N/A	N/A	N/A	N/A
XIII HANDLING, STORAGE AND SHIPPING	N/A	N/A	← INCLUDED UNDER DESIGN CONTROL AND PROCUREMENT DOCUMENT CONTROL →														N/A	N/A
XIV INSPECTION, TEST AND OPERATING STATUS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
XV NONCONFORMING MATERIALS	N/A	N/A	DD-5	DD-6A *	DD-6A *	DD-6A *	DD-14*	N/A	DD-13	MDD-10 DD-10	DD-13*	DD-11*	DD-1	DD-6	DD-3	DD-3	[illegible]	N/A
XVI CORRECTIVE ACTION	N/A	N/A	Included under CRIT IV "Nonconforming Materials"			→	MDD-5	N/A	DD-13	MDD-10 MDD-6	MDD-7 MDD-1	Included under CRIT IV "Nonconforming Materials" DD-11*				→	[illegible]	MDD-9*
XVII QUALITY ASSURANCE RECORDS	N/A	MDD-9*	DD-5	DD-6	DD-6	DD-6	DD-14*	N/A	DD-13	DD-10	DD-13* MDD-7	DD-11*	DD-1 DD-7	DD-6	DD-3	DD-3	[illegible]	MDD-9*
XVIII AUDITS	N/A	N/A	N/A	N/A	N/A	N/A	MDD-5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	MDD-1 MDD-9 MDD-10	MDD-9*

Notes:
1. This list contains audits that have been or are scheduled to be completed during 1980.
2. * Audits scheduled but not yet conducted.

POOR ORIGINAL

Noncompliance Item - Deficiency 327/80-24-01; 328/80-15-01;
438/80-13-01; 439/80-13-01

C. As required by 10 CFR 50, Appendix B, Criterion V, and as implemented by TVA's accepted QA program which requires that activities affecting quality shall be prescribed by documented instructions, procedures or drawings and shall be accomplished in accordance with these instructions, procedures or drawings. TVA has committed to implementing ANSI N45.2.11, which requires that within a design organization, methods shall provide for traceability of the sources of design information and its flow through the design process to the point where it is included as part of an identifiable design document. EN DES Procedure EP 3.03, Section 4.1, states in part, "prepare calculations . . .with sources of information referenced."

Contrary to the above, the following examples were identified where sources of information were not referenced in the design documents. (1) Calculations for Bellefonte typical supports used in the alternate criteria analysis for seismic supports did not reference the drawings of the typicals used in the supporting of the pipe. (2) Sequoyah's typical supports used in the alternate criteria analyses did not reference the design parameters used in the calculations.

This is a deficiency. This deficiency is applicable to license numbers DPR-77, CPPR-73, CPPR-122, and CPPR-123 only.

Response

1. Corrective Action Taken and Results Achieved

(1) The Bellefonte typical supports are not referenced by drawing number in the design calculation. The design calculations were made before the making of the typical support drawings. The typical support drawing is not a source of information for the preparation of the calculation. The requirements of the EP for identifying calculations and sources of information such that they can be retrieved were adhered to in the preparation of these calculations.

(2) The missing parameter in the Sequoyah design calculations was the schedule of pipe. Since only one schedule of pipe was utilized, it was not necessary to list it on every drawing and calculation package. However, a cover sheet will be added to each package of calculations indicating the values of design parameter used.

2. Action Taken to Prevent Further Noncompliance

In the future, cover sheets will be included in each calculation package.

3. Date When Full Compliance Will Be Achieved

We are now in full compliance.

Noncompliance Item - Infraction 518/80-11-04; 519/80-11-04; 520/80-11-04; 521/80-11-04; 553/80-11-04; 554/80-10-04

D. As required by Criterion V of Appendix B to 10 CFR 50, and as implemented by Phipps Bend and Hartsville PSAR Sections 17.1A.5 which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures or drawings . . . and shall be accomplished in accordance with these instructions, procedures, or drawings." EN DES Procedure Numbers EP 4.04 and 4.25 require that design drawings be checked to verify that all pertinent design information is included on the drawings.

Contrary to the above, the 180-day concrete compressive strengths required by design criteria for missile shielding was not noted on Hartsville drawing numbers 4YE5422Y7-01 and 4YE6422Y7-01 and Phipps Bend drawing number 4Y0422Y7-01. This omission was not detected by the checker of the drawings.

This is an infraction applicable to license numbers CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, and CPPR-163 only.

Response

1. Corrective Action Taken and Results Achieved

The note requiring test cylinders at 180 days in order to verify 4600 lb/in^2 compressive strength concrete has been added to the appropriate drawings and issued for construction. The drawings depict the diesel generator 7-day fuel oil tanks for Hartsville and Phipps Bend. Since construction of these structures has not yet started, no construction deficiency resulted from this infraction.

2. Action Taken to Avoid Further Noncompliance

A meeting with all members of the design section was held on June 18, 1980. The designers were instructed to ensure that the design requirements which prescribe construction activities are reflected on the construction drawings.

3. Date When Full Compliance Was Achieved

Full compliance was achieved on July 15, 1980, when the drawings were issued for construction.

Noncompliance Item - Deficiency 518/80-11-05; 519/80-11-05;
520/80-11-05; 521/80-11-05;
553/80-11-05; 554/80-10-05

E. As required by Criterion V of Appendix B to 10 CFR 50, and as implemented by Phipps Bend and Hartsville PSAR Sections 17.1A.5 which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures or drawings . . . and shall be accomplished in accordance with these instructions, procedures, or drawings." EN DES Procedure EP 1.14 requires completed calculations to be microfilmed in order to meet the record storage requirements of ANSI N45.2.9 for quality records.

Contrary to the above, completed calculations for the stability analysis of the Hartsville and Phipps Bend ESW spray pond slopes have not been microfilmed. These records were stored on open shelves not meeting the storage requirements of the procedure or ANSI N45.2.9.

This is a deficiency applicable to license numbers CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, and CPPR-163 only.

Response

1. Corrective Action Taken and Results Achieved

The process for microfilming and storing the calculations for the stability analysis of the Hartsville and Phipps Bend ESW spray pond slopes was started on July 17, 1980. A review of other calculations has also been initiated to determine if other calculations have not been properly stored. Any identified calculations will be microfilmed and stored.

2. Action Taken to Avoid Further Noncompliance

A Civil Engineering Branch (CEB) policy memorandum dated March 31, 1980, "Procedure for Approval, Filing and Microfilming Design Calculations," has been issued which documents the branch procedures which will be used to ensure that the requirements of EP 1.14 are met.

3. Date When Full Compliance Will Be Achieved

The review, microfilming, and storage of applicable QA records will be completed by February 23, 1981.

Noncompliance Item - Infraction 327/80-24-02; 328/80-15-02;
390/80-20-01; 391/80-14-01;
438/80-13-03; 439/80-13-03;
518/80-11-06; 519/80-11-06;
520/80-11-06; 521/80-11-06;
553/80-11-06; 554/80-10-06;
566/80-10-04; 567/80-10-04

F. As required by Criterion V of Appendix B to 10 CFR 50, and as implemented by Sequoyah and Watts Bar FSAR Sections 17.1A.5, by Bellefonte, Hartsville and Phipps Bend PSAR Sections 17.1A.5 and TVA Topical Report TR-75-1A, Section 17.1A.5, "Activities affecting quality shall be prescribed by documented instructions, procedures or drawings . . . and shall be accomplished in accordance with these instructions, procedures, or drawings." EN DES Procedures EP 1.14, 1.16, 1.26, 1.28, 3.03, 3.08, 4.04, and 4.25 are the measures (procedures) for control of design activities in the Engineering Design Division. EN DES EP 1.02 requires branch engineering procedures to be prepared to provide written instructions for QA-related activities which are unique to that branch.

Contrary to the above:

1. The Geologic Services Group in the Civil Engineering and Design Branch in EN DES has not implemented EN DES Procedures EP 1.14, 1.16, 1.26, 1.28, 3.03, 3.08, 4.04, and 4.25.

2. No written procedures have been prepared to cover QA-related activities unique to the Geologic Services Group.

This is an infraction.

Response

The Geologic Services Group was transferred from the Water Resources Division to the Engineering Design Division in February 1979. The Water Resources Division's Quality Assurance Program applied to work done prior to that date. The group brought in four procedures which were unique to its functions. These four procedures had not been included in the EN DES program nor had the group been specifically informed of those EN DES Engineering Procedures which applied to its functions.

1. Corrective Action Taken and Results Achieved

The information in the four procedures unique to Geologic Services Group functions is being incorporated in the EN DES program. Specific EN DES procedures which apply to the Geologic Services functions have been identified. Two QA orientation classes were conducted on July 28, and 30, 1980, for all management, engineer, and technical grades in the group. This has resulted in all members of the group being informed of QA program requirements and how these requirements affect their work. These functions will be included in the EN DES audit program.

2. Action Taken to Prevent Further Noncompliance

The QA staff (Quality Assurance Branch) is now alert to track any future organizational changes and promptly handle the QA program functions involved.

3. Date When Full Compliance Will Be Achieved

Full compliance will be achieved when the procedures unique to geologic services have been incorporated into the EN DES program. TVA anticipates that this will be completed by November 28, 1980.

Noncompliance Item - Deficiency 566-/80-10-05; 567/80-10-05

G. As required by 10 CFR 50, Appendix B, Criterion V, and as implemented by Topical Report TVA-TR-75-1A, Section 17.1A.5, which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures . . . and shall be accomplished in accordance with these instructions, procedures . . ." TVA EN DES Procedure EP 4.25, R3, requires that the originating organization of a drawing designate with the letter "Q" that some element of the depicted design must conform with 10 CFR 50, Appendix B, or other documented regulatory requirement. For Yellow Creek, Procedure EP 4.25, R3, requires that the "Q" designation be in the title block.

Contrary to the above, drawing 5RM0804-RU-RO, which is the electrical bill of material applicable to Class 1E embedded conduit installations in the reactor building auxiliary area (Class I structure), was issued without the required "Q" designation in the title block.

This is a deficiency applicable to license numbers CPPR-172 and CPPR-173 only.

Response

EN DES-EP 4.25, "Design Review and Interface Coordination of Detailed Construction and Procurement Drawings," does not control the cited document 5RM0804-RU, revision 0, entitled, "Cover Sheet for Bill of Material, Conduit & Grounding, Electrical Bill of Material." The letter "Q" on the drawing indicates that some element of the depicted design must conform with 10 CFR 50, Appendix B, or other documented regulatory requirements. 5RM0804-RU, revision 0, which does not depict any portion of the plant design, is controlled by EN DES-EP 5.17, "Electrical Bills of Material and Master Bills of Material Procedure for Drafting and Handling." EN DES-EP 5.17 contains no requirement for the "Q" designation on bills of material. Therefore the "Q" designation is not required, and we are in full compliance.

Noncompliance Item - Infraction 327-80-24-04; 328/80-15-04;
390/80-20-02; 391/80-14-02;
438/80-13-04; 439/80-13-04;
518/80-11-07; 519/80-11-07;
520/80-11-07; 521/80-11-07;
553/80-11-07; 554/80-10-07;
566/80-10-06; 567/80-10-06

H. As required by 10 CFR 50, Appendix B, Criterion XVIII, as implemented by Section 17.1A.18 of pertinent TVA nuclear plant SAR's and Topical Report envoking engineering procedures EN DES-EP 5.34 and QEB-EP 24.67 states in part, "A comprehensive system of planned and periodic audits shall be carried out to verify compliance with all aspects of the quality assurance program and to determine the effectiveness of the program."

Contrary to the above, discussions with responsible QEB audit personnel and examination of vendor audits and evaluation indexes performed to date revealed that no preaward surveys, regularly scheduled audits nor evaluation indexes had been conducted by TVA on EDS and Teledyne-contracted design services. Further discussions indicated there may be other procured services that TVA may not be auditing at this time.

This is an infraction.

Response

1. Corrective Action Taken and Results Achieved

TVA assures that the personel service contractors perform work and meet contract and specification requirements through qualification reviews, preaward meetings, review of previous work, review of quality assurance program before initiation of contract work, and/or review and approval of final design reports.

The vendor evaluation system as described in QEB-EP 24.67, "Vendor QA Program Evaluation Index--Maintenance and Handling," has been reviewed and updated to assure that all safety-related personal service contracts and vendors are included in the system. This was accomplished by review of all EN DES support contracts with the EN DES Project Control Staff (PCS). In addition, the QA Audit Section will receive a monthly status report from PCS. We expect to have completed all program evaluations by October 31, 1980.

2. Action Taken to Prevent Further Noncompliance

The monthly status report from PCS will be used by the QA Audit Section to monitor the vendor evaluation system and ensure that the requirements of QEB-EP 24.67 are met.

3. Date When Full Compliance Will Be Achieved

Full compliance will be achieved by October 31, 1980.

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327/80-24-06; 328/80-15-06
390/80-20-04; 391/80-14-04
438/80-13-05; 439/80-13-05
518/80-11-08; 519/80-11-08
520/80-11-08; 521/80-11-08
553/80-11-08; 554/80-10-08
566/80-10-07; 567/80-10-07

DES QA Organizational Freedom, Authority,
to Management.

as discussed during a management meeting
on July 25, 1980. TVA's formal response
ding will be transmitted under separate
C-OIE Region II.

POOR ORIGINAL

UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA ST., N.W., SUITE 3100
ATLANTA, GEORGIA 30303

AUG - 6 1980

In Reply Refer To:
RII:VLB
50-327/80-24, 50-439/80-13, 50-553/80-11
50-328/80-15, 50-518/80-11, 50-554/80-10
50-390/80-20, 50-519/80-11, 50-566/80-10
50-391/80-14, 50-520/80-11, 50-567/80-10
50-438/80-13, 50-521/80-11

Tennessee Valley Authority
ATTN: H. G. Parris
Manager of Power
500A Chestnut Street Tower II
Chattanooga, TN 37401

Gentlemen:

This refers to the inspection conducted by V. L. Brownlee of this office on July 7-11, 1980, of activities authorized by NRC Operating License No. DPR-77 and Construction Permit Nos. CPPR-73, CPPR-91, CPPR-92, CPPR-122, CPPR-123, CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, CPPR-163, CPPR-172 and CPPR-173, for the Sequoyah, Watts Bar, Bellefonte, Hartsville, Phipps Bend and Yellow Creek facilities, and to the discussion of our findings held with G. H. Kimmons and M. N. Sprouse at the conclusion of the inspection.

Areas examined during the inspection and our findings are discussed in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspectors.

Two new unresolved items resulted from this inspection and are discussed in the enclosed report. These items will be examined during subsequent inspections.

During the inspection, it was found that certain activities under your license appear to be in noncompliance with NRC requirements. These items and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 20 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons on the basis of which

Dupe f 8009020303

it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,

James P. O'Reilly
Director

Enclosures:
1. Appendix A, Notice of Violation
2. Inspection Report Nos. 50-327/80-24, 50-439/80-13, 50-553/80-11, 50-328/80-15 50-518/80-11, 50-554/80-10, 50-390/80-20 50-519/80-11, 50-566/80-10, 50-391/80-14 50-520/80-11, 50-567/80-10, 50-438/80-13 50-521/80-11

cc w/encls:
G. G. Stack, Project Manager
J. M. Ballentine, Plant Superintendent
J. F. Cox, Supervisor, Nuclear Licensing Section
M. J. Burzynski, Project Engineer
H. N. Culver, Chief, Nuclear Safety Review Staff
C. C. Mason, Acting Plant Superintenden
J. E. Wilkins, Project Manager
D. P. Ormsby, Project Engineer
A. M. Qualls, Plant Superintendent
W. R. Dahnke, Project Manager
D. L. Terrill, Project Engineer
R. T. Hathcote, Project Manager
J. E. Wills, Project Engineer
W. P. Kelleghan, Project Manager
M. M. Price, Project Manager
M. A. McBurnett, Project Engineer

APPENDIX A

NOTICE OF VIOLATION

Tennessee Valley Authority
Sequoyah, Watts Bar, Bellefonte,
Hartsville, Phipps Bend and
Yellow Creek

License No. DPR-77CPPR-73, CPPR-91,
CPPR-92, CPPR-122, CPPR-123, CPPR-150,
CPPR-151, CPPR-152, CPPR-153, CPPR-162,
CPPR-163, CPPR-172 and CPPR-173,

Based on the NRC inspection July 7-11, 1980, certain of your activities were apparently not conducted in full compliance with NRC requirements as indicated below. These items have been categorized as described in correspondence to you dated December 31, 1974.

A. As required by 10 CFR 50, Appendix B, Criterion V, as implemented by Hartsville, Phipps Bend and Yellow Creek SARs and Topical Report Section 17.1A.5 which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures, and drawings, ... and shall be accomplished in accordance with these instructions, procedures, ..." Quality Assurance Procedure MO-QAP No. 3.1, defines the method of reporting and documenting OEDC audit findings. By procedure, audit deficiencies are to be recorded on form TVA 22008 and reviewed for significant conditions adverse to quality per OEDC QAI-4.

Contrary to the above, audit findings for OEDC QA audits numbered M78-6, M78-21 and MR79-7 were reported/documented as conclusions and recommendations rather than as deficiencies and consequently not evaluated for significance.

This is an infraction applicable to licensee numbers CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, CPPR-163, CPPR-172 and CPPR-173.

B. As required by 10 CFR 50, Appendix B, Criterion V, as implemented by Hartsville, Phipps Bend and Yellow Creek SARs and Topical Report Section 17.1A.5 which states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures, and drawings, ... and shall be accomplished in accordance with these instructions, procedures, ..." The subject SARs and Topical Report impose ANSI N45.2.12, Draft 3, Revision 4, on the licensee. ANSI N45.2.12, Draft 3, Revision 4, Paragraph 3.4.2 requires that, "applicable elements of the quality assurance program be audited at least annually or at least once within the life of the activity, whichever is shorter." IE's position is that all elements (engineering branches and design project groups) within EN DES Division which perform quality related activities are to be audited [illegible] Appendix B criterion on an annual

[illegible]cedure EN DES EP 1.29 for handling [illegible] assurance that all elements of the [illegible] applicable Appendix B criterion on [illegible]t this requirement has been met.

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA ST., N.W., SUITE 3100
ATLANTA, GEORGIA 30303

AUG - 6 1980

Report Nos. 50-327/80-24, 50-328/80-15, 50-390/80-20, 50-391/80-14, 50-438/80-13, 50-439/80-13, 50-518/80-11, 50-519/80-11, 50-520/80-11, 50-521/80-11, 50-553/80-11, 50-554/80-10, 50-566/80-10 and 50-567/80-10

Licensee: Tennessee Valley Authority
500A Chestnut Street
Chattanooga, TN 37401

Facility Names: Sequoyah, Watts Bar, Bellefonte, Hartsville, Phipps Bend and Yellow Creek

Docket Nos. 50-327, 50-328, 50-390, 50-391, 50-438, 50-439, 50-518, 50-519, 50-520, 50-521, 50-553, 50-554, 50-566 and 50-567

License Nos. DPR-77, CPPR-73, CPPR-91, CPPR-92, CPPR-122, CPPR-123, CPPR-150, CPPR-151, CPPR-152, CPPR-153, CPPR-162, CPPR-163, CPPR-172 and CPPR-173

Inspection at Office of Engineering Design and Construction, Knoxville, TN

Inspectors: Virgil Brownlee — 08-06-80
V. L. Brownlee — Date Signed

T E Conlon for — 8-6-80
L. Modenos — Date Signed

T E Conlon for — 8-6-80
R. W. Wright — Date Signed

T E Conlon for — 8-6-80
J. J. Lenahan — Date Signed

D. K. Walters — 08-06-80
D. K. Walters — Date Signed

Accompanying Personnel: T. E. Conlon
D. G. Anderson, Principal Inspector, Program Evaluation Section, VIB

Approved by: T E Conlon — 8-6-80
T. E. Conlon, Section Chief, RC&ES Branch — Date Signed

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d 173 inspector-hours on site in the