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UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

December 7, 2011

EA-11-217
Mr. Joseph W. Shea
Manager, Corp. Nuclear Licensing Programs
Tennessee Valley Authority
1101 Market Street, LP 4B-C
Chattanooga, TN 37402-2801

SUBJECT: FINAL SIGNIFICANCE DETERMINATION FOR A SECURITY-RELATED
GREATER THAN GREEN FINDING AND NOTICE OF VIOLATION; WATTS
BAR NUCLEAR PLANT, NRC INSPECTION REPORT 05000390/2011402 AND
05000391/2011402

Dear Mr. Shea:

This letter provides you the final results of our significance determination for the preliminary Greater than Green finding identified in NRC Inspection Report (IR) 05000390, 391/2011402, dated September 20, 2011. This preliminary Greater than Green finding was discussed in detail in Section 3S05 of IR 05000390, 391/2011402.

At your request, a Regulatory Conference was held on November 7, 2011, to discuss the Tennessee Valley Authority's (TVA) views on this issue. During the meeting, your staff described TVA's assessment of the significance of the finding including the root cause and the corrective actions taken to resolve it. After considering the information developed during the inspection and the additional information you provided at the conference, the NRC has concluded that the inspection finding is appropriately characterized as a Greater than Green finding (i.e., a finding having more than very low security significance). The finding also had a cross-cutting aspect in the area of Operating Experience (OE) under P.2(a), in that TVA failed to systematically collect, evaluate, and communicate to affected internal stakeholders in a timely manner relevant internal and external OE.

You have 30 calendar days from the date of this letter to appeal the staff's determination of significance for the identified Greater than Green finding. Such appeals will be considered to have merit only if they meet the criteria given in the IMC 0609, Attachment 2. An appeal must be sent in writing to the Regional Administrator, Nuclear Regulatory Commission, Region II, 245 Peachtree Center Avenue, NE, Suite 1200, Atlanta, GA 30303-1257.

Enclosure(s) transmitted herewith contains(s) SUNSI. When separated from enclosure(s), this transmittal document is decontrolled.

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TVA

2

The NRC has also determined that the finding constitutes a violation of 10 CFR 73.55 (i)(5)(iii), as cited in the enclosed Notice of Violation (Notice). In accordance with the NRC Enforcement Policy, the Notice is considered an escalated enforcement action because it is associated with a Greater than Green finding. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response.

Because plant performance for this issue has been determined to be beyond the licensee response band, we will use the NRC's Security Action Matrix to determine the most appropriate NRC response for this event. We will notify you, by separate correspondence, of that determination.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC's Public Document Room or from the NRC's document system (Agency wide Documents and Access Management System (ADAMS)), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. However, the material enclosed herewith contains security-related information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosures will not be made available electronically for public inspection in the NRC Public Document Room or in the NRC's document system (ADAMS). If security-related information is necessary to provide an acceptable response, please follow the instructions for withholding in 10 CFR 2.390(b)(1).

For administrative purposes, the above violation is identified as VIO 05000390, 391/2011402-01, Failure to Adequately Monitor or Observe Unattended Openings. Accordingly, Apparent Violation AV 05000390, 391/2011402-01, Failure to Adequately Monitor or Observe Unattended Openings, is closed.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Victor M. McCree
Regional Administrator

Docket Nos.: 50-390, 50-391
License Nos.: NPF-90; Construction
Permit No. CPPR-92

Enclosures:

1. Notice of Violation (**OUO-SRI**)
2. Evaluation of Regulatory
Conference Information (**OUO-SRI**)

cc w/encl: See page 3

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TVA

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cc w/encl: See page 3

Distribution w/encl.

See page 4

(*)See previous concurrence page

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X SENSITIVE X NON-SENSITIVE (**W-OUT OUO**)

ADAMS: X Yes ACCESSION NUMBER: **ML113420277**

X SUNSI REVIEW COMPLETE X FORM 665 ATTACHED

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|--------------|------------|-------------|------------|------------|------------|--------------|--------------|
| OFFICE | RII:DRS | RII: DRP | RII:DRS | RII:ORA | RII:ORA | HQ:OE | NRR |
| SIGNATURE | RA/JS FOR | RA * | RA * | RA * | RA | RA VIA EMAIL | RA VIA EMAIL |
| NAME | B.DESAI | S. SHAEFFER | J.MUNDAY | C.EVANS | L.WERT | D. FURST | P. MILANO |
| DATE | 11/17/2011 | 11/21/2011 | 11/17/2011 | 11/21/2011 | 12/02/2011 | 11/23/2011 | 11/23/2011 |
| E-MAIL COPY? | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO | YES NO |

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TVA

3

cc: w/Encl:

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Tennessee Valley Authority
P.O. Box 2000
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Letter to Joseph W. Shea from Victor M. McCree dated December 7, 2011.

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