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DEC 11 1987

Mr. Steven A. White
Manager of Nuclear Power
Tennessee Valley Authority
6N 38A Lookout Place
1101 Market Street
Chattanooga, Tennessee 37402-2801

Dear Mr. White:

On November 17 and 18, 1987, NRC senior managers met to review the performance of operating nuclear power plants licensed by the NRC. These meetings are conducted biannually to focus NRC resources on those plants and related issues of greatest safety significance. At this meeting the Browns Ferry and Sequoyah facilities were categorized as requiring substantial improvement. NRC places plants in this category that have experienced degradation in performance, and for which the licensee has yet to fully establish and implement a viable program for correcting the problems. These plants are shutdown and will require NRC review and approval for startup. With regard to Sequoyah, the NRC notes that TVA is in the final stages of developing and implementing its program of correction.

A summary of NRC discussions held relating to Browns Ferry and Sequoyah is provided below:

> The TVA Browns Ferry and Sequoyah units have been shut down since March and August 1985. Problems identified at TVA include a perceived nuclear management breakdown and a number of operational and equipment related problems. Additionally, a number of employee concerns were raised alleging intimidation of employees, management non-responsiveness, and a number of additional hardware problems. These problems at each of the TVA units were considered to have a common root cause: a serious management breakdown in the TVA nuclear organization. In response to the staff's concerns, TVA developed a comprehensive program that is described in a Nuclear Performance Plan (NPP). The staff considers the TVA progress of implementing this plan to be acceptable. The first of the Sequoyah units, Sequoyah 2, should be ready for startup early in 1988. The most significant issues that remain to be resolved at Sequoyah include:

a. the susceptibility to damage of cables with silicone insulation,
b. civil/structural problems identified during an integrated design inspection, and
c. the operational readiness of personnel.

An NRC Commission meeting open to the public has been scheduled for December 17, 1987, to review the results of the latest meeting of NRC managers. Mr. Stewart Ebneter, the Director of the Office of Special Projects, has discussed the basis for our conclusions with regard to the Browns Ferry and Sequoyah facilities with members of your staff.

If you have any questions regarding this matter, do not hesitate to call me.

Sincerely,

Original signed by
Victor Stello

Victor Stello, Jr.
Executive Director for Operations

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V Stello Jr.
JM Taylor
T Rehm
J.N. Grace, RII
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* See previous concurrence

OFC	:DEDRO *	:DEDRO *	:EDO	:	:	:	:
NAME	:TO Martin	:JM Taylor	:V Stello	:	:	:	:
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a. the susceptibility to damage of cables with silicone insulation,
b. civil/structural problems identified during an integrated design inspection, and
c. the operational readiness of personnel.

TVA plans to restart the first of the Browns Ferry units, Browns Ferry 2, during the summer of 1988. This schedule was considered to be optimistic.

An NRC Commission meeting open to the public has been scheduled for December 17, 1987, to review the results of the latest meeting of NRC managers. Mr. Stewart Ebneter, the Director of the Office of Special Projects, has discussed the basis for our conclusions with regard to the Browns Ferry and Sequoyah facilities with members of your staff.

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