

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

JUL 1 3 1979

In Reply Refer To: RII:JRH 50-553/79-09 50-554/79-09

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

Gentlemen:

This refers to the inspection conducted by J. R. Harris of this office on June 26-29, 1979 of activities authorized by NRC Construction Permit Nos. CPPR-162 and CPPR-163 for the Phipps Bend facility, Units 1 and 2, and to the discussion of our findings held with W. P. Kelleghan 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.

Within the scope of this inspection, no items of noncompliance were disclosed.

We have examined actions you have taken with regard to previously identified enforcement matters. These are discussed in the enclosed inspection report.

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 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.

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Tennessee Valley Authority

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

Sincerely,

Murphy

Reactor Construction and Engineering Support Branch

Enclosures: Inspection Report Nos. 50-553/79-09 and 50-554/79-09

cc w/enclosures: W. P. Kelleghan, Project Manager Post Office Box 2000 Surgoinsville, Tennessee 37873

J. F. Cox 400 Commerce Street W9D214 Knoxville, Tennessee 37902

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