



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

FEB 1 1 1981

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

Gentlemen:

Subject: Report Nos 50-553/81-01 and 50-554/81-01

This refers to the routine safety inspection conducted by B. R. Crowley of this office on January 20-23, 1981, of activities authorized by NRC Construction Permit Nos. CPPR-162 and CPPR-163 for the Phipps Bend facility, 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 inspector.

Within the scope of this inspection, no violations or deviations were disclosed.

We have examined actions you have taken with regard to previously reported unresolved items. The status of these items is discussed in the enclosed 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.

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

them with you.

Sincerely,

C. E. Murphy, Chief

Reactor Construction and Engineering

Support Branch

Enclosure: See Page 2

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Enclosure: Inspection Report Nos. 50-553/81-01 and 50-554/81-01

cc w/encl:

W. P. Kelleghan, Project Manager

J. F. Cox, Supervisor, Nuclear Licensing Section

J. E. Wills, Project Engineer

H. N. Culver, Chief, Nuclear Safety Review Staff

H. J. Green, Division Director