



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20545

May 13, 1991

The Honorable Jim Sasser  
United States Senate  
Washington, D.C. 20510-4201

Dear Senator Sasser:

I am pleased to respond to your letter of April 24, 1991, to Chairman Carr that forwarded concerns expressed by the Tennessee Valley Energy Coalition (TVEC) and provided your concerns regarding the Tennessee Valley Authority's (TVA's) nuclear program. I am providing specific responses to your questions and a copy of SECY 91-101, "Restart of Browns Ferry Nuclear Plant, Unit 2," which provides background information on the problems associated with Browns Ferry and their resolution to support the restart of Unit 2.

You requested the U.S. Nuclear Regulatory Commission's (NRC's) assessment of the management attitudes at TVA and a summary of regulatory problems encountered over the past two years. Corporate and plant management changes have increased the depth and diversity of TVA management's nuclear experience. Upper management has become more involved in nuclear activities. TVA has improved its management systems and controls and the confidence and accountability of employees. Management appears to be fully committed to improving performance. In the past, the NRC had found significant and repetitive problems with personnel errors and adherence to procedures. TVA has implemented programs to improve procedures and reduce errors. TVA has emphasized the nuclear safety work ethic at all levels of its organization. The TVA management team needs to maintain and further enhance policies and procedures that, aided by the personal example of managers, motivate all TVA personnel to support and implement the management's commitment to improved performance. TVA has improved satisfactorily the management attitude and regulatory compliance, as evidenced by our approval for the restart of the Sequoyah units. Nevertheless, TVA management will need to continue to emphasize improved performance and the NRC will need to continue to oversee TVA to ensure that the present improvements in the safety attitude and safe plant operation continue.

The NRC has addressed regulatory concerns in the TVA programs over the past two years regarding activities concerning the restart of Browns Ferry Unit 2, the corrective actions in the construction of the Watts Bar units, and the review of TVA's revisions to the Watts Bar Final Safety Analysis Report. SECY 91-101 provides the staff's recent assessment of TVA's readiness to restart Browns Ferry Unit 2 and summarizes the staff's significant concerns and their resolution.

TVA has made progress in identifying and resolving problems at Watts Bar, but has also had setbacks. In December 1990, TVA stopped all modification work at Watts Bar after finding problems with work control. TVA has recently announced management changes at the site, and is addressing the root causes of the problems that led to the stop work order. TVA will not resume these activities until it informs the NRC of its corrective actions and its methods of ensuring quality work.

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You also asked for assurances that TVA will safely operate Browns Ferry and Watts Bar. We believe there is reasonable assurance that Browns Ferry will be operated safely. Likewise, before Watts Bar is authorized to operate, the NRC must have reasonable assurance that it can and will do so safely. The licensee has the primary responsibility to ensure safe operation of each nuclear plant. The NRC will carry out its responsibility to ensure safe operation through its oversight and inspection activities. For example, the staff will provide 24-hour site coverage during the restart and power ascension of Browns Ferry Unit 2 with appropriate hold points at intermediate power levels to allow the NRC to assess operations before approving operation to the next power plateau.

TVA has provided the NRC with the following estimated startup dates for Browns Ferry, Watts Bar, and Bellefonte:

PLANT	DATE
Browns Ferry 3	Early 1993
Browns Ferry 1	1995
Watts Bar Unit 1	December 1992 (with undefined effect of recent construction problems)
Watts Bar Unit 2	1995
Bellefonte Unit 1	1997
Bellefonte Unit 2	1999

The NRC will review various issues associated with these plants and will inspect TVA's activities that support these schedules.

You also asked about the NRC's satisfaction with TVA's progress with existing plants and its implications for Mr. Runyon's optimistic growth projections for TVA's nuclear program. TVA experienced major problems with its nuclear program that led to the shutdown of all its operating units in 1985. Since that time, TVA has made progress as evidenced by the restart of three of its five units that hold operating licenses. The NRC has monitored TVA's progress in restoring the units to service and has granted approval for restart of each unit. TVA is just beginning its work at the other two Browns Ferry units and will request authorization to restart the first of these two units in about 2 years.

TVA has had less success in completing the four units that were under construction in 1985. At Watts Bar, TVA has made progress in identifying and resolving problems. However, TVA has had setbacks as previously discussed. In addition, TVA is studying the cost effectiveness of completing Bellefonte as a nuclear plant. The NRC staff is responding to TVA on regulatory issues that could affect the decision.

TVA has made progress with its nuclear program over the past 6 years, requiring it to allocate a significant amount of resources. Undoubtedly, TVA will need to allocate further resources in order to bring the remaining six units on line and to support the three operating units. Only TVA can determine if it can accommodate additional growth in its nuclear program and can determine the best manner in which to time that growth.

You asked about Mr. Runyon's idea to build a Japanese plant. The NRC would consider an application for a construction permit if and when it is submitted by TVA. In performing that review, the NRC would address many factors, including the design of the plant, and NRC approval would be required before construction could begin.

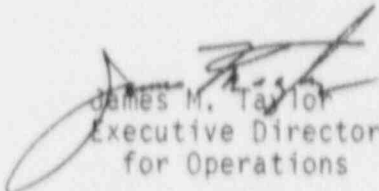
You also expressed the concerns regarding the qualification of U.S. companies to undertake future nuclear development and construction. Although the NRC has received no applications for several years, U.S. companies continue to support major modifications to existing plants, such as replacing steam generators, and are working on designs of future advanced reactors that the NRC is reviewing.

TVEC also raised questions concerning the value of conservation as an alternative to increasing the nuclear generating capacity and made statements regarding energy independence. The National Environmental Policy Act requires that any future construction permit application submitted by any applicant address the need for power and alternative energy sources. However, beyond the authority of that Act, the NRC does not address energy policies.

The TVEC also referred to a statement by Mr. Runyon that TVA can license nuclear plants more easily because it does not answer to public utilities commissions. We believe that this statement refers to the financial resources associated with constructing and operating nuclear plants. The NRC holds TVA to the same regulatory standards and requirements as any licensee and does not dilute its regulatory oversight to ensure these standards and requirements are met.

I trust this reply has addressed your concerns and those of the TVEC.

Sincerely,



James M. Taylor  
Executive Director  
for Operations

Enclosure:  
SECY 91-101