

official

MAR 27 1986

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

Gentlemen:

SUBJECT: REPORT NOS. 50-327/86-04 AND 50-328/86-04

On January 21-30 and February 12-13, 1986, NRC inspected activities authorized by NRC Operating License Nos. DPR-77 and DPR-79 for your Sequoyah facility. As a result of this inspection, significant failures to comply with NRC regulatory requirements were identified and accordingly, an Enforcement Conference to discuss these matters was conducted telephonically on March 14, 1986.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations of activities in progress.

In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," 10 CFR Part 2, Appendix C (1985), the violation described in Item 1 of the enclosed Notice has been classified as a Severity Level III violation. Normally, a civil penalty is considered for a Severity Level III violation. However, I have decided that a civil penalty will not be proposed in this case because the State of South Carolina has taken enforcement action.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. After reviewing your response to this Notice, including your proposed corrective actions, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

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 its enclosures will be placed in the NRC's Public Document Room.

The responses directed by this letter and the enclosures are not subject to the clearance procedures of the Office of Management and Budget issued under the Paperwork Reduction Act of 1980, PL 96-511.

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Should you have any questions concerning this letter, please contact us.

Sincerely,

John A. Olshinski, Deputy Regional
Administrator for TVA

Enclosures:

1. Notice of Violation
2. Inspection Report No. 50-327/86-04
and 50-328/86-04

cc w/encls:

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P. R. Wallace, Plant Manager
K. W. Whitt, Chief, Nuclear
Safety Review Staff
D. L. Williams, Jr., Supervisor
Licensing Section
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