TENNESSEE VALLEY AUTHORITY

CHATTANOOGA. TENNESSEE 37401 6N 38A Lookout Place

February 4, 1988

U.S. Nuclear Regulatory Commission ATTN: Document Control Desk Washington, D.C. 20555

Gentlemon:

In the Matter of Tennessee Valley Authority

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Docket Nos. 50-327 50-328

SEQUOYAH NUCLEAR PLANT (SQN) - NRC INSPECTION REPORT NOS. 50-327/87-24 AND 50-328/87-24 - REVISED RESPONSE TO NOTICE OF VIOLATION NOS. 50-327/87-24-03 AND 50-328/87-24-03

- References: 1. Letter from S. D. Richardson to S. A. White dated December 16, 1987, "Inspection Report Nos. 50-327/87-24 and 50-328/87-24"
 - Letter from R. Gridley to NRC dated July 10, 1987, "Sequoyah Nuclear Plant (SQN) - NRC Inspection Report Nos. 50-327/87-24 and 50-328/87-24 - Response to Notice of Violation Nos. 50-327, -328/87-24-03"

TVA has reviewed reference 1 with respect to our response to the subject violation contained in reference 2 and admits to the violation.

The organizations responsible for making the determination of reportability have reevaluated the event, and numerous discussions regarding this event have been held with plant and licensing management. TVA's original determination that this event was not reportable was based on a technical review of available guidance from NRC, for example, NUREG 1022, supplement 1, question 7.12, and the corresponding NRC response.

It has been and is my policy that TVA should maintain effective communications with the NRC during and after any event that has the potential to generate regulatory or public interest. Clearly then, this event should have been immediately reported to the NRC without regard to a technical review of guidance.

I share your concern that our original failure to report this event could be interpreted as portraying an attitude of narrow interpretation of the requirements as opposed to understanding the true intent of the requirements.

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My philosophy is to err on the side of conservatism in discussing and reporting events of this nature with NRC, as well as the public. The steps outlined in the enclosure detail actions taken to ensure that my staff is sensitive to this philosophy.

If you have any questions, please telephone M. R. Harding at 615/870-6422.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

Manager of Nuclear Power

cc (Enclosure): Mr. K. P. Barr, Acting Assistant Director for Inspection Programs TVA Projects Division Office of Special Projects U.S. Nuclear Regulatory Commission Region II 101 Marietta Street, *NW*, Suite 2900 Atlanta, Georgia 30323

Enclosure

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Sequeyah Resident Inspector Sequeyah Nuclear Plant 2600 Igou Farry Road Soddy Daisy, Tennessee 37379 As delineated in the cover letter to this enclosure, TVA has instituted a number of actions to address the concerns put forth in reference 1. In particular, the following actions have been taken.

- The Plant Manager has met with his staff and directed them to report to NRC events such as the example described in the Notice of Violation. Additionally, he reemphasized the absolute necessity for maintaining close communication with regulatory agencies during and after events that may generate public and regulatory interest. The staff has also been directed to bring to his attention any conflict to ensure prompt resolution by management.
- * The Operations Manager has revised the procedure for reporting events to provide additional guidance for onshift personnel. This guidance emphasizes the need to report low threshold events to the NRC Resident.
- A night order has been issued to Operations personnel to follow up and emphasize the additional guidance provided in the revised procedure.
- * A briefing was conducted with the Operations shift supervisors on this issue to emphasize the importance of reporting events such as this example.
- * The Plant Manager has reemphasized to his staff SQN's philosophy of the utilization of voluntary reports as an important vehicle in maintaining close communication with NRC.

TVA believes that these actions, in conjunction with our already established avenues of communication, address the concern of the reporting of events.