SAFEGUARDS INFORMATION APR 2 0 1988

Ducket Nos. 50-259, 50-260, 50-296, 50-327 and 50-328 License Nos. DPR-33, DPR-52, DPR-68, DPR-77 and DPR-79

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

Gentlemen:

8805020171 880420

PDR ADOCK 05000259

DCD

SUBJECT: NRC INSPECTION REPORT NOS. 50-259/88-01, 50-260/88-01, 50-296/88-01, 50-327/88-01 AND 50-328/88-01

This refers to the Nuclear Regulatory Commission (NRC) inspection conducted by W. J. Tobin on January 6, 7 and 13, 1988. The inspection included a review of activities conducted by your Corporate Nuclear Security Branch. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed inspection report.

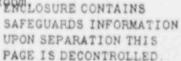
Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

The inspection findings indicate that certain activities appeared to violate NRC requirements with respect to your Security Program for screening individuals prior to granting unescorted access clearances, specifically, in failing to meet the criteria for verifying references and education requirements as committed to in paragraph 1.3.1 of the TVA Physical Security Plan.

Normally, the NRC would issue a Notice of Violation for the violation described above. The violation would be categorized in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Action", 10 CFR Part 2, Appendix C (1987) (Enforcement Policy), as a Severity Level IV problem. However, in accordance with Section V.G of the Enforcement Policy published in 52 Fed. Reg. 36215 (September 28, 1987) regarding enforcement discretion for licensees forced into extended shutdowns, a Notice of Violation will not be issued. Issuance of an enforcement action is not necessary to achieve remedial action since you have initiated significant corrective actions for these violations occurred and your programmatic corrective actions for these violations have already been examined and found acceptable by the NRC. No response to this letter is required.

In accordance with 10 CFR 2.790(d) and 10 CFR 73.21, safeguards activities and security measures are exempt from public disclosure. Therefore, the enclosure to this letter with the exception of the report cover page, which presents a **IE-04** nonexempt summary, will not be placed in the NRC Public Document ReportLosure contains

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Tennessee Valley Authority

APR 20 1988

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

Sincerely,

Signed per telecon with Ediston #/20/88 85

Steven D. Richardson, Acting Director TVA Projects Division Office of Special Projects

Enclosure: NRC Inspection Report (Safeguards Information)

cc w/encl:

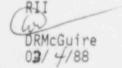
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- H. L. Abercrombie, Site Director Sequoyah Nuclear Plant
- J. A. Kirkebo, Director, Nuclear Engineering
- R. L. Gridley, Director
- Nuclear Safety and Licensing M. R. Harding, Site Licensing Manager
- H. P. Pomrehn, Site Director Browns Ferry Nuclear Plant M. J. May, Site Licensing Manager J. G. Walker, Plant Manager TVA Representative, Bethesda Office

bcc w/encl: NRR/DRIS/SB

bcc w/Inspection Summary: Document Contro! Desk (RIDS IE04), 016 NRC Resident Inspector State of Tennessee

obin:er /88



RH WECline 03/1/88 03/4/88

ENCLOSURE CONTAINS SAFEGUARDS INFORMATION UPON SEPARAT 170 PAGE IS -

SAFEGUARDS INFORMATION