

AUG 10 1989

*Official
copy*

Docket Nos. 50-327, 50-328
License Nos. DPR-77, DPR-79

Mr. Oliver D. Kingsley, Jr.
Senior Vice President, Nuclear Power
Tennessee Valley Authority
6N 38A Lookout Place
1101 Market Street
Chattanooga, TN 37402-2801

Dear Mr. Kingsley:

SUBJECT: NOTICE OF VIOLATION
(NRC INSPECTION REPORT NOS. 50-327/89-18 AND 50-328/89-18)

This refers to the Nuclear Regulatory Commission (NRC) routine monthly inspection conducted by K. Jenison from June 6 - July 5, 1989. 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. These areas included operational safety verification, maintenance, and surveillance activities. 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. The violations were related to the Ice Condenser temperature monitoring issue and involved a failure to comply with Technical Specifications, a failure to perform an adequate review pursuant to the requirements of 10 CFR 50.59, and a failure to identify and take corrective actions for a condition adverse to quality. The 10 CFR 50.59 issue appeared similar to previous apparent violations described in inspection report 327,328/89-15 which are under consideration for escalated enforcement. Please address whether your programmatic corrective actions presented at the June 29, 1989 Enforcement Conference for the 10 CFR 50.59 area would have prevented this problem. Also, please ensure that your response to these violations addresses the additional weaknesses and contributing factors identified for this issue in the enclosed inspection report. Of particular concern to the NRC in relation to the Ice Condenser issue was an apparent reluctance on the part of the TVA management to take conservative technically based actions when plant conditions indicated potential entry into Technical Specification action statements. Please ensure that your response to violation 327,328/89-18-04 addresses this concern.

The violations, references to pertinent requirements, and elements to be included in your response are described in the enclosed Notice of Violation.

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The enclosed Inspection Report also identifies activities that appeared to violate NRC requirements but are not cited; therefore, no response is required for those violations.

Your attention is also invited to the Unresolved Items identified in the inspection report. These items will be addressed during future inspections.

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, its enclosures, and any reply will be placed in the NRC's Public Document Room.

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

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

Sincerely,

Original Signed By
BRUCE A. WILSON

Bruce A. Wilson, Assistant Director
for Inspection Programs
TVA Projects Division
Office of Nuclear Reactor Regulation

Enclosures:

1. Notice of Violation
2. NRC Inspection Report

cc w/encs:

F. L. Moreadith, Vice President,
Nuclear Engineering
M. O. Medford, Vice President and
Nuclear Technical Director
County Judge, Hamilton County
Courthouse
Dr. Henry Myers, Science Advisor
J. T. LaPoint, Site Director
Sequoyah Nuclear Plant
Manager, Nuclear Licensing
and Regulatory Affairs
M. Burzynski, Acting Site
Licensing Manager
TVA Representative, Rockville Office
General Counsel, TVA
State of Tennessee

bcc w/encs: (See page 3)

Mr. Oliver D. Kingsley, Jr.

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bcc w/enc's:

D. M. Crutchfield, NRR

B. D. Liaw, NRR

S. C. Black, NRR

R. C. Pierson, NRR

L. J. Watson, NRR/RII

J. B. Brady, NRR/RII

J. Rutberg, OGC

NRC Resident Inspector

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