

Official

MAR 09 1989

Docket Nos.: 50-327 and 50-328
License Nos.: DPR-77 and DPR-79

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

Dear Mr. Kingsley:

SUBJECT: NRC INSPECTION REPORT NOS. 50-327/88-60 AND 50-328/88-60

This refers to the Nuclear Regulatory Commission (NRC) inspection conducted by A. R. Long on December 22-23, 1988, and February 22, 1989. The inspection included a review of activities authorized for your Sequoyah facility. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

Areas examined during the inspection are described in the report, and included followup of previous inspection findings and a review of methods for reactivity calculations. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

The inspection activities indicated that certain activities appeared to violate NRC requirements. These activities involved failures to initiate the established corrective action process on three occasions when conditions adverse to quality were identified. The violation, references to pertinent requirements, and elements to be included in your response are described in the enclosed Notice of Violation. In your response to the violation, please document the basis of your position that the violation does not indicate a weakness in your corrective action program or procedures.

An additional violation was identified involving minor deficiencies in completed reactor engineering procedures. The violation met the NRC enforcement policy criteria for discretionary enforcement and, therefore, no Notice of Violation will be issued. No response is necessary.

Your attention is invited to two unresolved items identified in the inspection report. These matters will be pursued 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 and its enclosure will be placed in the NRC's Public Document Room.

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Mr. Oliver D. Kingsley, Jr.

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

Sincerely,

Linda Watson

for Frank R. McCoy, Assistant Director
for Inspection Programs
TVA Projects Division
Office of Nuclear Reactor Regulation

Enclosures:

1. NRC Inspection Report
2. Notice of Violation

cc w/encls:

F. L. Moreadith, Vice President,
Nuclear Engineering
J. L. LaPoint, Site Director
Sequoyah Nuclear Plant
R. L. Gridley, Director
Nuclear Safety and Licensing
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