

TENNESSEE VALLEY AUTHORITY
CHATTANOOGA, TENNESSEE 37401

400 Chestnut Street Tower II

83 SEP 27 A7:52
September 23, 1983

U.S. Nuclear Regulatory Commission
Region II
Attn: Mr. James P. O'Reilly, Regional Administrator
101 Marietta Street, NW, Suite 2900
Atlanta, Georgia 30301

Dear Mr. O'Reilly:

SEQUOYAH NUCLEAR PLANT UNITS 1 AND 2 - NRC-OIE REGION II INSPECTION REPORT
50-327/83-14 AND 50-328/83-14 - RESPONSE TO VIOLATIONS

The subject OIE inspection report dated August 24, 1983 from R. C. Lewis to
H. G. Parris cited TVA with two Severity Level IV Violations.

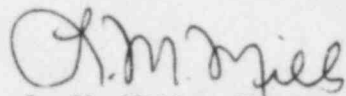
Enclosed is our response to the subject inspection report.

If you have any questions, please get in touch with R. H. Shell at
FTS 858-2688.

To the best of my knowledge, I declare the statements contained herein are
complete and true.

Very truly yours,

TENNESSEE VALLEY AUTHORITY



L. M. Mills, Manager
Nuclear Licensing

Enclosure

cc: Mr. Richard C. DeYoung, Director (Enclosure)
Office of Inspection and Enforcement
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

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RESPONSE - NRC INSPECTION REPORT NOS.
50-327/83-14 AND 50-328/83-14
R. C. LEWIS' LETTER TO H. G. PARRIS
DATED AUGUST 24, 1983

As a result of the inspection conducted on July 18-22, 1983, and in accordance with the NRC Enforcement Policy, 47 FR 9987 (March 9, 1982), the following violations were identified:

- A. 10 CFR 50, Appendix B, Criteria XVI and XVIII, and the accepted QA Program (TVA-TR75-1A, Revision 5), Sections 17.2.16 and 17.2.18, require that measures be established to assure that conditions adverse to quality, such as deficiencies, are promptly identified and corrected. Section 17.2.18 also requires preparation of audit reports within 30 working days of audit completion.

Contrary to the above, measures have not been established to assure that deficiencies are promptly identified and corrected in that audit reports were not issued within 30 working days following audit completion. Examples of these audit reports are:

- SQ-8200-02, ALARA Program (60 days)
- SQ-83TS-03, Test Control (105 days)
- SQ-83TS-04, Operating Status (68 days)

This is a Severity Level IV Violation (Supplement I).

1. Admission or denial of the alleged violation:

TVA admits the violation occurred as stated.

2. The reasons for the violation:

During the last several months several audit reports, including the three audit reports that you identified, were late in being issued. This was caused by:

- a. Extensive management emphasis in instituting long needed improvements in the entire operational audit process and in particular the audit reporting process. The increased management attention to quality of reporting resulted in longer time cycles to finalize reports.
- b. An extremely heavy and unanticipated planning and development workload in establishing necessary plans, policies, procedures, and programs for making the newly organized Office of Quality Assurance operational. The necessary attention to transitioning from the old to the new organization further diluted attention to the timeliness of audit reporting.

c. A temporary shortage of manpower available for preparing, reviewing, and approving audit reports.

3. Corrective steps which have been taken and the results achieved:

TVA had independently identified this violation and initiated corrective action prior to the NRC inspection through its Nuclear Safety Review Board activities. During the months of May and June 1983, Operations Quality Assurance Branch resources were extensively directed towards issuing all late audit reports. All outstanding reports were issued by June 30. Improvements in quality of reporting have been achieved and clear assignments of responsibility to get reports issued on time have been made. Recently, there were two audit reports that were ten days overdue when issued. Now that these reports have been issued, we do not anticipate any more late audit reports.

4. Corrective steps which will be taken to avoid further violations:

As a result of the new emphasis noted in item 2.(a) above, audit personnel now prepare more effective audit reports requiring fewer iterative steps in the review and approval process. This is resulting in an audit program that is becoming more effective and efficient.

The heavy organizational planning workload initially experienced during March through June has declined, allowing supervisory personnel more time to dedicate to supervision of audits and audit reporting.

The total staffing within the Operations Quality Assurance Branch has increased from 25 in February 1983 to 30 in July 1983. This branch is responsible for the operational audit program and is now in the process of selecting eight additional people by October 1983. Increases in overall branch staffing will also help alleviate the difficulties which have impacted the promptness of audit reports.

Office of Quality Assurance procedures require that audit reports be issued within 30 days following audit completion.

The actions discussed above allow us to continue to improve the overall effectiveness of the operational audit program and prevent future audit reports from being late.

5. The date when full compliance will be achieved:

Full compliance was achieved on September 14 upon the issuance of the two late audit reports referenced in item 3.

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50-327/83-14 AND 50-328/83-14
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Item B (327, 328/83-14-02)

10 CFR 50 Appendix B, Criteria XVI and XVIII, and the accepted QA Program (TVA-TR75-1A, Revision 5), Sections 17.2.18, require that measures be established to assure that conditions adverse to quality, such as deficiencies, are promptly identified and corrected. Section 17.2.18 requires the cognizant supervisor to review the audit report and ensure that corrective action is accomplished in a timely manner. Office of Power procedure OP-QAP-18.1 requires audited organizations to respond to audit items within 30 days and responses must specify proposed corrective action and estimated target dates.

Contrary to the above, measures have not been established to assure that deficiencies are promptly identified and corrected in that responses to audit items were not issued within 30 days. In addition, certain responses did not specify proposed corrective action and estimated target dates but stated that the audited organization was not able to respond at that time. The following audit report responses did not meet these requirements.

SQ-82TS-04, Process Control Program - response 3/24/83
SQ-8200-02, Alara Program - response 4/28/83
SQ-83TS-03, Test Control - response 6/8/83

This is a Severity Level IV Violation (Supplement I).

1. Admission or Denial of the Alleged Violation

TVA admits the violation occurred as stated.

2. Reasons for the Violation if Admitted

The violation occurred because the Office of Quality Assurance (OQA) and the Division of Nuclear Power (NUC PR) had developed an agreement to allow extensions past the 30-day requirement where there was valid justification for such extensions. All extensions were either informally or formally documented depending upon the significance and length of extensions.

The OQA audit reports cited in this violation were initially reviewed by plant management upon receipt and, due to a large number of findings which were relatively minor in nature, the decision was made to defer the responses rather than take management time away from ongoing quality-affecting activities to prepare the responses.

3. Corrective Steps Which Have Been Taken and the Results Achieved

The above listed audit reports have been responded to. Corrective actions and schedules for implementation have been specified.

Division management has been concerned about the increasing number of late responses and has issued instructions that deferment of responses is not acceptable. In the future, responses to findings will be provided within 30 days of receipt of the audit report. Responses will specify estimated target dates and proposed resolutions.

4. Corrective Steps Which Will Be Taken to Avoid Further Violations

See item above.

5. Date When Full Compliance Will Be Achieved

Full compliance has been achieved.