



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION IV  
611 RYAN PLAZA DRIVE, SUITE 400  
ARLINGTON, TEXAS 76011-4005**

March 3, 2004

Joseph E. Venable  
Vice President Operations  
Waterford 3  
Entergy Operations, Inc.  
17265 River Road  
Killona, LA 70066-0751

**SUBJECT: ANNUAL ASSESSMENT LETTER - WATERFORD 3 STEAM ELECTRIC  
STATION (NRC REPORT 05000382/2004001)**

Dear Mr. Venable:

On February 3, 2004, the NRC staff completed its end-of-cycle plant performance assessment of Waterford 3. The end-of-cycle review for Waterford 3 involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2003. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility so that you will have an opportunity to prepare for these inspections and to inform us of any planned inspections that may conflict with your plant activities.

Overall, Waterford 3 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, was within the Licensee Response Column of the NRC's Action Matrix, based on all inspection findings being classified as having very low safety significance (Green) and all PIs indicating performance at a level requiring no additional NRC oversight (Green). However, the significance of the failure to establish appropriate instructions and to accomplish those instructions for installation of a fuel line for a Train A emergency diesel generator that rendered the emergency diesel generator inoperable is still under review. Therefore, we plan to conduct only baseline inspections at your facility through September 30, 2005.

In our end-of-cycle letter dated March 4, 2003, we advised you of a substantive crosscutting issue in the crosscutting area of problem identification and resolution. We noted that the substantive crosscutting issue resulted from long-standing degraded conditions that were identified by your staff, but the extent of conditions was not fully addressed. Also a number of problem symptoms were evident for extended periods of time without the causes being identified and corrected.

In our midcycle letter, dated August 27, 2003, we noted that you had made improvements in addressing this substantive crosscutting issue, but that we would continue to monitor your efforts by reviewing the effectiveness of the corrective action process as implemented during

the fall 2003 refueling outage. We noted that during this assessment period your staff had aggressively taken action to identify long-standing conditions and performed extensive extent of condition reviews. We also noted that during the fall 2003 refueling outage, improvements were made in implementing the corrective action program. The actions you have taken have satisfactorily addressed the causal links that contributed to the substantive problem identification and resolution crosscutting issue. As a result, we plan no additional focused inspections to address this issue.

As you are aware, the NRC has issued several Orders and threat advisories to enhance security capabilities and improve guard force readiness since the terrorist attacks on September 11, 2001. We have conducted inspections to review your implementation of these requirements and have monitored your actions in response to changing threat conditions. For calendar year 2004, we plan to continue inspections of Order implementation combined with newly developed portions of the security baseline inspection program. The enclosed inspection plan details the inspections scheduled through September 30, 2005. The inspection plan is provided to minimize the resource impact on your staff and to allow for scheduling conflicts and personnel availability to be resolved in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 12 months of the inspection plan are tentative and may be revised at the midcycle review meeting.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If circumstances arise which cause us to change this inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 817/860-8147 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

**/RA/**

William B. Jones, Chief  
Project Branch E  
Division of Reactor Projects

Docket: 50-382  
License: NPF-38

Enclosure:  
Waterford 3 Inspection/Activity Plan

Entergy Operations, Inc.

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cc w/enclosure:

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ADAMS:  Yes  No Initials: \_\_wbj\_\_

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S:\DRP\DRPDIR\EOC for 03\Assessment Letters\WAT.wpd

RIV:C:DRP/E	D:DRS	D:DRP	For Signature	
WBJones;df	DDChamberlain	ATHowell	WBJones	
/RA/	/RA/	/RA/	/RA/	
2/22/04	2/26/04	2/29/04	3/2/04	

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**Waterford**  
**Inspection / Activity Plan**  
**03/01/2004 - 10/01/2005**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	End	Inspection Type
	<b>PEB-52</b>	<b>- BIENNIAL PIR</b>	<b>4</b>			
3	IP 71152B	Identification and Resolution of Problems		05/03/2004	05/07/2004	Baseline Inspections
3	IP 71152B	Identification and Resolution of Problems		05/17/2004	05/21/2004	Baseline Inspections
	<b>PSB-S1</b>	<b>- AA-AC-FFD-PI</b>	<b>2</b>			
3	IP 7113001	Access Authorization		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7113002	Access Control		07/26/2004	07/30/2004	Baseline Inspections
3	IP 7113008	Fitness For Duty Program		07/26/2004	07/30/2004	Baseline Inspections
3	IP 71151	Performance Indicator Verification		07/26/2004	07/30/2004	Baseline Inspections
	<b>PEB-07B</b>	<b>- HX &amp; HEAT SINK PERFORMANCE TESTING</b>	<b>1</b>			
3	IP 7111107B	Heat Sink Performance		08/30/2004	09/03/2004	Baseline Inspections
	<b>OB-INIT</b>	<b>- OB - INITIAL EXAMINATION</b>	<b>7</b>			
3	X02268	WATERFORD (11/04/) INITIAL EXAM		10/25/2004	10/29/2004	Not Applicable
3	X02268	WATERFORD (11/04/) INITIAL EXAM		11/15/2004	11/19/2004	Not Applicable
	<b>EB-17B</b>	<b>- PERMANENT PLANT MODIFICATIONS</b>	<b>2</b>			
3	IP 7111117B	Permanent Plant Modifications		10/18/2004	10/22/2004	Baseline Inspections
	<b>ACCESSPI</b>	<b>- ACRSA/PIV</b>	<b>1</b>			
3	IP 7112101	Access Control to Radiologically Significant Areas		11/08/2004	11/12/2004	Baseline Inspections
	<b>ALARA1</b>	<b>- ALARA PLANNING AND CONTROLS</b>	<b>1</b>			
3	IP 7112102	ALARA Planning and Controls		11/15/2004	11/19/2004	Baseline Inspections
	<b>OB-EP1</b>	<b>- EP PROGRAM INSPECTION</b>	<b>1</b>			
3	IP 7111402	Alert and Notification System Testing		11/15/2004	11/19/2004	Baseline Inspections
3	IP 7111403	Emergency Response Organization Augmentation Testing		11/15/2004	11/19/2004	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		11/15/2004	11/19/2004	Baseline Inspections
3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		11/15/2004	11/19/2004	Baseline Inspections
3	IP 71151	Performance Indicator Verification		11/15/2004	11/19/2004	Baseline Inspections
	<b>EB 21/02</b>	<b>- SSD&amp;PC</b>	<b>6</b>			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		01/24/2005	01/28/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		01/24/2005	01/28/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		01/31/2005	02/04/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		02/07/2005	02/11/2005	Baseline Inspections
	<b>RP TEAM</b>	<b>- RP TEAM INSPECTION</b>	<b>4</b>			
3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/21/2005	02/25/2005	Baseline Inspections
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		02/21/2005	02/25/2005	Baseline Inspections
3	IP 7112202	Radioactive Material Processing and Transportation		02/21/2005	02/25/2005	Baseline Inspections

This report does not include INPO and OUTAGE activities.  
This report shows only on-site and announced inspection procedures.

**Waterford**  
**Inspection / Activity Plan**  
**03/01/2004 - 10/01/2005**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>RP TEAM - RP TEAM INSPECTION</b>		<b>4</b>			
3	IP 7112203	Radiological Environmental Monitoring Program		02/21/2005	02/25/2005	Baseline Inspections
	<b>EB08P - ISI</b>		<b>1</b>			
3	IP 7111108P	Inservice Inspection Activities - PWR		04/11/2005	04/15/2005	Baseline Inspections
3	IP 7111108P	Inservice Inspection Activities - PWR		04/25/2005	04/29/2005	Baseline Inspections
	<b>ACRSA - ACCESS CONTROL TO RAD SIGNIFICANT AREAS</b>		<b>1</b>			
3	IP 7112101	Access Control to Radiologically Significant Areas		04/18/2005	04/22/2005	Baseline Inspections
	<b>ALARA2 - ALARA PLANNING AND CONTROLS</b>		<b>1</b>			
3	IP 7112102	ALARA Planning and Controls		04/25/2005	04/29/2005	Baseline Inspections
	<b>OB-RQ - REQUAL INSPECTION</b>		<b>1</b>			
3	IP 7111111B	Licensed Operator Requalification Program		08/15/2005	08/19/2005	Baseline Inspections
	<b>ALARA3 - ALARA PLANNING AND CONTROLS</b>		<b>1</b>			
3	IP 7112102	ALARA Planning and Controls		09/26/2005	09/30/2005	Baseline Inspections

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