March 2, 2006

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 INSPECTION REPORT 05000382/2006001)

Dear Mr. Venable:

On February 8, 2006, the NRC staff completed its performance review of Waterford 3 Steam Electric Station. Our technical staff reviewed performance indicators for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as “Official Use Only - Security-Related Information” will include the physical protection review and resultant inspection plan.

Overall, Waterford 3 Steam Electric Station 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 performance indicators indicating performance at a level requiring no additional NRC oversight (Green).

In addition, as part of the baseline inspection program, NRC will be conducting an inspection using Inspection Procedure 71150, “Discrepant or Unreported Performance Indicator Data.” This inspection will be conducted to resolve a potential discrepancy related to reporting safety system unavailability for High Pressure Safety Injection Train B as described in the Assessment Follow-up Letter dated November 4, 2005.

The enclosed inspection plan details the inspections, except those related to physical protection, scheduled through September 30, 2007. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the midcycle review.
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/

David N. Graves, Chief
Project Branch E
Division of Reactor Projects

Docket: 50-382
License: NPF-38

Enclosure:
Waterford 3 Steam Electric Station Inspection/Activity Plan

cc:
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Atlanta, GA 30339
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This report does not include INPO and OUTAGE activities. This report shows only on-site and announced inspection procedures.
# Waterford Inspection / Activity Plan

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