March 5, 2012

Donna Jacobs, Vice President, Operations
Entergy Operations, Inc.
Waterford Steam Electric Station, Unit 3
17265 River Road
Killona, LA 70057-0751

SUBJECT: ANNUAL ASSESSMENT LETTER FOR WATERFORD STEAM ELECTRIC STATION – UNIT 3 (REPORT 05000382/2012001)

Dear Ms. Jacobs:

On February 16, 2012, the NRC completed its end-of-cycle performance review of Waterford Steam Electric Station, Unit 3. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2011, through December 31, 2011. This letter informs you of the NRC’s assessment of your facility during this period and its plans for future inspections at your facility. This performance review and enclosed inspection plan do not include security information. A separate letter will include the NRC’s assessment of your performance in the Security Cornerstone and its security-related inspection plan.

The NRC determined the performance at Waterford Steam Electric Station, Unit 3, during the most recent quarter was within the Regulatory Response Column of the NRC’s Reactor Oversight Process (ROP) Action Matrix because of one White finding in the Occupational Radiation Safety cornerstone. The White finding involved the failure to use effective engineering controls as part of pre-job planning to reduce contamination and subsequent exposure associated with leaking reactor coolant pump vapor seals. The NRC’s determination of the final significance of this finding (FIN 05000382/2011009-01, “Failure to use effective engineering controls as part of pre-job planning to reduce contamination and subsequent exposure”) as White was communicated to the Waterford Steam Electric Station, Unit 3, on November 17, 2011. On December 21, 2011, a follow-up assessment letter was issued as a result of the NRC’s determination that the performance at Waterford Steam Electric Station, Unit 3, had moved to the Regulatory Response Column of the ROP Action Matrix beginning on July 1, 2011.

As a result of the Regulatory Response performance, a supplemental inspection will be performed in accordance with Inspection Procedure 95001, “Inspection for One or Two White Inputs in a Strategic Performance Area.” This inspection procedure is being implemented to provide assurance that the root causes and contributing causes of this risk significant performance deficiency are understood, the extent of condition and the extent of cause are identified, and the corrective actions are sufficient to address the root and contributing causes and prevent recurrence. The NRC will conduct this inspection following written notification from you that your facility is ready for our review of this finding.
The enclosed inspection plan lists the inspections scheduled through June 30, 2013. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes.

From January 1 to December 31, 2011, the NRC issued three Severity Level IV traditional enforcement violations associated with impeding the regulatory process. Therefore, the NRC plans to conduct Inspection Procedure 92723, “Follow-Up Inspection for Three or More Severity Level IV Traditional Enforcement Violations in the Same Area in a 12-Month Period,” to follow-up on these violations. The NRC will conduct this inspection following written notification from you that your facility is ready for our review of these issues.

In accordance with 10 CFR 2.390 of the NRC’s “Rules of Practice,” a copy of this letter will be 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).

Please contact Mr. Don Allen, Chief, Project Branch E, at (817) 200-1574 with any questions you have regarding this letter.

Sincerely,

/RA/

Kriss M. Kennedy, Director
Division of Reactor Projects

Docket No. 05000382
License No. NPF-38

Enclosure: Waterford Steam Electric Inspection/Activity Plan
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