



UNITED STATES  
**NUCLEAR REGULATORY COMMISSION**  
REGION IV  
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ARLINGTON, TEXAS 76011-4005

AUG 26 2002

William T. Cottle, President and  
Chief Executive Officer  
STP Nuclear Operating Company  
P.O. Box 289  
Wadsworth, Texas 77483

**SUBJECT: MIDCYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - SOUTH  
TEXAS PROJECT ELECTRIC GENERATING STATION**

Dear Mr. Cottle:

On July 31, 2002, the NRC staff completed its midcycle plant performance assessment of South Texas Project Electric Generating Station. In accordance with NRC Inspection Manual Chapter 0305, "Operating Reactor Assessment Program," the midcycle review involved the participation of all technical divisions in evaluating the performance of your South Texas Project facility for the first half of the current assessment cycle, January 1 through December 31, 2002. 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 which may conflict with your plant activities.

Plant performance for the most recent quarter 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). Therefore, we plan to conduct only baseline inspections at your facility through September 30, 2003.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. 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 last 6 months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In addition, the NRC is working with your staff to complete the Mitigating Systems Performance Indicator pilot program. Using a temporary instruction, which is still under development, we will monitor your data collection and analysis. This effort is scheduled to extend from September 2002 through July 2003.

Finally, the NRC is in the process of finalizing a Temporary Instruction (TI) that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next

calendar quarter. Once finalized, the details will be communicated by separate correspondence.

In accordance with 10 CFR 2.790 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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 817/860-8148 with any questions you may have regarding this letter or the inspection plan.

Sincerely,



William D. Johnson, Chief  
Project Branch A  
Division of Reactor Projects

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50-499

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South Texas Project  
Inspection/Activity Plan

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8/9/02	8/5/02	8/14/02	8/26/02	

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T=Telephone

E=E-mail

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South Texas Project  
 Inspection / Activity Plan  
 08/18/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>SGINSP2 - SG REPLACEMENT INSPECTION PERIOD 2</b>		2			
2	IP 50001	Steam Generator Replacement Inspection		06/16/2002	09/21/2002	Other Routine
	<b>SGINSP3 - SG REPLACEMENT INSPECTION PERIOD 3</b>		2			
2	IP 50001	Steam Generator Replacement Inspection		09/22/2002	12/21/2002	Other Routine
	<b>EMB - ISI UNIT 2</b>		1			
2	IP 7111108	Inservice Inspection Activities		10/07/2002	11/01/2002	Baseline Inspections
	<b>ACCESSPI - ACRSA AND PIV</b>		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		10/21/2002	10/25/2002	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		10/21/2002	10/25/2002	Baseline Inspections
	<b>TI 145-2 - TI 2515/145 UNIT 2</b>		2			
2	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin)		11/04/2002	11/08/2002	Safety Issues
	<b>EMB - ISI/SG - UNIT 2</b>		2			
2	IP 7111108	Inservice Inspection Activities		11/18/2002	11/22/2002	Baseline Inspections
	<b>EMB - BIENNIAL MR INSPECTION</b>		1			
1,2	IP 7111112B	Maintenance Effectiveness		01/13/2003	01/17/2003	Baseline Inspections
	<b>OB-PIR - STP PIR INSPECTION</b>		5			
1,2	IP 71152	Identification and Resolution of Problems		02/24/2003	03/14/2003	Baseline Inspections
	<b>EMB - HEAT SINKS</b>		1			
1,2	IP 7111107B	Heat Sink Performance		03/10/2003	03/14/2003	Baseline Inspections
	<b>ACCESSPI - ACRSA</b>		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/31/2003	04/04/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		03/31/2003	04/04/2003	Baseline Inspections
	<b>EMB - ISI &amp; ISI/SG - UNIT 1</b>		1			
1	IP 7111108	Inservice Inspection Activities		04/07/2003	04/18/2003	Baseline Inspections
	<b>TI 145-1 - TI 2525/145 UNIT 1</b>		2			
1	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulletin)		04/07/2003	04/18/2003	Safety Issues
	<b>PSB-EP1 - EP PROGRAM BASELINE INSPECTION</b>		1			
1,2	IP 7111402	Alert and Notification System Testing		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		05/05/2003	05/09/2003	Baseline Inspections
	<b>ALARA3 - ALARA PLANNING AND CONTROLS</b>		1			
1,2	IP 7112102	ALARA Planning and Controls		07/28/2003	08/01/2003	Baseline Inspections

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

**South Texas Project**  
**Inspection / Activity Plan**  
**08/18/2002 - 09/30/2003**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	<b>OB-IN</b>	<b>- INITIAL EXAM PREP</b>	<b>2</b>			
1	X02244	SOUTH TEXAS UNIT 1 - INITIAL EXAM (07/03)		07/28/2003	08/01/2003	Not Applicable
2	X02245	SOUTH TEXAS UNIT 2 - INITIAL EXAM (07/03)		07/28/2003	08/01/2003	Not Applicable
	<b>OB-IN</b>	<b>- INITIAL EXAMS</b>	<b>4</b>			
1	X02244	SOUTH TEXAS UNIT 1 - INITIAL EXAM (07/03)		08/18/2003	08/22/2003	Not Applicable
2	X02245	SOUTH TEXAS UNIT 2 - INITIAL EXAM (07/03)		08/18/2003	08/22/2003	Not Applicable
	<b>PSB-S1</b>	<b>- ACCESS AUTH/CONTROL, SECURITY PLAN, PIV</b>	<b>1</b>			
1,2	IP 7113001	Access Authorization Program (Behavior Observation Only)		09/08/2003	09/12/2003	Baseline Inspections
1,2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizat		09/08/2003	09/12/2003	Baseline Inspections
1,2	IP 7113004	Security Plan Changes		09/08/2003	09/12/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		09/08/2003	09/12/2003	Baseline Inspections