



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

September 9, 2003

James J. Sheppard, President and
Chief Executive Officer
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, Texas 77483

**SUBJECT: SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION, UNITS 1
AND 2 - NRC EXAMINATION REPORT 05000498/2003-301;
05000499/2003-301**

Dear Mr. Sheppard:

On August 21, 2003, the U. S. Nuclear Regulatory Commission (NRC) completed an examination at South Texas Project Electric Generating Station, Units 1 and 2. The enclosed report documents the examination findings, which were discussed on August 21, 2003, with Mr. Tom Jordan and other members of your staff.

The examination included the evaluation of five applicants for reactor operator licenses, three applicants for instant senior operator licenses, and three applicants for upgrade senior operator licenses. We determined that all applicants satisfied the requirements of 10 CFR Part 55, and the appropriate licenses have been issued.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure 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).

Sincerely,

/RA/

Anthony T. Gody, Chief
Operations Branch
Division of Reactor Safety

Dockets: 50-498; 50-499
Licenses: NPF-76; NPF-80

STP Nuclear Operating Company

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Enclosure:

NRC Examination Report

05000498/2003-301; 05000499/2003-301

cc w/enclosure:

Tom Jordan, Vice President

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ENCLOSURE

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

Dockets: 50-498; 50-499

Licenses: NPF-76; NPF-80

Report No.: 50-498/03-301; 50-499/03-301

Licensee: STP Nuclear Operating Company

Facility: South Texas Project Electric Generating Station, Units 1 and 2

Location: FM 521 - 8 miles west of Wadsworth
Wadsworth, Texas

Dates: August 15 and 18-21, 2003

Inspectors: G. Werner, Senior Operations Engineer, Operations Branch
G. Johnston, Senior Operations Engineer, Operations Branch
T. Stetka, Senior Operations Engineer, Operations Branch
M. Haire, Operations Engineer, Operations Branch

Accompanying
Personnel: J. Drake, Operations Engineer, Operations Branch

Approved By: A. Gody, Chief
Operations Branch
Division of Reactor Safety

SUMMARY OF FINDINGS

ER 05000498/2003-301; 05000499/2003-301; 8/15 and 18-21/03; South Texas Project Electric Generating Station, Units 1 and 2, Initial Operator Licensing Examinations.

NRC examiners evaluated the competency of five applicants for reactor operator licenses, three applicants for instant senior operator licenses, and three applicants for upgrade senior operator licenses at South Texas Project Electric Generating Station, Units 1 and 2. The NRC developed the written examination and the licensee developed the operating examination using NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," Draft Revision 9. The written examination was administered by the facility to the applicants on August 15, 2003. The NRC examiners administered the operating tests on August 18-21, 2003.

Report Details

4. OTHER ACTIVITIES (OA)

4OA4 Initial Operator License Examination

.1 Operator Knowledge and Performance

a. Examination Scope

On August 15, 2003, the licensee proctored the administration of the written examination to all 11 applicants. The licensee staff preliminarily graded the written examinations, analyzed the results, and presented their analysis to the NRC on August 21, 2003. Members of the NRC examination team graded the written examination on August 26, 2003, and verified the accuracy of the licensee staff examination analysis.

The NRC examination team administered the various portions of the operating examination to the applicants on August 18-21, 2003. All 11 applicants participated in 2 dynamic simulator scenarios, the five applicants for reactor operator and the three applicants for senior operator (Instant) participated in a control room and facilities walkthrough test consisting of 11 and 10 system tasks, respectively, and an administrative test consisting of 4 and 5 administrative tasks, respectively. The three applicants for upgrade to senior operator participated in a control room and facilities walkthrough test consisting of 5 system tasks, and an administrative test consisting of 5 administrative tasks.

b. Findings

All 11 of the applicants passed all parts of the examinations. The applicants demonstrated good 3-way communications, alarm response, and peer checking. For the written examinations, the reactor operator applicants average score was 90 percent and ranged from 84 to 95 percent, the senior reactor operator applicants overall average score was 91.8 percent and ranged from 88 to 96 percent. The senior reactor operator applicants average score for the reactor operator portion of the examination was 92.3 and ranged from 88 to 96 percent. The senior reactor operator applicants average score for the senior reactor operator portion of the examination was 90.7 percent and ranged from 88 to 96 percent. The overall written examination average was 91 percent. The text of the examination questions may be accessed in the ADAMS system under the accession numbers noted in Attachment 1.

The licensee conducted a performance analysis for the written examinations, submitting them to the chief examiner on August 21, 2003. The analysis identified no common knowledge deficiency. The examiners identified a senior operator only question (No. 94) that was missed by four of the six senior reactor operator candidates that the

licensee did not analyze. In discussions with the licensee, it was concluded that the question was valid and no changes to the question were required. No formal remediation training was determined to be necessary following the examinations. However, the licensee did review the questions missed by over 45 percent of the applicants with the candidates.

No findings of significance were identified.

.2 Initial Licensing Examination Development

The NRC developed the written examinations and the licensee developed the operating examination in accordance with NUREG-1021, Draft Revision 9. Licensee facility training and operations staff involved in examination development were on a security agreement.

.2.1 Examination Outline and Examination Package

a. Examination Scope

The facility licensee submitted the operating examination outlines on March 21, 2003. Examiners reviewed the submittal against the requirements of NUREG-1021, Draft Revision 9. There were minor comments. The facility licensee submitted the draft operating examination package on June 26, 2003. Examiners reviewed the draft submittals against the requirements of NUREG-1021, Draft Revision 9, and provided comments to the licensee on July 15, 2003. The chief examiner conducted an onsite validation of the examinations and provided further comments during the week of July 28, 2003. The licensee satisfactorily completed comment resolution on August 6, 2003.

b. Findings

Examiners approved the initial examination outline and advised the licensee to proceed with the operating examination development.

The chief examiner determined that the operating examinations initially submitted by the licensee were within the range of acceptability expected for a proposed examination and were satisfactory.

No findings of significance were identified.

.3 Simulation Facility Performance

a. Examination Scope

The examiners observed simulator performance with regard to plant fidelity during the examination validation and administration.

b. Findings

No findings of significance were identified. See Attachment 2, Simulation Facility Report, for a description of one previously undocumented simulator deficiency .

.4 Examination Security

a. Examination Scope

The examiners reviewed examination security both during the onsite preparation week and examination administration week for compliance with NUREG-1021 requirements. Plans for simulator security and applicant control were reviewed and discussed with licensee personnel.

b. Findings

No findings of significance were identified.

4OA5 Management Meeting

.1 Exit Meetings

The chief examiner presented the examination results to Mr. Tom Jordan, Vice President of Engineering and Technical Support, and other members of the licensee's management staff on August 21, 2003. The licensee acknowledged the findings presented.

The licensee did not identify as proprietary any information or materials examined during the examination.

ATTACHMENT 1

KEY POINTS OF CONTACT

Licensee

J. Calvert, Manager, Operations Training
M. DeFrees, Operations Training Supervisor
B. Neurohr, Senior Reactor Operator Instructor

ADAMS DOCUMENTS REFERENCED

Accession No.: ML032400336 - Written examination for reactor and senior operators

ATTACHMENT 2

Simulation Facility Report

Facility Licensee: South Texas Project

Facility Docket No.: 50-498; 50-499

Operating Tests Administered on: August 18 - 21, 2003

This observation does not constitute audit or inspection findings and, without further verification and review per IP 71111.11, is not indicative of noncompliance with 10 CFR 55.46. No licensee action is required in response to this observation.

While conducting the simulator portion of the operating tests, examiners observed the following item:

<u>Item</u>	<u>Description</u>
Control Panel 5, Annunciator Lampbox 5M03-F-4, "Rod Bottom"	During validation and three of four scenarios (Scenario 2), the rod bottom light did not reflash when the second rod dropped. On August 20, 2003, the licensee initiated a Nuclear Training Department Simulator Discrepancy Report to document this condition. Upon review, the licensee determined that the simulator had a modeling error associated with the rod bottom light alarm. The alarm should have reflash on all subsequent dropped rods.