



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

August 30, 2004

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

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

Dear Mr. Sheppard:

On August 2, 2004, the NRC staff completed its midcycle plant performance assessment of the South Texas Project Electric Generating Station. The midcycle review for South Texas Project involved the participation of all technical divisions in evaluating performance for the first half of the calendar year 2004 assessment cycle. The process included a review of performance indicators (PIs) for the most recent quarter and inspection results over the previous 12 months. 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.

This performance review and inspection plan does not include physical protection information. A separate letter designated and marked as "Exempt from Public Disclosure in Accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

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 PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only reactor oversight process baseline and generic safety issue inspections at your facility through March 31, 2006.

The enclosed inspection plan details the inspections, except those related to physical protection, scheduled through March 31, 2006. 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 end-of-cycle 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 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,

/RA/

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

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

Enclosure:  
South Texas Project Electric Generating Station Inspection/Activity Plan

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ADAMS:  Yes     No    Initials: \_WDJ\_  
 Publicly Available     Non-Publicly Available     Sensitive     Non-Sensitive

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RIV:\SPE\DRP/A	C:DRP/A	D:DRS	D:DRP	C:DRP/Asignature
TRFarnholtz	WDJohnson	DDChamberlain	ATHowell	WDJohnson
/RA/	/RA/	VLOrdaz for	/RA/	/RA/
8/16/04	8/17/04	8/25/04	8/26/ 04	8/27/04

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T=Telephone

E=E-mail

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**South Texas Project**  
**Inspection / Activity Plan**  
**08/01/2004 - 03/31/2006**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	End	Inspection Type
	<b>EB-17B</b>	<b>- PERMANENT PLANT MODIFICATIONS</b>	<b>2</b>			
1,2	IP 711117B	Permanent Plant Modifications		08/09/2004	08/13/2004	Baseline Inspections
	<b>OB-EP2</b>	<b>- EP EXERCISE</b>	<b>3</b>			
1,2	IP 7111401	Exercise Evaluation		08/09/2004	08/13/2004	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/09/2004	08/13/2004	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		08/09/2004	08/13/2004	Baseline Inspections
	<b>ALARA2</b>	<b>- ALARA PLANNING AND CONTROLS</b>	<b>1</b>			
1,2	IP 7112102	ALARA Planning and Controls		08/30/2004	09/03/2004	Baseline Inspections
	<b>PEB-52</b>	<b>- BIENNIAL PIR</b>	<b>6</b>			
1,2	IP 71152B	Identification and Resolution of Problems		10/18/2004	10/22/2004	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		11/01/2004	11/05/2004	Baseline Inspections
	<b>OB-INIT</b>	<b>- INITIAL EXAM</b>	<b>3</b>			
1	X02291	SOUTH TEXAS UNIT 1 (11/05) INITIAL EXAM		11/07/2005	11/10/2005	Not Applicable
2	X02292	SOUTH TEXAS UNIT 2 (11/05) INITIAL EXAM		11/07/2005	11/10/2005	Not Applicable
1	X02291	SOUTH TEXAS UNIT 1 (11/05) INITIAL EXAM		11/28/2005	12/02/2005	Not Applicable
2	X02292	SOUTH TEXAS UNIT 2 (11/05) INITIAL EXAM		11/28/2005	12/02/2005	Not Applicable
	<b>EB08P</b>	<b>- ISI U1 - VESS VOL (TI 150/152) AS REQ</b>	<b>1</b>			
1	IP 7111108P	Inservice Inspection Activities - PWR		03/14/2005	03/18/2005	Baseline Inspections
1	IP 7111108P	Inservice Inspection Activities - PWR		03/28/2005	04/01/2005	Baseline Inspections
	<b>TI 152</b>	<b>- TI 2515/152 REACTOR PV LOWER HEAD PENETR</b>	<b>2</b>			
1	IP 2515/152	Reactor Pressure Vessel Lower Head Penetration Nozzles (NRC Bulletin 2003-02)		03/09/2005	04/07/2005	Safety Issues
	<b>ACRSA</b>	<b>- ACCESS CONTROLS TO RAD SIGNIFICANT AREAS</b>	<b>1</b>			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/14/2005	03/18/2005	Baseline Inspections
	<b>PEB-05T</b>	<b>- TRIENNIAL FIRE PROTECTION</b>	<b>4</b>			
1,2	IP 7111105T	Fire Protection		06/06/2005	06/10/2005	Baseline Inspections
1,2	IP 7111105T	Fire Protection		06/20/2005	06/24/2005	Baseline Inspections
	<b>ALARA3</b>	<b>- ALARA PLANNING AND CONTROLS</b>	<b>1</b>			
1,2	IP 7112102	ALARA Planning and Controls		06/27/2005	07/01/2005	Baseline Inspections
	<b>OB-EP2</b>	<b>- EMERG PREPAREDNESS PROGRAM INSPECTION</b>	<b>1</b>			
1,2	IP 7111402	Alert and Notification System Testing		07/25/2005	07/29/2005	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		07/25/2005	07/29/2005	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		07/25/2005	07/29/2005	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		07/25/2005	07/29/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		07/25/2005	07/29/2005	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**  
**08/01/2004 - 03/31/2006**

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	<b>PEB-07B - HX PERFORMANCE</b>		<b>1</b>			
1,2	IP 7111107B	Heat Sink Performance		09/12/2005	09/16/2005	Baseline Inspections
	<b>PEB-12B - MAINTENANCE RULE BIENNIAL</b>		<b>1</b>			
1,2	IP 7111112B	Maintenance Effectiveness		09/12/2005	09/16/2005	Baseline Inspections
	<b>EB08P - ISI U2 - VESS VOL (TI 150/152) AS REQ</b>		<b>1</b>			
2	IP 7111108P	Inservice Inspection Activities - PWR		10/10/2005	10/14/2005	Baseline Inspections
2	IP 7111108P	Inservice Inspection Activities - PWR		10/24/2005	10/28/2005	Baseline Inspections
	<b>EB21/02 - SSD&amp;PCI/50.59</b>		<b>6</b>			
1,2	IP 7111121	Safety System Design and Performance Capability		11/14/2005	11/18/2005	Baseline Inspections
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		11/28/2005	12/02/2005	Baseline Inspections
1,2	IP 7111121	Safety System Design and Performance Capability		11/28/2005	12/02/2005	Baseline Inspections
	<b>OB-RQ - REQUAL INSPECTION</b>		<b>3</b>			
1,2	IP 7111111B	Licensed Operator Requalification Program		11/14/2005	11/19/2005	Baseline Inspections
	<b>RP TEAM - RADIATION SAFETY TEAM INSPECTION</b>		<b>5</b>			
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/23/2006	01/27/2006	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		01/23/2006	01/27/2006	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		01/23/2006	01/27/2006	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program		01/23/2006	01/27/2006	Baseline Inspections