



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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August 30, 2004

Joseph E. Venable
Vice President Operations
Waterford 3
Entergy Operations, Inc.
17265 River Road
Killona, Louisiana 70066-0751

**SUBJECT: MIDCYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
WATERFORD 3 STEAM ELECTRIC STATION**

Dear Mr. Venable:

On August 4, 2004, the NRC staff completed its midcycle plant performance assessment of Waterford 3 Steam Electric Station. The midcycle review for Waterford 3 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 Regulatory Response column of the NRC's Action Matrix based on an inspection finding being classified as having low to moderate safety significance (White). All performance indicators for the assessment period indicated performance at a level requiring no additional NRC oversight (Green). On April 12, 2004, the NRC staff forwarded a letter concerning the final significance determination of an inspection finding in the Mitigating Systems cornerstone. The finding involved the failure to establish appropriate instructions and accomplish those instructions for installation of a fuel line for the Train A Emergency Diesel Generator in May 2003. This resulted in uneven and excessive scoring of the fuel line tubing that ultimately led to a complete 360-degree failure of the fuel supply line on September 29, 2003, during a monthly surveillance test. This rendered the Train A Emergency Diesel Generator inoperable. The final significance of this finding was determined to be White.

As documented in our assessment followup letter, dated May 13, 2004, we have assessed Waterford 3 performance to be in the Regulatory Response column of the NRC's Action Matrix.

Entergy Operations, Inc.

We are in the process of conducting a supplemental inspection using 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 cause are identified, and the corrective actions are sufficient to prevent recurrence. This inspection is still in progress, and the results will be provided by separate correspondence.

The enclosed inspection plan details the inspections, except those related to physical protection, scheduled through March 31, 2006. The plan contains an inspection using Temporary Instruction (TI) 2515/159, "Review of Generic Letter 89-13, Service Water System Problems Affecting Safety-Related Equipment." This TI is in response to the Davis-Besse Reactor Vessel Head Degradation Lessons-Learned Task Force and is being performed at a sampling of nuclear power plants across the country. 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 William B. Jones at (817) 860-8147 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Arthur T. Howell III, Director
Division of Reactor Projects

Dockets: 50-382
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Enclosure:
Waterford 3 Steam Electric Station Inspection/Activity Plan

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ADAMS: Yes No Initials: ATH

Publicly Available Non-Publicly Available Sensitive Non-Sensitive

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RIV:C:DRP/E	D:DRS	D:DRP		
WBJones	DDChamberlain	ATHowell		
/RA/	VLOrdaz for	/RA/		
8/19/04	8/25/04	8/28/04		

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Waterford
Inspection / Activity Plan
08/01/2004 - 03/31/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	95001 - DG SUPPLEMENTAL		1			
3	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		08/23/2004	08/27/2004	Supplemental Program
	PEB-07B - HX - HEAT SINK PERFORMANCE TESTING		1			
3	IP 7111107B	Heat Sink Performance		08/30/2004	09/03/2004	Baseline Inspections
	TI-SW - TI-2515/159 - REVIEW OF GL 89-13		3			
3	IP 2515/159	Review of Generic Letter 89-13: Service Water System Problems Affecting Safety-Related E		08/30/2004	09/03/2004	Safety Issues
	OB-INIT - OB - INITIAL EXAMINATION		7			
3	X02268	WATERFORD (11/04/) INITIAL EXAM		10/25/2004	10/29/2004	Not Applicable
3	X02268	WATERFORD (11/04/) INITIAL EXAM		11/15/2004	11/19/2004	Not Applicable
	EB-02 - CHANGES, TESTS, EXP		1			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		10/18/2004	10/22/2004	Baseline Inspections
	EB-17B - PERMANENT PLANT MODIFICATIONS		2			
3	IP 711117B	Permanent Plant Modifications		10/18/2004	10/22/2004	Baseline Inspections
	ACCESSPI - ACRSA/PIV		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		11/08/2004	11/12/2004	Baseline Inspections
	ALARA1 - ALARA PLANNING AND CONTROLS		1			
3	IP 7112102	ALARA Planning and Controls		11/15/2004	11/19/2004	Baseline Inspections
	OB-EP1 - EP PROGRAM INSPECTION		1			
3	IP 7111402	Alert and Notification System Testing		11/29/2004	12/03/2004	Baseline Inspections
3	IP 7111403	Emergency Response Organization Augmentation Testing		11/29/2004	12/03/2004	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		11/29/2004	12/03/2004	Baseline Inspections
3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		11/29/2004	12/03/2004	Baseline Inspections
3	IP 71151	Performance Indicator Verification		11/29/2004	12/03/2004	Baseline Inspections
	EB 21 - SSD&PC		5			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		01/24/2005	01/28/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		01/24/2005	01/28/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		01/31/2005	02/04/2005	Baseline Inspections
3	IP 7111121	Safety System Design and Performance Capability		02/07/2005	02/11/2005	Baseline Inspections
	RP TEAM - RP TEAM INSPECTION		4			
3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/28/2005	03/04/2005	Baseline Inspections
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		02/28/2005	03/04/2005	Baseline Inspections
3	IP 7112202	Radioactive Material Processing and Transportation		02/28/2005	03/04/2005	Baseline Inspections
3	IP 7112203	Radiological Environmental Monitoring Program		02/28/2005	03/04/2005	Baseline Inspections
	EB08P - ISI - REQUIRES VOLUMETRIC TI 150/152		1			
3	IP 7111108P	Inservice Inspection Activities - PWR		04/11/2005	04/15/2005	Baseline Inspections

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

Waterford
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	
	EB08P - ISI - REQUIRES VOLUMETRIC TI 150/152		1			
3	IP 7111108P	Inservice Inspection Activities - PWR		04/25/2005	04/29/2005	Baseline Inspections
	ACRSA - ACCESS CONTROL TO RAD SIGNIFICANT AREAS		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		04/18/2005	04/22/2005	Baseline Inspections
	ALARA2 - ALARA PLANNING AND CONTROLS		1			
3	IP 7112102	ALARA Planning and Controls		04/25/2005	04/29/2005	Baseline Inspections
	OB-RQ - REQUAL INSPECTION		1			
3	IP 7111111B	Licensed Operator Requalification Program		08/15/2005	08/19/2005	Baseline Inspections
	ALARA3 - ALARA PLANNING AND CONTROLS		1			
3	IP 7112102	ALARA Planning and Controls		09/26/2005	09/30/2005	Baseline Inspections
	PEB-12B - MAINTENANCE RULE BIENNIAL		1			
3	IP 7111112B	Maintenance Effectiveness		10/03/2005	10/07/2005	Baseline Inspections
	OB-EP EX - EMERG PREPAREDNESS EXERCISE		3			
3	IP 7111401	Exercise Evaluation		12/05/2005	12/09/2005	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		12/05/2005	12/09/2005	Baseline Inspections
3	IP 71151	Performance Indicator Verification		12/05/2005	12/09/2005	Baseline Inspections
	PEB - W3 PIR INSPECTION		3			
3	IP 71152B	Identification and Resolution of Problems		03/06/2006	03/10/2006	Baseline Inspections
3	IP 71152B	Identification and Resolution of Problems		03/20/2006	03/24/2006	Baseline Inspections