



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

March 2, 2006

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

**SUBJECT: ANNUAL ASSESSMENT LETTER - WATERFORD 3 STEAM ELECTRIC
STATION (NRC INSPECTION REPORT 05000382/2006001)**

Dear Mr. Venable:

On February 8, 2006, the NRC staff completed its performance review of Waterford 3 Steam Electric Station. Our technical staff reviewed performance indicators for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Official Use Only - Security-Related Information" will include the physical protection review and resultant inspection plan.

Overall, Waterford 3 Steam Electric Station operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, 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).

In addition, as part of the baseline inspection program, NRC will be conducting an inspection using Inspection Procedure 71150, "Discrepant or Unreported Performance Indicator Data." This inspection will be conducted to resolve a potential discrepancy related to reporting safety system unavailability for High Pressure Safety Injection Train B as described in the Assessment Follow-up Letter dated November 4, 2005.

The enclosed inspection plan details the inspections, except those related to physical protection, scheduled through September 30, 2007. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the midcycle review.

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 this inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at 817-860-8147 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

David N. Graves, Chief
Project Branch E
Division of Reactor Projects

Docket: 50-382
License: NPF-38

Enclosure:
Waterford 3 Steam Electric Station Inspection/Activity Plan

cc:

Federal Emergency Management Agency
ATTN: William E. Peterson, Regional
Director
Region VI, Federal Center
800 North Loop 288
Denton, TX 76201-3698

Col. Jeff Smith, Deputy Director
Louisiana Office of Homeland Security and
Emergency Preparedness
7667 Independence Blvd.
P.O. Box 44217
Baton Rouge, LA 70806

Jeffrey P. Meyers, Division Administrator
Emergency and Radiological Services
Division
Louisiana Department of Environmental
Quality
P.O. Box 4312
Baton Rouge, LA 70821-4312

Albert D. Laque, Parish President

St. Charles Parish
P.O. Box 302
Hahnville, LA 70057

Sheriff Greg Champagne
St. Charles Parish Sheriff's Office
P.O. Box 7
Hahnville, LA 70057

Rep. Gary L. Smith, Jr.
State of Louisiana, District 56
P.O. Box 189
Norco, LA 70079

Rep. Ernest D. Wooten
State of Louisiana, District 105
8018 Highway 23, Suite 214
Belle Chasse, LA 70037

Senator Joel T. Chaisson, II
State of Louisiana, District 19

Entergy Operations, Inc.

-3-

P.O. Box 1255
Destrehan, LA 70047

Tab Troxler, Director
St. Charles Parish Department
of Emergency Preparedness
P.O. Box 302
Hahnville, LA 70057

Lance Marino, Councilman-at-Large
St. Charles Parish Division A
660 Pine Street
Norco, LA 70079

Clayton "Snookie" Fauchaux,
Councilman-at-Large
St. Charles Parish Division B
140 North Oak Court
P.O. Box 1342
Luling, LA 70070

Desmond J. Hilaire, Councilman
St. Charles Parish District 1
P.O. Box 111
Hahnville, LA 70057

Brian A. Fabre, Councilman
St. Charles Parish District 2
322 Beaupre Drive
Luling, LA 70070

G. "Ram" Ramchandran, Councilman
St. Charles Parish District 3
13 Hermitage Court
Destrehan, LA 70047

Derryl Walls, Councilman
St. Charles Parish District 4
P.O. Box 721
Des Allemands, LA 70030

April Black, Councilwoman
St. Charles Parish District 5
162 Oak Manor Lane
St. Rose, LA 70087

Richard "Dickie" Duhe, Councilman
St. Charles Parish District 6
401 Oak Street

Norco, LA 70079

Barry Minnich, Councilman
St. Charles Parish District 7
337 Wanda Street
Luling, LA 70070

Nickie Monica, Parish President
St. John the Baptist Parish
1801 West Airline Highway
LaPlace, LA 70068

Paul Oncale, Public Safety Director
St. John the Baptist Parish
1801 W. Airline Highway
LaPlace, LA 70068

Sheriff Wayne Jones
St. John the Baptist Parish
1801 W. Airline Highway
LaPlace, LA 70068

Senior Vice President and
Chief Operating Officer
Entergy Operations, Inc.
P.O. Box 31995
Jackson, MS 39286-1995

Vice President, Operations Support
Entergy Operations, Inc.
P.O. Box 31995
Jackson, MS 39286-1995

Wise, Carter, Child & Caraway
P.O. Box 651
Jackson, MS 39205

General Manager, Plant Operations
Waterford 3 SES
Entergy Operations, Inc.
17265 River Road
Killona, LA 70066-0751

Manager - Licensing Manager
Waterford 3 SES
Entergy Operations, Inc.
17265 River Road

Entergy Operations, Inc.

-4-

Killona, LA 70066-0751

Chairman
Louisiana Public Service Commission
P.O. Box 91154
Baton Rouge, LA 70821-9154

Director, Nuclear Safety &
Regulatory Affairs
Waterford 3 SES
Entergy Operations, Inc.
17265 River Road
Killona, LA 70066-0751

Michael E. Henry, State Liaison Officer
Department of Environmental Quality
Permits Division
P.O. Box 4313
Baton Rouge, LA 70821-4313

Parish President
St. Charles Parish
P.O. Box 302
Hahnville, LA 70057

Winston & Strawn LLP
1700 K Street, N.W.
Washington, DC 20006-3817

Institute of Nuclear Power Operations (INPO)
Records Center
700 Galleria Parkway SE, Suite 100
Atlanta, GA 30339

Electronic distribution by RIV:
 Regional Administrator (**BSM1**)
 DRP Director (**ATH**)
 DRS Director (**DDC**)
 DRS Deputy Director (**RJC1**)
 Senior Resident Inspector (**MCH**)
 Branch Chief, DRP/E (**DNG**)
 Senior Project Engineer, DRP/E (**VGG**)
 Team Leader, DRP/TSS (**RLN1**)
 RITS Coordinator (**KEG**)
 V. Dricks, PAO (**VLD**)
 W. Maier, RSLO (**WAM**)
 C. Gordon (**CJG**)
 DRS Branch Chiefs (**JAC, ATG, LJS, MPS1**)
 T. Bergman, Chief, TRPS, OEDO (**TAB**)
 S. Richards, Deputy Director, DIRS, NRR (**SAR**)
 C. Holden, Deputy Director, DORL, NRR (**CFH**)
 C. Haney, Director, DORL, NRR (**CXH**)
 D. Terao, Chief, LPLG, DORL, NRR (**DXT**)
 M. Fields, NRR Project Manager for Waterford (**MBF1**)
RidsNrrDirslpab

SUNSI Review Completed: _dng_ ADAMS: Yes No Initials: _dng_
 Publicly Available Non-Publicly Available Sensitive Non-Sensitive

S:\DRP\DRPDIR\EOC 05\Assessment Letters\WAT.wpd

RIV:C:DRP/E	D:DRS	D:DRP	C:DRP/E sign	
DNGGraves;mjs	DDChamberlain	ATHowell III	DNGGraves	
VGGaddy for	RJCaniano for	/RA/	/RA/	
2/23/06	2/23/06	2/27/06	2/24/06	

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

Waterford
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	EB2-52B - W3 PIR INSPECTION		6			
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
	WAT71150 - DISCREPANT PI INSPECTION		1			
3	IP 71150	Discrepant or Unreported Performance Indicator Data		03/06/2006	03/10/2006	Baseline Inspections
	EB1-2/17 - 50.59 & PERMANENT PLANT MODS		3			
3	IP 7111102	Evaluation of Changes, Tests, or Experiments		06/05/2006	06/09/2006	Baseline Inspections
3	IP 7111117B	Permanent Plant Modifications		06/05/2006	06/09/2006	Baseline Inspections
	RP-ORS - OCCUPATIONAL RADIATION SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		06/19/2006	06/23/2006	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		06/19/2006	06/23/2006	Baseline Inspections
3	IP 71151	Performance Indicator Verification		06/19/2006	06/23/2006	Baseline Inspections
	OB-EP EX - EMERG PREPAREDNESS EXERCISE		3			
3	IP 7111401	Exercise Evaluation		06/26/2006	06/30/2006	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/26/2006	06/30/2006	Baseline Inspections
3	IP 71151	Performance Indicator Verification		06/26/2006	06/30/2006	Baseline Inspections
	BRQ SIM - BIENNIAL RQ SIM ONLY		1			
3	IP 7111111B	Licensed Operator Requalification Program		07/17/2006	07/21/2006	Baseline Inspections
	EB2-05T - TRIENNIAL FIRE PROTECTION		4			
3	IP 7111105T	Fire Protection [Triennial]		08/07/2006	08/11/2006	Baseline Inspections
3	IP 7111105T	Fire Protection [Triennial]		08/21/2006	08/25/2006	Baseline Inspections
	EB2-07B - HX PERFORMANCE		1			
3	IP 7111107B	Heat Sink Performance		08/14/2006	08/21/2006	Baseline Inspections
	EB1-08P - ISI		1			
3	IP 7111108P	Inservice Inspection Activities - PWR		10/09/2006	10/13/2006	Baseline Inspections
3	IP 7111108P	Inservice Inspection Activities - PWR		10/23/2006	10/27/2006	Baseline Inspections
	RP-ORS - OCCUPATIONAL RADIATION SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		10/16/2006	10/20/2006	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		10/16/2006	10/20/2006	Baseline Inspections
3	IP 71151	Performance Indicator Verification		10/16/2006	10/20/2006	Baseline Inspections
	EXAM - INITIAL EXAM		2			
3	X02295	WAT INITIAL EXAM (08/06)		10/16/2006	10/20/2006	Not Applicable
	OB-INIT - INITIAL EXAM		3			
3	X02295	WAT INITIAL EXAM (08/06)		10/16/2006	10/20/2006	Not Applicable

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

Waterford
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EXAM - INITIAL EXAM		2			
3	X02295	WAT INITIAL EXAM (08/06)		11/13/2006	11/17/2006	Not Applicable
	OB-INIT - INITIAL EXAM		3			
3	X02295	WAT INITIAL EXAM (08/06)		11/13/2006	11/17/2006	Not Applicable
	EP2 - EMERG PREPAREDNESS PROGRAM INSPECTION		1			
3	IP 7111402	Alert and Notification System Testing		12/18/2006	12/22/2006	Baseline Inspections
3	IP 7111403	Emergency Response Organization Augmentation Testing		12/18/2006	12/22/2006	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		12/18/2006	12/22/2006	Baseline Inspections
3	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		12/18/2006	12/22/2006	Baseline Inspections
3	IP 71151	Performance Indicator Verification		12/18/2006	12/22/2006	Baseline Inspections
	RP TEAM - RADIATION SAFETY TEAM		5			
3	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		02/12/2007	02/16/2007	Baseline Inspections
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		02/12/2007	02/16/2007	Baseline Inspections
3	IP 7112202	Radioactive Material Processing and Transportation		02/12/2007	02/16/2007	Baseline Inspections
3	IP 7112203	Radiological Environmental Monitoring Program (REMP) And Radioactive Material Control Pr		02/12/2007	02/16/2007	Baseline Inspections
	EB1-21 - CDB		7			
3	IP 7111121	Component Design Bases Inspection		03/05/2007	03/09/2007	Baseline Inspections
3	IP 7111121	Component Design Bases Inspection		03/19/2007	03/30/2007	Baseline Inspections
	EB2-12B - MAINTENANCE RULE INPECTION		1			
3	IP 7111112B	Maintenance Effectiveness		03/05/2007	03/09/2007	Baseline Inspections
	RP-ORS - OCCUPATIONAL RADIATION SAFETY		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		04/30/2007	05/04/2007	Baseline Inspections
3	IP 7112102	ALARA Planning and Controls		04/30/2007	05/04/2007	Baseline Inspections
3	IP 71151	Performance Indicator Verification		04/30/2007	05/04/2007	Baseline Inspections
	REQUAL - BIENNIAL REQUALIFICATION		2			
3	IP 7111111B	Licensed Operator Requalification Program		09/03/2007	09/07/2007	Baseline Inspections