August 14, 2008

Vice President, Operations
Entergy Operations, Inc.
Waterford Steam Electric Station, Unit 3
17265 River Road
Killona, LA 70057-3093

SUBJECT: WATERFORD STEAM ELECTRIC STATION, UNIT 3 - AUDIT OF THE LICENSEE'S MANAGEMENT OF REGULATORY COMMITMENTS (TAC NO. MD9332)

Dear Sir/Madam:

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000, the U.S. Nuclear Regulatory Commission (NRC) informed licensees that the Nuclear Energy Institute (NEI) document NEI 99-04, "Guidelines for Managing NRC Commitment Changes," contains acceptable guidance for controlling regulatory commitments and encouraged licensees to use the NEI guidance or similar administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC Office of Nuclear Reactor Regulation has instructed its staff to perform an audit of licensees' commitment management programs once every 3 years to determine whether the licensees' programs are consistent with the industry guidance in NEI 99-04, and that the regulatory commitments are being effectively implemented.

An audit of Waterford Steam Electric Station, Unit 3 (Waterford 3) commitment management program was performed at the plant site on July 24 and 25, 2008. The NRC staff concludes, based on the audit, that Entergy Operations Inc. (the licensee) has implemented NRC commitments on a timely basis, and (2) the licensee has implemented an effective program for managing regulatory commitments made to NRC and their changes at Waterford 3. The details of the audit including the NRC staff observations and recommendations are set forth in the enclosed audit report.

The NRC staff appreciates the resources that were made available by your staff, both before and during the audit. If there are any questions, I can be contacted at (301) 415-1480.

Sincerely,

/RA/

N. Kalyanam, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-382

Enclosure: Audit Report

cc w/encl: See next page

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

LICENSEE MANAGEMENT OF REGULATORY COMMITMENTS

ENTERGY OPERATIONS INC.

WATERFORD STEAM ELECTRIC STATION, UNIT 3

DOCKET NOS. 50-382

1.0 INTRODUCTION AND BACKGROUND

In Regulatory Issue Summary 2000-17, "Managing Regulatory Commitments Made by Power Reactor Licensees to the NRC Staff," dated September 21, 2000, the U.S. Nuclear Regulatory Commission (NRC) informed licensees that the Nuclear Energy Institute (NEI) document NEI 99-04, "Guidelines for Managing NRC Commitment Changes," contains acceptable guidance for controlling regulatory commitments and encouraged licensees to use the NEI guidance or similar administrative controls to ensure that regulatory commitments are implemented and that changes to the regulatory commitments are evaluated and, when appropriate, reported to the NRC.

The NRC Office of Nuclear Reactor Regulation (NRR) has instructed its staff to perform an audit of licensees' commitment management programs once every 3 years to determine whether the licensees' programs are consistent with the industry guidance in NEI 99-04, and that the regulatory commitments are being effectively implemented.

NEI-99-04 defines a "regulatory commitment" as an explicit statement to take a specific action agreed to, or volunteered by, a licensee and submitted in writing on the docket to the NRC. NRR guidelines direct the NRR Project Manager to audit the licensee's commitment management program by assessing the adequacy of the licensee's implementation of a sample of commitments made to the NRC in past licensing actions (amendments, relief requests, exemptions, etc.) and licensing activities (bulletins, generic letters, etc.).

2.0 AUDIT PROCEDURE AND RESULTS

An audit of the Waterford Steam Electric Station, Unit 3 (Waterford 3) commitment management program was performed at the plant site on July 24 and 25, 2008. The audit consisted of two parts: (1) verification of the licensee's implementation of regulatory commitments that have been completed, and (2) verification of the licensee's program for managing changes to regulatory commitments.

2.1 Verification of Licensee's Implementation of Regulatory Commitments

The primary focus of this part of the audit is to confirm that the licensee has implemented those commitments made to the NRC as part of past licensing actions/activities. For commitments that had not yet been implemented, the NRC staff aimed to ascertain that they have been captured in an effective program for future implementation.

ENCLOSURE

2.1.1 Audit Scope

The audit addressed a sample of commitments, majority of which were made during the review period of approximately the last 3 years, and some much older. The audit focused on regulatory commitments made in writing to the NRC as a result of past licensing actions (amendments, exemptions, relief requests, etc.) or licensing activities (bulletins, generic letters, etc.), licensing event reports, and inspection reports.

2.1.2 Audit Results

Entergy Operations Inc. (the licensee) has implemented Procedure EN-LI-110, "Commitment Management Program," which identifies the methods and site organization tools for managing development, review, and implementation of station commitments.

The documents furnished by the licensee during the audit included summary sheets providing the status of the commitments and appropriate backup documentation, as needed (i.e., commitment change evaluation form, plant procedures, examination records, and/or other plant documentation). The NRC staff reviewed the documents and summarized the selected commitments information in the attachment to this audit report.

The staff audit was intended to confirm that the licensee has documented its implementation of its regulatory commitments made to the NRC staff as part of past licensing communications, and the commitments that had not yet been implemented or incorporated in design bases documents are captured in an effective manner for future implementation.

The NRC staff audit of the licensee's commitment management program for Waterford 3 did not identify any regulatory commitments that were not satisfied or incorporated. The licensee has maintained the database well and the commitments selected for this audit were easily traceable in the database. In case the commitment was already incorporated, the database provided the status of the commitment providing reference to the implementation document.

Based on the results of the on-site audit, the NRC staff believes the licensee has implemented the regulatory commitments management program effectively in accordance with LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC," and consistent with NEI 99-04.

The attachment to this audit report contains details of the audit and a summary of the audit results.

2.2 Verification of the Licensee's Program for Managing Regulatory Commitment Changes

The focus of this part of the audit was to verify that the licensee has established administrative controls for satisfying, modifying, or deleting commitments made to the NRC. The NRC staff found that the process sets forth the need for identifying, initiating, tracking, and reporting commitments, managing a change or deviation from a previously completed commitment.

As set forth in Section 2.1 above, the NRC staff found that the licensee had addressed each regulatory commitment selected for this audit. As a result of review of the information

provided by the licensee, as well as information from other sources, the NRC staff found no reason to differ from the licensee's reported status of the audited commitments. Thus, the NRC staff surmises that the procedure used by the licensee to manage commitments is appropriate and effective

2.2.1 Audit Results

The licensee carries out its obligations under its regulatory commitments by the processes that are outlined in the procedures. Any changes to the commitments are processed through the established processes and changes are reported to the NRC in accordance with the recommendations of LIC-105. However, no commitment changes were identified during the audit (for the commitments included in the scope of review), except for change to the implementation date.

The NRC staff audit of Entergy's commitment management program did not identify any regulatory commitments that were not satisfied or incorporated. The licensee has maintained the Commitment Management Program at a satisfactory level and the commitments selected for this audit were easily traceable in Program. The Program provided an accurate status of the commitments and provided the reference to the implementation document.

Based on the results of the on-site audit, the NRC staff believes the licensee has implemented regulatory commitment changes appropriately, in accordance with LIC-105 and consistent with NEI 99-04.

3.0 OBSERVATIONS AND RECOMMENDATIONS

In the "Commitment List," under the columns titled, "Text," "Comments" and "Status" a short description of the corrective action to be taken, general comments, and the status of the commitment are provided chronologically. While the auditors found that many of these notes contained the author(s) (with initials) and date(s), this was not done in a consistent and uniform manner. Many of the notes lacked the author's identity and the date. The auditors are of the opinion that these additions provide a valuable historical background.

3.0 CONCLUSION

The NRC staff concludes that, based on the above audit, (1) the licensee had implemented or is tracking for future implementation regulatory commitments; and (2) the licensee had implemented an effective program to manage regulatory commitment changes.

5.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

Robert Murillo, Ron Williams, Greg Scott

Principal Contributors: N. Kalyanam
G. Lappert

Date: August 14, 2008

Attachment: Summary of Audit Results

REGULATORY COMMITMENTS AND SUMMARY OF AUDIT RESULTS

PERFORMED ON JULY 24 AND 25, 2008

WATERFORD STEAM ELECTRIC STATION, UNIT 3

Letter Number	Subject	Commitment No.	Description of Commitment	Implementation Status
LER-87-018 dated October 23, 1987	Inspection of Containment	P-14296	All Safety Related Containment Pressure Instruments are Operable when Required.	WITHDRAWN and, therefore, CLOSED Commitment Change Evaluation Form (CCEF) 2008-0002 (identified as "CCVF") Redundancy requirement being deleted from OP-903-027 since the requirement exists in MI-3-302, "Containment Pressure Loop Check" and the requirement in OP-903-027 is redundant. Therefore, the commitment made in P-14296 is deleted.
W3B85-0016 dated January 31, 1985	Corrective Action and Assessments for adverse quality trends.	P-14178	All CIWAs identified as non-conformance are periodically analyzed by Corrective Action & Assessments for adverse quality trends.	WITHDRAWN and, therefore, CLOSED Since W3 completed its operational phase, the adverse conditions for Construction QA deficiencies are no longer evident, it is not necessary to continue to track this as a commitment. Reference: CCEF-2006-0010.
ILN-06-0023 dated February 9, 2006	RAI GL 2004-02	A-26908	Provide a response to Request for Additional Information (RAI) "Potential Impact of Debris Blockage on Emergency Recirculation During Design Basis Accidents at Pressurized Water Reactors," as a result of	CLOSED Response to the RAI was provided on February 9, 2008, (i.e.,) before February 29, 2008, as required in the NRC letter to NEI.

			letter from NRC to NEI, dated November 30, 2007, “supplemental licensee responses to generic letter 2004-02, “Potential impact of debris blockage on emergency recirculation during design basis accidents at pressurized-water reactors”	
CNRO-2002-0019, dated March 29, 2002	W3-R&R-Use of Mechanical Nozzle Seal Assemblies	A-26369	Entergy Operations Inc. (Entergy, the licensee) will visually inspect for leakage in and around the counter-bore/annulus region of each installed MNSA-2 device during each Refueling Outage	CLOSED Mechanical Nozzle Sealing Assemblies (MNSAs installed on pressurizer (PZR) during refueling outage 12 were removed. Since no MNSA are currently installed, the commitment is removed..
CNRO-2002-00010, dated March 12, 2001	Use of MNSAs	A-26309	Use of MNSAs limited to 2 cycles if installed.	CLOSED Mechanical Nozzle Sealing Assemblies (MNSAs_ installed on pressurizer (PZR) during refueling outage 12 were removed. Since there are no MNSA currently installed, the commitment is removed.
WF-101-0025, dated March 14, 2001	Emergency Plan (EP) Changes	A-26107	Entergy will submit to NRC, within 4 years of receipt of the SER, a report summarizing the drills and results. The NRC submittal will provide confirmation of the effectiveness of the	CLOSED Letter from Entergy to NRC, dated January 4, 2007, “Summary Report of Emergency Planning Drills and Drill Results” provides a report summarizing the drills and drill results (from

			EP Changes.	that period) to provide confirmation of the effectiveness of the Emergency Plan changes, and thus fulfillment of the validation program.
CNRO-2003/00003, dated February 11, 2003	RAI Regarding Proposed Alternative to ASME examination Requirements for Repairs Performed on Reactor Vessel Head (RPV) Penetrations	A-26475	[P]rior to performing repairs on RPV nozzles above the J-weld that involve using these relief requests, Entergy will notify the NRC of the need to make such repairs. This notification will provide information on (a) examination methods, (b) flaw location, orientation, and critical dimensions, and (c) repair plans.	OPEN Since no repairs were performed during RFOs 13 or 14 or 15, this is maintained as an on-going, continuing compliance. Unless repairs are required, no notification to NRC is required.
CNRO-2003/00003 dated February 11, 2003	RAI Regarding Proposed Alternative to ASME examination Requirements for Repairs Performed on Reactor Vessel Head Penetrations	A-26474	[W]hen repairs are performed using the subject relief requests, Entergy will perform follow-up volumetric examinations using the ultrasonic examination method on the repaired RPV nozzles during the next scheduled refueling outage provided the RPV head is not scheduled for replacement during that outage.	OPEN Since no repairs were performed on the RPV during RFOs 13 or 14 or 15, this is maintained as an on-going, continuing compliance. Unless repairs are required, no volumetric examinations using the ultrasonic examination method is required
W3F1-2004-0048 dated June 8, 2004	Letter from Entergy to NRC dated June 8,	A-26690	Visual inspections of the LTAs will be	OPEN

	2004, "Supplement to Request for Exemption to the Cladding Material Specified in 10 CFR 50.46 and 10 CFR 50 Appendix K to Allow Use of Optimized ZIRLO Lead Test Assemblies"		performed in the spent fuel pool during the outage, continuing compliance at the end of cycles 14, 15 & 16.	On-going, continuing commitment. During RF 14, and 15, video inspections were performed. All the measurements were satisfactory and met the criteria. Assembly appearance was good. The commitment is extended to the next RFO, RFO 16.
CNRO-2003-00050, dated October 2, 2003 and CNRO-2004-00020, dated April 15, 2004	Relaxation request from U.S. Nuclear Regulatory Commission (NRC) order EA-03-009 for the vessel head penetration vent line nozzle	A-26583	Any future crack-growth analyses performed for Operating Cycle 14 and future cycles for RPV head penetrations will be based on an acceptable crack growth rate formula.	OPEN Commitment has been rescheduled outside of RFO 14 and later of RFO 15 since no crack growth analyses was required in both outages for the RPV head penetrations.
W3F1-2005-0074 dated October 25, 2005	License Amendment Request. To Allow the use of Zirconium Diboride and Modify TS 6.9.1.11, Core Operating Limits Report	A-26881	Prior to the use of ZRB2, burnable absorber coatings, the fuel design will be analyzed with applicable NRC staff approved codes and methods.	CLOSED Commitment has been satisfied with 50.59 evaluation.
WF198-0202 dated December 14, 1998		P-25510	Security will notify all Safeguard information authorized users whenever site procedure W5.503, "Site Safeguards Information Procedure," is revised	DELETED AND CLOSED In the referenced letter, this action was identified as an enhancement and not commitment. The Procedure W5.503 has been deleted and replaced by fleet procedure EN-NS-204. EN-NS-204 requires communication of procedure changes to effected

				stakeholders to ensure they are cognizant of changes. The CCEF states that this action is administrative in nature.
WF194-0233 dated January 5, 1995	Violation: Failure to implement corrective actions/identified corrective actions	P-22238	The licensee failed to correct the deficiencies involving erratic flow indications from the component cooling water, containment spray and low pressure safety injection system flow transmitters. Specifically, the Identified corrective actions were assigned to a station modification request (MI 035) that did not exist and was not implemented.	CLOSED The root cause for the violation was identified to be the failure of an engineer to initiate the effective corrective action documentation. With the cultural and process changes that are in effect now, and with the familiarization of the different processes (use of Problem Evaluation/information Request (PEIR), CR, and ER processes), the odds of a similar violation occurring now are considered remote.
CNRO-2003-00050, dated October 2, 2003 and CNRO-2004-00020, dated April 15, 2004	Relaxation request from NRC order EA-03-009 for the vessel head penetration vent line nozzle	A-26582	If the revised analysis shows that the crack growth acceptance criteria are not exceeded during either Operating Cycle 14 or the subsequent operating cycle, Entergy shall, within 30 days, submit a letter to the NRC confirming that its analysis has been revised.	OPEN Commitment has been rescheduled outside of RFO 14 and later of RFO 15 since no revised crack growth analyses was required in both outages for the RPV head penetrations.
CNRO-2003-00050, dated October 2,	Relaxation request from NRC order EA-	A-26580	If Entergy's revised analysis shows that the	OPEN

2003 and CNRO-2004-00020, dated April 15, 2004	03-009 for the vessel head penetration vent line nozzle		crack growth acceptance criteria are exceeded prior to the end of Operating Cycle 14 (following the upcoming refueling outage), this relaxation is rescinded and Entergy will, within 72 hours, submit to the NRC written justification for continued operation.	This Entergy analysis referenced in the commitment is the analysis that incorporates a crack-growth formula different from that described in Footnote 1 of the Order, as provided in EPRI Report MRP-55. Entergy is aware that the NRC staff has not yet completed a final assessment regarding the acceptability of the EPRI report. If the NRC staff finds that the crack-growth formula in MRP-55 is unacceptable, Entergy shall revise its analysis that justifies relaxation of the Order within 30 days after the NRC informs Entergy of an NRC-approved crack-growth formula. If Entergy's revised analysis shows that the crack growth acceptance criteria are exceeded prior to the end of Operating Cycle 14 (following the upcoming refueling outage), Entergy will, within 72 hours, submit to the NRC written justification for continued operation.
WF104-0036 dated June 17, 2004	LAR To Modify TS 5.3.1, Fuel Assemblies and TS 6.9.1.11.1, Core Operating Limits Report	A-26700	The corrosion thickness will be calculated using the best estimate models and methods described in topical report CENPD-404-P.	OPEN A best-estimate corrosion calculation performed indicated that the maximum oxide thickness for any Zirco clad fuel rod during cycle 15 operation was estimated to be 18.8 microns, which is less than the 100 micron limit. Therefore, the commitment is being extended to RFO 15.
W3F1-2005-0063 dated September 16, 2005	Generic Letter 2004-02, "Potential Impact of Debris Blockage on Emergency Recirculation During	A-26863	Request for Extension of Completion date for Resolution of GL 2004-02	CLOSED This commitment has been superseded by the commitment made in Entergy letter dated May 12, 2008, and approved

	Design Basis Accidents at Pressurized-Water Reactors"			by the NRC staff in its letter dated May 22, 2008.
Letter from Entergy to NRC, dated September 16, 2005 (W3F1-2005-0063)	Response to Generic Letter 2004-02, "Potential Impact of Debris Blockage on Emergency Recirculation During Design Basis Accidents at Pressurized-Water Reactors"	A-26863	Entergy plans to evaluate the adequacy of the strainer design and will incorporate chemical effects once the tests results to quantify chemical debris effect on head-loss have been published. At the same time, an additional evaluation will be performed to determine the impact of the sump pH, spray duration, and the increased temperature profile on the head-loss due to chemical effects. (Scheduled completion date: 12/20/2006)	CLOSED This commitment has been superseded by the commitment made in Entergy letter dated May 12, 2008, and approved by the NRC staff in its letter dated May 22, 2008.
Letter from Entergy to NRC, dated September 16, 2005 (W3F1-2005-0063)	Response to Generic Letter 2004-02, "Potential Impact of Debris Blockage on Emergency Recirculation During Design Basis Accidents at Pressurized-Water Reactors"	A-26862	W-3 plant modifications to install new pump strainers will be implemented during the fall 2006 refueling outage Scheduled completion date: 12/20/2006	CLOSED Sump pump strainer modules have been installed per WO 763999 Task 08. This commitment has been satisfied with response and implementation.