



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

JAN - 6 1997

Michael B. Sellman, Vice President
Operations - Waterford
Entergy Operations, Inc.
P.O. Box B
Killona, Louisiana 70066

SUBJECT: SYSTEMATIC ASSESSMENT OF LICENSEE PERFORMANCE (SALP) REPORT

Dear Mr. Sellman:

Enclosed for your review is the SALP report for the Waterford Steam Electric Station, Unit 3, for the period April 29, 1995, through November 30, 1996. A public meeting to discuss this report with you and your staff has been scheduled at the Waterford 3 Energy Center on January 22, 1997, at 9:30 a.m. (CST). During this meeting, you are encouraged and expected to candidly comment on our report. Although this meeting is a forum between Entergy Operations, Inc. (Entergy) and the NRC, it will be open to observation by members of the public and other interested parties.

In accordance with the NRC policy, I have reviewed the recommendations of the SALP Board and concur with the rating and views. During this evaluation period, observed performance declined in all functional areas, sufficiently in three of the areas to warrant lower category ratings than in the previous SALP report. The Operations, Maintenance and Plant Support functional areas were rated Category 2, reflecting good performance, and the Engineering functional area was rated a Category 3, reflecting acceptable performance.

The significant decline in the engineering area was the result of new inspection insights gained during this assessment period. Weak engineering support for plant activities resulted in inaccurate and weak operability evaluations and less than thorough support for the inservice testing program. Engineering did not ensure that design and licensing bases were consistently maintained for plant systems and components. Further, I am concerned that, during this period, intrusive NRC involvement was frequently required to assure that system and component design issues were fully resolved.

In the Operations area, operators continued to ensure safe facility operation; however, on several occasions, operators missed recognizing Technical Specification Limiting Conditions for Operation entry requirements and accepted poor engineering evaluations to support operability determinations. In the Maintenance area, weak implementation of the inservice test program and inconsistent performance of maintenance and surveillance activities were observed. In the plant support area, some concerns were noted with the implementation of the radiological protection and security programs, but other aspects remained strong.

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The SALP Board identified that your corrective action program established a low threshold for identifying deficiencies; however, a number of deficiencies were not promptly and effectively resolved. Although improvement was noted near the end of the SALP period, continued effort is needed to assure that your internal self-assessment activities resolve equipment and personnel performance problems before they are identified by external organizations or by plant events.

Entergy is challenged to assure that its corporate oversight is critical and effective. I am concerned that previous Entergy oversight of Waterford 3 was not always effective. Oversight activities such as peer reviews and other self-assessment processes were ineffective in identifying and correcting the problems and issues that contributed to the degraded regulatory performance at Waterford 3. Entergy appeared to rely excessively on performance assessments by external organizations, such as the NRC, before initiating steps to improve plant performance.

In accordance with Section 2.790 of the NRC's "Rules of Practice," a copy of this letter and the SALP report will be placed in the NRC Public Document Room.

Should you have any questions or comments, I would be pleased to discuss them with you. Because the engineering area received a Category 3 rating, you are requested to provide written comments to address the weaknesses in this area within 30 days of the public SALP meeting.

Sincerely,



L. J. Callan
Regional Administrator

Docket No.: 50-382
License No.: NPF-38

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E-Mail report to D. Nelson (DJN)
 E-Mail report to NRR Event Tracking System (IPAS)
 E-Mail report to Richard Correia (RPC)
 E-Mail report to Ronald Frahm, Jr. (RKF)

bcc to DMB (IE40)

bcc distrib. by RIV:

L. Callan, RA	Senior Resident Inspector, Watford
J. Dyer, DRP Director	DRS-PSB
Branch Chief (DRP/D)	MIS System
Project Engineer (DRP/D)	RIV File
Branch Chief (DRP/TSS)	Leah Tremper (OC/LFDCB, MS: TWFN 9E10)
The Chairman (MS:16-G-15)	Records Center, INPO
Commissioner Rogers (MS:16-G-15)	S. J. Collins, DRA
Commissioner Dicus	B. Henderson, PAO
Commissioner Diaz	DRP file
Commissioner McGaffigan	SRIs at all RIV sites
J. M. Taylor, EDO (MS:17-G-21)	D. Chamberlain, DD:DNMS
Associate Dir. for Projects, NRR	B. Murray, DRS/PSB
C. Gordon	W. Beckner, NRR Project Manager
C. A. Hackney, RSLO	C. Patel, NRR Project Director
Associate Dir. for Insp., and Tech. Assmt, NRR	
SALP Program Manager, NRR/ILPB (2 copies)	

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PHHarrell; <i>PHH</i>	KEPerkins <i>KEP</i>	KEBrockman <i>KEB</i>	JEDyer <i>JED</i>	WDBeckner <i>WDB</i>
1/6/97	1/6/97 <i>per Tolson</i>	1/6/97	1/4/97	1/6/97 <i>per Tolson</i>
DRA <i>DRA</i>	RA <i>RA</i>			
SJCollins	LJCollins			
1/ /97	1/6/97			

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1/6/97	1/6/97 <i>Perkins</i>	1/6/97	1/4/97	1/6/97 <i>Perkins</i>
DRA <i>DRA</i>	RA <i>RA</i>			
SJCollins	LJCollins			
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