



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

August 26, 2002

William T. Cottle, President and
Chief Executive Officer
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, Texas 77483

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

Dear Mr. Cottle:

On July 31, 2002, the NRC staff completed its midcycle plant performance assessment of South Texas Project Electric Generating Station. In accordance with NRC Inspection Manual Chapter 0305, "Operating Reactor Assessment Program," the midcycle review involved the participation of all technical divisions in evaluating the performance of your South Texas Project facility for the first half of the current assessment cycle, January 1 through December 31, 2002. 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 which may conflict with your plant activities.

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 performance indicators indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct only baseline inspections at your facility through September 30, 2003.

The enclosed inspection plan details the inspections scheduled through September 30, 2003. 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 last 6 months of the inspection plan are tentative and may be revised at the end-of-cycle review.

In addition, the NRC is working with your staff to complete the Mitigating Systems Performance Indicator pilot program. Using a temporary instruction, which is still under development, we will monitor your data collection and analysis. This effort is scheduled to extend from September 2002 through July 2003.

Finally, the NRC is in the process of finalizing a Temporary Instruction (TI) that will be used to review implementation of the Interim Compensatory Measures required by the Agency's Security

Order to all commercial nuclear power plants dated February 25, 2002. Schedules have not yet been finalized, but it is anticipated that these inspections will begin within the next calendar quarter. Once finalized, the details will be communicated by separate correspondence.

In accordance with 10 CFR 2.790 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
Inspection/Activity Plan

cc w/enclosure:
Tom Jordan, Vice President
Engineering & Technical Services
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, Texas 77483

S. M. Head, Manager, Licensing
Nuclear Quality & Licensing Department
STP Nuclear Operating Company
P.O. Box 289, Mail Code: N5014
Wadsworth, Texas 77483

A. Ramirez/C. M. Canady
City of Austin
Electric Utility Department
721 Barton Springs Road
Austin, Texas 78704

M. T. Hardt/W. C. Gunst
City Public Service Board
P.O. Box 1771
San Antonio, Texas 78296

D. G. Tees/R. L. Balcom
Houston Lighting & Power Company
P.O. Box 1700
Houston, Texas 77251

Jon C. Wood
Matthews & Branscomb
112 E. Pecan, Suite 1100
San Antonio, Texas 78205

A. H. Gutterman, Esq.
Morgan, Lewis & Bockius
1111 Pennsylvania Avenue NW
Washington, DC 20004

C. A. Johnson/R. P. Powers
AEP - Central Power and Light Company
P.O. Box 289, Mail Code: N5022
Wadsworth, Texas 77483

INPO
Records Center
700 Galleria Parkway
Atlanta, Georgia 30339-5957

Director, Division of Compliance
& Inspection
Bureau of Radiation Control
Texas Department of Health
1100 West 49th Street
Austin, Texas 78756

Brian Almon
Public Utility Commission
William B. Travis Building
P.O. Box 13326
1701 North Congress Avenue
Austin, Texas 78701-3326

Environmental and Natural
Resources Policy Director
P.O. Box 12428
Austin, Texas 78711-3189

Judge, Matagorda County
Matagorda County Courthouse
1700 Seventh Street
Bay City, Texas 77414

G. R. Bynog, Program Manager/
Chief Inspector
Texas Department of Licensing & Regulation
Boiler Division
P.O. Box 12157, Capitol Station
Austin, Texas 78711

Susan M. Jablonski
Office of Permitting, Remediation and Registration
Texas Natural Resource Conservation Commission
MC-122, P.O. Box 13087
Austin, Texas 78711-3087

Ted Enos
4200 South Hulen
Suite 630
Fort Worth, Texas 76109

Charles Martinez, Jr.
Mayor, City of Bay City
City Hall
1901 Fifth Street
Bay City, Texas 77414

Robert McMahon
Mayor, City of Palacios
P.O. Box 845
Palacios City Hall
Palacios, Texas 77465

STP Nuclear Operating Co.

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James Mitchell, Sheriff
Matagorda County
2323 Avenue E
Bay City, Texas 77414

Federal Emergency Management Agency
Ron Castleman, Regional Director
Region VI, Federal Center
800 North Loop 288
Denton, Texas 76201-3698

Roger Mulder
State Energy Conservation Office
111 E 17th Street, Room 1114
Austin, Texas 78711

Electronic distribution by RIV:

Regional Administrator (**EWM**)

DRP Director (**KEB**)

DRS Director (**EEC**)

Senior Resident Inspector (**NFO**)

Branch Chief, DRP/A (**WDJ**)

Senior Project Engineer, DRP/A (**CJP**)

Staff Chief, DRP/TSS (**PHH**)

RITS Coordinator (**NBH**)

Scott Morris (**SAM1**)

STP Site Secretary (**LAR**)

RidsNrrDipmlipb

Dale Thatcher (**DFT**)

B. Henderson, PAO (**BWH**)

W. A. Maier, RSLO (**WAM**)

C. J. Gordon (**CJG**)

DRS Branch Chiefs (**GMG, ATG, CSM**)

W. D. Travers, EDO (**WDT**)

C. A. Carpenter, Chief, NRR/DIPM/IIPB (**CAC**)

R. K. Frahm, PPR Program Manager, NRR/DIPM/IIPB (**RKF**)

R. W. Borchardt, Associate Dir. for Inspection and Programs (**RWB1**)

B. W. Sheron, Associate Dir. for Project Licensing and Technical Analysis (**BWS**)

J. Shea, Chief, Regional Operations Staff, OEDO (**JWS1**)

W. Ruland, NRR Project Director (**WHR**)

R. Gramm, Chief, Section 1, NRR/DLPM (**RAG**)

J. Nakoski, NRR Project Manager (**JAN1**)

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RIV:C:DRP/A	D:DRS	D:DRP	Signature	
WDJohnson;tbh	EECollins	KEBrockman	WDJohnson	
/RA/	/RA/	/RA/	/RA/	
8/9/02	8/15/02	8/26/02	8/26/02	

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South Texas Project
Inspection / Activity Plan
08/18/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	SGINSP2 - SG REPLACEMENT INSPECTION PERIOD 2		2			
2	IP 50001	Steam Generator Replacement Inspection		06/16/2002	09/21/2002	Other Routine
	SGINSP3 - SG REPLACEMENT INSPECTION PERIOD 3		2			
2	IP 50001	Steam Generator Replacement Inspection		09/22/2002	12/21/2002	Other Routine
	EMB - ISI UNIT 2		1			
2	IP 7111108	Inservice Inspection Activities		10/07/2002	10/11/2002	Baseline Inspections
	ACCESSPI - ACRSA AND PIV		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		10/21/2002	10/25/2002	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		10/21/2002	10/25/2002	Baseline Inspections
	EMB - ISI S/G		1			
2	IP 7111108	Inservice Inspection Activities		11/18/2002	11/22/2002	Baseline Inspections
	TI 145-2 - TI 2515/145 UNIT 2		2			
2	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulle		11/04/2002	11/08/2002	Safety Issues
	EMB - BIENNIAL MR INSPECTION		1			
1,2	IP 7111112B	Maintenance Effectiveness		01/13/2003	01/17/2003	Baseline Inspections
	OB-PIR - STP PIR INSPECTION		5			
1,2	IP 71152	Identification and Resolution of Problems		02/24/2003	03/14/2003	Baseline Inspections
	EMB - HEAT SINKS		1			
1,2	IP 7111107B	Heat Sink Performance		03/10/2003	03/14/2003	Baseline Inspections
	ACCESSPI - ACRSA		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/31/2003	04/04/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		03/31/2003	04/04/2003	Baseline Inspections
	EMB - ISI & ISI/SG - UNIT 1		1			
1	IP 7111108	Inservice Inspection Activities		04/07/2003	04/18/2003	Baseline Inspections
	TI 145-1 - TI 2525/145 UNIT 1		2			
1	IP 2515/145	Circumferential Cracking of Reactor Pressure Vessel Head Penetration Nozzles (NRC Bulle		04/07/2003	04/18/2003	Safety Issues
	PSB-EP1 - EP PROGRAM BASELINE INSPECTION		1			
1,2	IP 7111402	Alert and Notification System Testing		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		05/05/2003	05/09/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		05/05/2003	05/09/2003	Baseline Inspections
	ALARA3 - ALARA PLANNING AND CONTROLS		1			
1,2	IP 7112102	ALARA Planning and Controls		07/28/2003	08/01/2003	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
08/18/2002 - 09/30/2003

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
OB-IN - INITIAL EXAM PREP			2			
1	X02244	SOUTH TEXAS UNIT 1 - INITIAL EXAM (07/03)		07/28/2003	08/01/2003	Not Applicable
2	X02245	SOUTH TEXAS UNIT 2 - INITIAL EXAM (07/03)		07/28/2003	08/01/2003	Not Applicable
OB-IN - INITIAL EXAMS			4			
1	X02244	SOUTH TEXAS UNIT 1 - INITIAL EXAM (07/03)		08/18/2003	08/22/2003	Not Applicable
2	X02245	SOUTH TEXAS UNIT 2 - INITIAL EXAM (07/03)		08/18/2003	08/22/2003	Not Applicable
PSB-S1 - ACCESS AUTH/CONTROL, SECURITY PLAN, PIV			1			
1,2	IP 7113001	Access Authorization Program (Behavior Observation Only)		09/08/2003	09/12/2003	Baseline Inspections
1,2	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizat		09/08/2003	09/12/2003	Baseline Inspections
1,2	IP 7113004	Security Plan Changes		09/08/2003	09/12/2003	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		09/08/2003	09/12/2003	Baseline Inspections