



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064**

May 29, 2001

John T. Herron, Vice President Operations
Waterford 3
Entergy Operations, Inc.
17265 River Road
Killona, Louisiana 70066-0751

SUBJECT: ANNUAL ASSESSMENT LETTER - WATERFORD 3 (REPORT 50-382/01-01)

Dear Mr. Herron:

On May 8, 2001, NRC staff completed its end-of-cycle plant performance assessment of Waterford 3. The end-of-cycle review for Waterford 3 involved the participation of all technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period April 2, 2000, to March 31, 2001. 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.

Overall, Waterford 3 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. 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 PIs indicating performance at a level requiring no additional NRC oversight (Green).

While plant performance for the most recent quarter is within the Licensee Response Column of the Action Matrix, there were safety-significant inspection findings (identified prior to April 1, 2000), which were resolved during the first three quarters of the assessment cycle. On August 4, 2000, NRC issued an Order confirming your commitments to resolve issues identified in Inspection Report 50-382/00-03 (EA 00-093). These commitments addressed actions to improve your ability to defend against the design-basis security threat. NRC performed additional inspections, after completion of your corrective actions, that verified your ability to protect the plant against the design-basis security threat during force-on-force exercises. Therefore, we plan to conduct only baseline inspections at your facility through May 31, 2002.

The enclosure details the scheduled inspections that will occur through May 31, 2002. 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.

For your information, the NRC is in the process of aligning the inspection and assessment cycle with the calendar year. In order to transition to a calendar year cycle (January 1 through December 31), the next inspection and assessment cycle will consist of only three quarters (i.e.,

the second, third, and fourth calendar quarters of CY 2001). As a result, a quarterly review will be conducted for the third calendar quarter (July 1 through September 30) in lieu of a midcycle review. The impact on the inspection plan, which is included as an enclosure, is minimal. Activities planned for the transition cycle represent only 60-80 percent of those activities that would be accomplished during a typical 12-month inspection and assessment cycle.

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/NRC/ADAMS/index.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/

William B. Jones, Chief
Project Branch E
Division of Reactor Projects

Docket: 50-382
License: NPF-38

Enclosure:
Waterford 3 Inspection/Activity Plan

cc w/enclosure:
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Waterford
Inspection / Activity Plan
06/01/2001 - 05/31/2002

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	DRPE-PIR - PROBLEM ID INSP		3			
3	IP 71152	Identification and Resolution of Problems		06/11/2001	06/22/2001	Baseline Inspections
	PSB-S1 - ACCESS AUTH/CONTROL, SEC PLAN & PIV		1			
3	IP 7113001	Access Authorization Program (Behavior Observation Only)		07/16/2001	07/20/2001	Baseline Inspections
3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizator		07/16/2001	07/20/2001	Baseline Inspections
3	IP 7113004	Security Plan Changes		07/16/2001	07/20/2001	Baseline Inspections
3	IP 71151	Performance Indicator Verification		07/16/2001	07/20/2001	Baseline Inspections
	PSB-RP2 - GASEOUS AND LIQUID EFFLUENTS		1			
3	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		08/20/2001	08/24/2001	Baseline Inspections
	PSB-RP4 - ALARA PLANNING AND CONTROL (3)		1			
3	IP 7112102	ALARA Planning and Controls		09/10/2001	09/14/2001	Baseline Inspections
	PSB-RP3 - ACCESS CONTROL TO RAD SIGN AREAS & PIV		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		09/24/2001	09/28/2001	Baseline Inspections
3	IP 71151	Performance Indicator Verification		09/24/2001	09/28/2001	Baseline Inspections
	OB-RQ - REQUAL INSP		2			
3	IP 7111111B	Licensed Operator Requalification		10/01/2001	10/05/2001	Baseline Inspections
	PSB-RP5 - RAD ENVIRONMENTAL MONITORING		1			
3	IP 7112203	Radiological Environmental Monitoring Program		11/05/2001	11/09/2001	Baseline Inspections
	PSB-EP1 - EXERCISE EVAL, EAL/EP, PIV		5			
3	IP 7111401	Exercise Evaluation		12/03/2001	12/07/2001	Baseline Inspections
3	IP 7111404	Emergency Action Level and Emergency Plan Changes		12/03/2001	12/07/2001	Baseline Inspections
3	IP 71151	Performance Indicator Verification		12/03/2001	12/07/2001	Baseline Inspections
	OB-EXAMS - RO/SRO EXAMS		4			
3	X02214	WATERFORD - INITIAL EXAM (01/2002)		01/07/2002	01/11/2002	Not Applicable
	EMB - MODIFICATIONS BIENNIAL		2			
3	IP 7111117B	Permanent Plant Modifications		01/14/2002	01/18/2002	Baseline Inspections
	OB-EXAMS - RO/SRO EXAMS		4			
3	X02214	WATERFORD - INITIAL EXAM (01/2002)		01/21/2002	01/25/2002	Not Applicable
	PSB-RP7 - ALARA PLANNING AND CONTROLS (4)		1			
3	IP 7112102	ALARA Planning and Controls		02/25/2002	03/01/2002	Baseline Inspections
	EMB - INSERVICE INSPECTION		1			
3	IP 7111108	Inservice Inspection Activities		04/01/2002	04/05/2002	Baseline Inspections
	RP-1 - ACRSA AND PIV		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		04/08/2002	04/12/2002	Baseline Inspections
3	IP 71151	Performance Indicator Verification		04/08/2002	04/12/2002	Baseline Inspections

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