



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

August 27, 2003

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

**SUBJECT: MIDCYCLE PERFORMANCE REVIEW AND INSPECTION PLAN -
WATERFORD 3**

Dear Mr. Venable:

On August 5, 2003, the NRC staff completed its midcycle plant performance assessment of Waterford 3. The midcycle 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 first half of the current assessment cycle, January 1 through June 30, 2003. 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.

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). Therefore, we plan to conduct only baseline inspections and Temporary Instruction 2515/150, "Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles," at your facility through September 30, 2004.

In our annual assessment letter dated March 4, 2003, we advised you of a substantive crosscutting issue in the area of problem identification and resolution. During the current assessment cycle we noted improvements in this area. However, in considering the basis for this substantive crosscutting issue, the NRC noted that a number of the findings resulted from long-standing degraded conditions that were identified by your staff, but the extent of conditions were not fully addressed. Also, a number of problem symptoms were evident for extended periods of time without the causes being identified and corrected. In some cases, the corrective actions associated with these findings involved work performed during refueling outages or work deferred from previous refueling outages. Therefore, we will continue to monitor your efforts to address this substantive crosscutting issue by reviewing the effectiveness of the corrective action process as implemented during the fall 2003 refueling outage. The NRC staff will utilize the baseline inspection program to perform this review.

The enclosed inspection plan details the inspections scheduled through September 30, 2004. 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 inspections in the last 6 months of the inspection plan are tentative and may be revised at the end-of-cycle review meeting.

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 817/860-8147 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:
Senior Vice President and
Chief Operating Officer
Entergy Operations, Inc.
P.O. Box 31995
Jackson, Mississippi 39286-1995

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

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

Entergy Operations, Inc.

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

Manager - Licensing Manager
Waterford 3 SES
Entergy Operations, Inc.
17265 River Road
Killona, Louisiana 70066-0751

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

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

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

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

Winston & Strawn
1400 L Street, N.W.
Washington, D.C. 20005-3502

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

Col. Michael L. Brown, Assistant Director
State Emergency Management
Military Department
Office of Emergency Preparedness
P.O. Box 44217
Baton Rouge, Louisiana 70804

Albert D. Laque, Parish President
St. Charles Parish
P.O. Box 302
Hahnville, Louisiana 70057

Sheriff Greg Champagne
St. Charles Parish
P.O. Box 426
Hahnville, Louisiana 70057

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

Senator Joel T. Chaisson, II
State of Louisiana, District 19
P.O. Box 1255
Destrehan, Louisiana 70047

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

G. "Ram" Ramchandran
Councilman-at-Large, Div. A
St. Charles Parish
13 Hermitage Court
Destrehan, Louisiana 70047

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

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

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

Darnell "Dee" Abadie
Councilwoman, District 3
St. Charles Parish
237 Ormond Village Drive
Destrehan, Louisiana 70047

Terry Authement
Councilman, District 4
St. Charles Parish
P.O. Box 516
Boutte, Louisiana 70039

April Black
Councilwoman, District 5
St. Charles Parish
14 Bridle Path Lane
St. Rose, Louisiana 70087

Lance Marino
Councilman, District 6
St. Charles Parish
660 Pine Street
Norco, Louisiana 70079

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

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

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

Cleveland Farlough
Council at Large Div. A
St. John the Baptist Parish
P.O. Box 528
Reserve, Louisiana 70084

Duaine Duffy
Council at Large Div. B
St. John the Baptist Parish
145 River Oaks Drive
LaPlace, Louisiana 70068

Lester Rainey, Jr.
Councilman District I
St. John the Baptist Parish
P.O. Box 278
Edgard, Louisiana 70049

Allen St. Pierre
Councilman District II
St. John the Baptist Parish
3106 Hwy. 44
Reserve, Louisiana 70084

Richard Dale Wolfe
Councilman District III
St. John the Baptist Parish
P.O. Box 2289
Reserve, Louisiana 70084

Ranney Wilson
Councilman District IV
St. John the Baptist Parish
1506 Delta Road
LaPlace, Louisiana 70068

Jobe' Boucvalt
Councilman District V
St. John the Baptist Parish
3013 Main Street
LaPlace, Louisiana 70068

Entergy Operations, Inc.

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Melissa Fauchaux
Councilwoman District VI
St. John the Baptist Parish
P.O. Box 911
LaPlace, Louisiana 70068

Steve Lee
Councilman District VII
St. John the Baptist Parish
38 Muirfield
LaPlace, Louisiana 70068

Waterford
Inspection / Activity Plan
08/01/2003 - 09/30/2004

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	EMB - TRIENNIAL FIRE PROTECTION		5			
3	IP 7111105T	Fire Protection		08/11/2003	08/15/2003	Baseline Inspections
3	IP 7111105T	Fire Protection		08/25/2003	08/29/2003	Baseline Inspections
	OB-IN - INITIAL EXAM PREP		2			
3	X02246	WATERFORD - INITIAL EXAM (08/03)		08/04/2003	08/08/2003	Not Applicable
	OB-RQ - REQUAL INSPECTION		2			
3	IP 7111111B	Licensed Operator Requalification		09/15/2003	09/19/2003	Baseline Inspections
	PSBS1-TD - SECURITY BASELINE INSPECTION		1			
3	IP 7113002	Access Control (Search of Personnel, Packages, and Vehicles: Identification and Authorizat		09/23/2003	09/25/2003	Baseline Inspections
3	IP 7113003	Response to Contingency Events (Protective Strategy and Implementation of Protective Str		09/23/2003	09/25/2003	Baseline Inspections
3	IP 71151	Performance Indicator Verification		09/23/2003	09/25/2003	Baseline Inspections
	TI 150 - TI 150 RP VESSEL HEAD INSPECTION, REV 2		1			
3	IP 2515/150	Reactor Pressure Vessel Head and Vessel Head Penetration Nozzles (NRC Bulletin 2002-0		10/15/2003	12/01/2003	Safety Issues
	EMB - ISI & ISI/SG INSPECTIONS		1			
3	IP 7111108P	Inservice Inspection Activities - PWR		10/27/2003	10/31/2003	Baseline Inspections
3	IP 7111108P	Inservice Inspection Activities - PWR		11/03/2003	11/07/2003	Baseline Inspections
	ACCESSPI - ACRSA/PI		1			
3	IP 7112101	Access Control to Radiologically Significant Areas		10/27/2003	10/31/2003	Baseline Inspections
3	IP 71151	Performance Indicator Verification		10/27/2003	10/31/2003	Baseline Inspections
	ALARA3 - ALARA PLANNING AND CONTROLS		1			
3	IP 7112102	ALARA Planning and Controls		12/01/2003	12/05/2003	Baseline Inspections
	EMB - PERMANENT PLANT MODIFICATIONS		1			
3	IP 7111117B	Permanent Plant Modifications		01/12/2004	01/16/2004	Baseline Inspections
	2005030 - HX & HEAT SINK PERFORMANCE TESTING		1			
3	IP 7111107B	Heat Sink Performance		07/12/2004	07/16/2004	Baseline Inspections