



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

March 2, 2006

James J. Sheppard, President and
Chief Executive Officer
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, TX 77483

SUBJECT: ANNUAL ASSESSMENT LETTER - SOUTH TEXAS PROJECT ELECTRIC
GENERATING STATION (NRC INSPECTION REPORT 05000498/2006001 AND
05000499/2006001)

Dear Mr. Sheppard:

On February 9, 2006, the NRC staff completed its performance review of the South Texas Project Electric Generating Station. Our technical staff reviewed performance indicators for the most recent quarter and inspection results for the period from January 1 through December 31, 2005. 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate letter designated and marked as "Official Use Only - Security-Related Information" will include the physical protection review and resultant inspection plan.

Overall, South Texas Project Electric Generating Station, Units 1 and 2, operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for the most recent quarter, as well as for the first three quarters of the assessment cycle, 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).

The enclosed inspection plan details the inspections, except those related to physical protection, scheduled through September 30, 2007. The inspection plan is provided to allow for the resolution of any scheduling conflicts and personnel availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature. The inspections in the last 9 months of the inspection plan are tentative and may be revised at the midcycle review.

In accordance with 10 CFR 2.390 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 this 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/

Claude E. Johnson, Chief
Project Branch A
Division of Reactor Projects

Dockets: 50-498
50-499
Licenses: NPF-76
NPF-80

Enclosure:
South Texas Project Electric Generating Station Inspection/Activity Plan

cc:

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The Honorable John Connor
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 M. Thadani, NRR Project Manager (**MCT**)
RidsNrrDirslpab

SUNSI Review Completed: cej____ ADAMS: Yes No Initials: __cej_
 Publicly Available Non-Publicly Available Sensitive Non-Sensitive

S:\DRP\DRPDIR\EOC 05\Assessment Letters\STP.wpd

RIV:C:DRP/A	D:DRS	D:DRP	C:DRP/A sign	
CEJohnson;mjs	DDChamberlain	ATHowell III	CEJohnson	
/RA/	/RA/	/RA/	/RA/	
2/24/06	2/24/06	2/27/06	2/27/06	

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T=Telephone

E=E-mail

F=Fax

South Texas Project
Inspection / Activity Plan
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EP1	- EMERG PREPAREDNESS EXERCISE	3			
1,2	IP 7111401	Exercise Evaluation		06/07/2006	06/11/2006	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		06/07/2006	06/11/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		06/07/2006	06/11/2006	Baseline Inspections
	EB2- 52B	- PROBLEM IDENTIFICATION AND RESOLUTION	5			
1,2	IP 71152B	Identification and Resolution of Problems		07/10/2006	07/14/2006	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		07/24/2006	07/28/2006	Baseline Inspections
	EB1-2/17	- PERMANENT MODS/50.59	3			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		09/11/2006	09/15/2006	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		09/11/2006	09/15/2006	Baseline Inspections
	EB1-08P	- ISI U1	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		10/09/2006	10/13/2006	Baseline Inspections
1	IP 7111108P	Inservice Inspection Activities - PWR		10/23/2006	10/27/2006	Baseline Inspections
	RP-ORS	- OCCUPATIONAL RADIATION SAFETY	1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		10/16/2006	10/20/2006	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		10/16/2006	10/20/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		10/16/2006	10/20/2006	Baseline Inspections
	RP-ORS	- OCCUPATIONAL RADIATION SAFETY	1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		12/18/2006	12/22/2006	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		12/18/2006	12/22/2006	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		12/18/2006	12/22/2006	Baseline Inspections
	EB2-07B	- HEAT SINK INSPECTION	2			
1,2	IP 7111107B	Heat Sink Performance		02/26/2007	03/02/2007	Baseline Inspections
	EB2-12B	- MAINTENANCE RULE INSPECTION	2			
1,2	IP 7111112B	Maintenance Effectiveness		04/02/2007	04/06/2007	Baseline Inspections
	EB1-21	- CDB	7			
1,2	IP 7111121	Component Design Bases Inspection		04/16/2007	04/20/2007	Baseline Inspections
1,2	IP 7111121	Component Design Bases Inspection		04/30/2007	05/11/2007	Baseline Inspections
	RP-ORS	- OCCUPATIONAL RADIATION SAFETY	1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		04/16/2007	04/20/2007	Baseline Inspections
1,2	IP 7112102	ALARA Planning and Controls		04/16/2007	04/20/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		04/16/2007	04/20/2007	Baseline Inspections
	EP2	- EP PROGRAM	1			
1,2	IP 7111402	Alert and Notification System Testing		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		05/07/2007	05/11/2007	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
03/01/2006 - 09/30/2007

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EP2	- EP PROGRAM	1			
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		05/07/2007	05/11/2007	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		05/07/2007	05/11/2007	Baseline Inspections
	REQUAL	- BIENNIAL REQUALIFICATION	2			
1,2	IP 7111111B	Licensed Operator Requalification Program		07/16/2007	07/20/2007	Baseline Inspections
	BRQ SIM	- BIENNIAL REQUAL SIM ONLY	1			
1,2	IP 7111111B	Licensed Operator Requalification Program		09/10/2007	09/14/2007	Baseline Inspections

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This report shows only on-site and announced inspection procedures.