



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

August 18, 2000

EA-00-093

Charles M. Dugger, Vice President
Operations - Waterford 3
Entergy Operations, Inc.
17265 River Road
Killona, Louisiana 70066-0751

**SUBJECT: SECOND QUARTER 2000 ASSESSMENT FOLLOWUP - WATERFORD
STEAM ELECTRIC STATION, UNIT 3**

Dear Mr. Dugger:

Our review of second quarter performance indicators and inspection findings for your Waterford Steam Electric Station, Unit 3, identified that all performance indicators and findings were green. No new adverse trends were identified.

However, one significant finding from NRC Inspection Report 50-382/00-03 was identified prior to the implementation of the revised reactor oversight program and was dispositioned during this quarter using the previous reactor oversight process. On March 20-23, 2000, the NRC identified significant weaknesses in your physical security program and your staff's capability to respond adequately to a design basis intrusion. Although you have taken interim compensatory measures to address these concerns, the NRC issued a Confirmatory Order on August 4, 2000, to assure that corrective actions are effectively implemented over the long term. In part, this order requires you to demonstrate your ability to protect the plant against the design basis threat by conducting force-on-force exercises that will be evaluated by the NRC. We plan to perform Inspection Procedure 81110, "Operational Safeguards Response Evaluation (OSRE)," to evaluate these exercises. This letter is to confirm that we intend to perform this followup inspection at your facility during January 2001.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be 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).

Entergy Operations, Inc.

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Please contact me at (817) 860-8137 with any questions you may have regarding this letter.

Sincerely,

/RA/

Ken E. Brockman, Director
Division of Reactor Projects

cc:

Executive 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

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
One American Place, Suite 1630
Baton Rouge, Louisiana 70825-1697

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

Entergy Operations, Inc.

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Ronald Wascom, Administrator
and State Liaison Officer
Louisiana Department of Environmental Quality
P.O. Box 82215
Baton Rouge, Louisiana 70884-2215

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

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

Electronic distribution from ADAMS by RIV:

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DRP Director (**KEB**)

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Senior Project Engineer, DRP/E (**GAP**)

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R. W. Borchardt, OE (**RWB1**)

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KEBrockman				
/RA/				
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