



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

March 2, 2005

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 (REPORT 05000498/2005001 AND 05000499/2005001)

Dear Mr. Sheppard:

On February 1, 2005, the NRC staff completed its end-of-cycle plant performance assessment of the South Texas Project Electric Generating Station. The end-of-cycle review for South Texas Project involved the participation of the reactor technical divisions in evaluating performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1 through December 31, 2004. 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.

This performance review and enclosed inspection plan do not include physical protection information. A separate end-of-cycle performance review letter designated and marked as "Exempt from Public Disclosure in Accordance with 10 CFR 2.390" will include the physical protection review and resultant inspection plan.

Overall, South Texas Project 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 PIs indicating performance at a level requiring no additional NRC oversight (Green). Therefore, we plan to conduct reactor oversight process baseline inspections at your facility through September 30, 2006. We also plan on conducting several Temporary Instruction inspections as detailed in the enclosed inspection plan.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through September 30, 2006. 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 9 months of the inspection plan are tentative and may be revised at the midcycle review meeting.

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/

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:
E. D. Halpin
Vice President, Oversight
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, TX 77483

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

C. Kirksey/C. M. Canady
City of Austin
Electric Utility Department
721 Barton Springs Road
Austin, TX 78704

J. J. Nesrsta/R. K. Temple
City Public Service Board
P.O. Box 1771
San Antonio, TX 78296

D. G. Tees/R. L. Balcom
Texas Genco, LP
P.O. Box 1700
Houston, TX 77251

Jon C. Wood
Cox Smith Matthews
112 E. Pecan, Suite 1800
San Antonio, TX 78205

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

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

STP Nuclear Operating Company

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INPO
Records Center
700 Galleria Parkway
Atlanta, GA 30339

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

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

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

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

Terry Parks, Chief Inspector
Texas Department of Licensing
and Regulation
Boiler Program
P.O. Box 12157
Austin, TX 78711

Susan M. Jablonski
Office of Permitting, Remediation and
Registration
Texas Commission on Environmental
Quality
MC-122, P.O. Box 13087
Austin, TX 78711-3087

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

The Honorable Richard Knapik
Mayor, City of Bay City
City Hall
1901 Fifth Street
Bay City, TX 77414

The Honorable John Connor
Mayor, City of Palacios
P.O. Box 845
Palacios City Hall
Palacios, TX 77465

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

Federal Emergency Management Agency
ATTN: Ron Castleman, Regional Director
Region VI, Federal Center
800 North Loop 288
Denton, TX 76209-3698

Roger Mulder
State Energy Conservation Office
111 E 17th Street, Room 1114
Austin, TX 78701

Jack Colley, State Coordinator
Division of Emergency Management
Texas Department of Public Safety
P.O. Box 4087
Austin, TX 78773-0220

Richard A. Ratliff, Chief
Bureau of Radiation Control
Texas Department of Health
1100 W. 49th Street
Austin, TX 78756-3189

Electronic distribution by RIV:

Regional Administrator (**BSM1**)

DRP Director (**ATH**)

DRS Director (**DDC**)

DRS Deputy Director (**MRS**)

Senior Resident Inspector (**JXC2**)

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

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

Team Leader, DRP/TSS (**RLN1**)

RITS Coordinator (**KEG**)

RidsNrrDipmlipb

V. Dricks, PAO (**VLD**)

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

C. Gordon (**CJG**)

DRS Branch Chiefs (**LJS, MPS1, ATG, JAC**)

S. Richards, Chief, NRR/DIPM/IIPB (**SAR**)

M. Case, Deputy Dir. for Inspection and Programs (**MJC**)

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

B. Wetzel, Acting Chief, ROPMS, OEDO (**BAW**)

H. Berkow, Director, LPD4, NRR/DLPM (**HNB**)

A. Howe, Chief, PDIV-1, NRR/DLPM (**AGH1**)

D. Jaffe, NRR Project Manager (**DHJ**)

SISP Review Completed: _wdj___ ADAMS: / Yes G No Initials: _wdj___
 / Publicly Available G Non-Publicly Available G Sensitive / Non-Sensitive

S:\DRP\DRPDIR\EOC 04\STP.wpd

RIV:C:DRP/A	D:DRS	D:DRP	For signature	
WDJohnson;mjs	DDChamberlain	ATHowell III	WDJohnson	
/RA/	/RA/	/RA/	/RA/	
2/23/05	2/24/05	2/25/05	3/2/05	

OFFICIAL RECORD COPY

T=Telephone

E=E-mail

F=Fax

South Texas Project
Inspection / Activity Plan
03/04/2005 - 09/30/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	OB-INIT - INITIAL EXAM		4			
1	X02291	SOUTH TEXAS UNIT 1 (11/05) INITIAL EXAM		11/07/2005	11/10/2005	Not Applicable
2	X02292	SOUTH TEXAS UNIT 2 (11/05) INITIAL EXAM		11/07/2005	11/10/2005	Not Applicable
1	X02291	SOUTH TEXAS UNIT 1 (11/05) INITIAL EXAM		11/28/2005	12/02/2005	Not Applicable
2	X02292	SOUTH TEXAS UNIT 2 (11/05) INITIAL EXAM		11/28/2005	12/02/2005	Not Applicable
	EB08P - ISI U1 - VESS VOL (TI 150/152) AS REQ		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		03/14/2005	03/18/2005	Baseline Inspections
1	IP 7111108P	Inservice Inspection Activities - PWR		03/28/2005	04/01/2005	Baseline Inspections
	TI 152 - TI 2515/152 REACTOR PV LOWER HEAD PENETR		2			
1	IP 2515/152	Reactor Pressure Vessel Lower Head Penetration Nozzles (NRC Bulletin 2003-02)		03/09/2005	04/07/2005	Safety Issues
	TI 160 - TI 2515/160 PRSZR PENETRATION NOZZLE INS		3			
1	IP 2515/160	Pzr Pene Nozzles & Stm Space Piping Connections in U.S. PWRs [NRC Bulletin 2004-01]		03/09/2005	04/07/2005	Safety Issues
	ACRSA - ACCESS CONTROLS TO RAD SIGNIFICANT AREAS		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		03/14/2005	03/18/2005	Baseline Inspections
	PEB-05T - TRIENNIAL FIRE PROTECTION		6			
1,2	IP 7111105T	Fire Protection		06/06/2005	06/10/2005	Baseline Inspections
1,2	IP 7111105T	Fire Protection		06/20/2005	06/24/2005	Baseline Inspections
	ALARA3 - ALARA PLANNING AND CONTROLS		1			
1,2	IP 7112102	ALARA Planning and Controls		08/15/2005	08/19/2005	Baseline Inspections
	OB-RQ - OPERATOR REQUALIFICATION		2			
1,2	IP 7111111B	Licensed Operator Requalification Program		08/29/2005	09/02/2005	Baseline Inspections
	OB-EP2 - EMERG PREPAREDNESS PROGRAM INSPECTION		1			
1,2	IP 7111402	Alert and Notification System Testing		09/12/2005	09/16/2005	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		09/12/2005	09/16/2005	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		09/12/2005	09/16/2005	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		09/12/2005	09/16/2005	Baseline Inspections
1,2	IP 71151	Performance Indicator Verification		09/12/2005	09/16/2005	Baseline Inspections
	PEB-07B - HX PERFORMANCE		1			
1,2	IP 7111107B	Heat Sink Performance		09/12/2005	09/16/2005	Baseline Inspections
	PEB-12B - MAINTENANCE RULE BIENNIAL		2			
1,2	IP 7111112B	Maintenance Effectiveness		09/12/2005	09/16/2005	Baseline Inspections
	EB08P - ISI U2 - VESS VOL (TI 150/152) AS REQ		1			
2	IP 7111108P	Inservice Inspection Activities - PWR		10/10/2005	10/14/2005	Baseline Inspections
2	IP 7111108P	Inservice Inspection Activities - PWR		10/24/2005	10/28/2005	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
03/04/2005 - 09/30/2006

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	TI 160	- TI 2515/160 PRSZR PENETRATION NOZZLE INS	3			
2	IP 2515/160	Pzr Pene Nozzles & Stm Space Piping Connections in U.S. PWRs [NRC Bulletin 2004-01]		10/05/2005	11/04/2005	Safety Issues
	EB21/02	- SSD&PCI/50.59	6			
1,2	IP 7111121	Safety System Design and Performance Capability		11/14/2005	11/18/2005	Baseline Inspections
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		11/28/2005	12/02/2005	Baseline Inspections
1,2	IP 7111121	Safety System Design and Performance Capability		11/28/2005	12/02/2005	Baseline Inspections
	OB-RQ	- REQUAL INSPECTION	3			
1,2	IP 7111111B	Licensed Operator Requalification Program		11/14/2005	11/19/2005	Baseline Inspections
	RP TEAM	- RP SAFETY TEAM	3			
1,2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		01/23/2006	01/27/2006	Baseline Inspections
1,2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		01/23/2006	01/27/2006	Baseline Inspections
1,2	IP 7112202	Radioactive Material Processing and Transportation		01/23/2006	01/27/2006	Baseline Inspections
1,2	IP 7112203	Radiological Environmental Monitoring Program		01/23/2006	01/27/2006	Baseline Inspections
	ALARA1	- ALARA PLANNING AND CONTROLS	1			
1,2	IP 7112102	ALARA Planning and Controls		02/06/2006	02/10/2006	Baseline Inspections
	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 711151	Performance Indicator Verification		06/07/2006	06/11/2006	Baseline Inspections
	EB	- PERMANENT MODS/50.59	3			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		08/14/2006	08/18/2006	Baseline Inspections
1,2	IP 711117B	Permanent Plant Modifications		08/14/2006	08/18/2006	Baseline Inspections