



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

March 3, 2008

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 05000498/2008001 AND 05000499/2008001)

Dear Mr. Sheppard:

On February 5, 2008, 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, 2007. 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 security information. A separate letter designated and marked as "Official Use Only--Security Information" will include the security cornerstone 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). Therefore, we plan to conduct reactor oversight process baseline inspections at your facility.


The enclosed inspection plan details the inspections, except those related to physical protection scheduled through June 30, 2009. 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 nine 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,



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

Docket: 50-498, 50-499
License: NPF-76, NPF-80

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

cc.

E. D. Halpin
Site Vice President
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
P.O. Box 289
Wadsworth, TX 77483

Ken Coates
Plant General Manager
STP Nuclear Operating Company
South Texas Project Electric
Generating Station
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. T. Bowman
General Manager, Oversight
STP Nuclear Operating Company
P.O. Box 289
Wadsworth, TX 77483

Marilyn Kistler
Sr. Staff Specialist, Licensing
STP Nuclear Operating Company
P.O. Box 289, Mail Code 5014
Wadsworth, TX 77483

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

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

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

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

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

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

The Honorable Joe Morton
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

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 422
Fort Worth, TX 76109

Steve Winn/Christine Jacobs/
Eddy Daniels/Marty Ryan
NRG Energy, Inc.
211 Carnegie Center
Princeton, NJ 08540

INPO
Records Center
700 Galleria Parkway
Atlanta, GA 30339-3064

Lisa R. Hammond, Chief
Technological Hazards Branch
National Preparedness Division
FEMA Region VI
800 N. Loop 288
Denton, TX 76209

Jack Colley, State Coordinator
Governor's Division of Emergency
Management
P.O. Box 4087
Austin, TX 78773-0220

Richard A. Ratliff, Chief
Dept. of State Health Services
1100 W. 49th Street
Austin, TX 78756-3189

Julie Parsley, Commissioner
Public Utility Commission
William B. Travis Bldg.
P.O. Box 13326
Austin, TX 78711-3326

STP Nuclear Operating Company

- 4 -

William "Dub" Taylor
State Energy Conservation Office
P.O. Box 13528
Austin, TX 78711

The Honorable Nate McDonald
Matagorda County Judge
1700 7th Street
Bay City, TX 77414-5094

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start End	Inspection Type
1, 2	EB1-08U1 - ISI STP U1 & TI 166 CLOSEOUT U1&U2		2		
1, 2	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02]		04/07/2008 04/18/2008	Safety Issues
1	IP 7111108P	Inservice Inspection Activities - PWR		04/07/2008 04/18/2008	Baseline Inspections
	RP-ORS1 - OCCUPATIONAL RADIATION SAFETY - ACCESS		1		
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/07/2008 04/11/2008	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/07/2008 04/11/2008	Baseline Inspections
2	IP 71151-OR01	Occupational Exposure Control Effectiveness		04/07/2008 04/11/2008	Baseline Inspections
1	IP 71151-PR01	RETS/ODCM Radiological Effluent		04/07/2008 04/11/2008	Baseline Inspections
	EB2-05T - TRIENNIAL FIRE PROTECTION		7		
1, 2	IP 7111105T	Fire Protection [Triennial]		05/12/2008 05/16/2008	Baseline Inspections
1, 2	IP 7111105T	Fire Protection [Triennial]		06/02/2008 06/06/2008	Baseline Inspections
1, 2	IP 7111105T	Fire Protection [Triennial]		06/16/2008 06/20/2008	Baseline Inspections
	EB2-52B - BIENNIAL PI&R INSPECTION		4		
1, 2	IP 71152B	Identification and Resolution of Problems		07/28/2008 08/01/2008	Baseline Inspections
1, 2	IP 71152B	Identification and Resolution of Problems		08/11/2008 08/15/2008	Baseline Inspections
	EP1 - EP EXERCISE		3		
1, 2	IP 7111401	Exercise Evaluation		07/21/2008 07/25/2008	EP Baseline Inspection
1, 2	IP 71151-EP01	Drill/Exercise Performance		07/21/2008 07/25/2008	Baseline Inspections
1, 2	IP 71151-EP02	ERO Drill Participation		07/21/2008 07/25/2008	Baseline Inspections
1, 2	IP 71151-EP03	Alert & Notification System		07/21/2008 07/25/2008	Baseline Inspections
	RP-ORS2 - OCCUPATIONAL RADIATION SAFETY - ALARA		1		
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		08/18/2008 08/22/2008	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		08/18/2008 08/22/2008	Baseline Inspections
1, 2	IP 71151-OR01	Occupational Exposure Control Effectiveness		08/18/2008 08/22/2008	Baseline Inspections
2	IP 71151-PR01	RETS/ODCM Radiological Effluent		08/18/2008 08/22/2008	Baseline Inspections
	EB1-08U2 - INSERVICE INSPECTION		2		
2	IP 7111108P	Inservice Inspection Activities - PWR		10/13/2008 10/24/2008	Baseline Inspections
	RP-ORS3 - OCCUPATIONAL RADIATION SAFETY - ALARA		1		
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		12/08/2008 12/12/2008	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		12/08/2008 12/12/2008	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		12/08/2008 12/12/2008	Baseline Inspections
	EB1-17T - 50.59 / MODS		3		
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		03/10/2009 03/20/2009	Baseline Inspections
1, 2	IP 7111117B	Evaluations of Changes, Tests, or Experiments & Permanent Plant Modifications		03/10/2009 03/20/2009	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
 03/01/2008 - 06/30/2009

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	RP-ORS4 - OCCUPATIONAL RADIATION SAFETY - ALARA		1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/06/2009	04/10/2009	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/06/2009	04/10/2009	Baseline Inspections
1	IP 71151	Performance Indicator Verification		04/06/2009	04/10/2009	Baseline Inspections
	EB2-07T - TRIENNIAL HEAT SINK INSPECTION		1			
1, 2	IP 7111107B	Heat Sink Performance		06/08/2009	06/12/2009	Baseline Inspections

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

Electronic distribution by RIV:
 Regional Administrator **(EEC)**
 DRP Director **(DDC)**
 DRS Director **(RJC1)**
 DRS Deputy Director **(ACC)**
 Senior Resident Inspector **(JLD5)**
 Branch Chief, DRP/A **(CEJ1)**
 Senior Project Engineer, DRP/A **(TRF)**
 Team Leader, DRP/TSS **(CJP)**
 RITS Coordinator **(MSH3)**
 Institute of Nuclear Power Operations **(INPO)**
 V. Dricks, PAO **(VLD)**
 W. Maier, RSLO **(WAM)**
 L. Owen, RA Secretary **(LAO)**
 DRS Branch Chiefs **(WBJ, REL, LJS, MPS1, RLB3)**
 S. Campbell, TRPB OEDO **(SJC4.EXPO.Exchange)**
 S. Richards, Deputy Director, DIRS, NRR **(SAR)**
 J. Lubinski, Deputy Director, DORL, NRR **(JWL)**
 C. Haney, Director, DORL, NRR **(CXH)**
 T. Hiltz, Chief, PLB IV, DORL, NRR **(TGH)**
 D. Pelton, RIV OEDO Coordinator **(DLP1)**
 M. Thadani, NRR Project Manager **(MCT)**
RidsNrrDirslpab@nrc.gov
ROPreports@nrc.gov
mortensengk@INPO.org

SUNSI Review Completed: TRF ADAMS: Yes No Initials: TRF
 Publicly Available Non-Publicly Available Sensitive Non-Sensitive
 R:\Reactors\EOC and Midcycle\EOC Assessment Letters\2007 – dated 3-2-08\STP.doc

RIV:C:DRPVA	D:DRS	D:DRP	C:DRPVA Signature
CJohnson	RCaniano	DChamberlain	CJohnson
/RA/	/RA/	/RA/	/RA/
02/28/2008	02/25/2008	02/25/2008	02/28/2008

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