

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA. GEORGIA 30303-8931

March 2, 2005

Southern Nuclear Operating Company ATTN: Mr. L. M. Stinson Vice President - Farley Project Post Office Box 1295 Birmingham, Alabama 35201

SUBJECT: ANNUAL ASSESSMENT LETTER - JOSEPH M. FARLEY NUCLEAR PLANT

(NRC INSPECTION REPORT 05000348/2005001, 05000364/2005001)

Dear Mr. Stinson:

On February 1, 2005, the NRC staff completed its end-of-cycle plant performance assessment of the Joseph M. Farley Nuclear Plant. The end-of-cycle review for Farley 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. This will allow you 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 the 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 a resultant inspection plan.

Overall, Farley 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 only reactor oversight process (ROP) baseline inspections at your facility through September 30, 2006. We also plan to conduct several non-ROP inspections which include Independent Spent Fuel Storage Installation, Reactor Head Replacement, and Pressurizer Penetration Nozzles.

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 nine months of the inspection plan are tentative and may be revised at the mid-cycle 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

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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 404-562-4550 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

//RA//

Malcolm T. Widmann, Chief Reactor Projects Branch 2 Division of Reactor Projects

Docket Nos. 50-348, 50-364, 72-42 Licensee Nos. NPF-2, NPF-8

Enclosure: Farley Inspection/Activity Plan

cc w/encl:

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Farley Inspection / Activity Plan 03/01/2005 - 09/30/2006

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Unit			No. of Staff	Planne	d Dates	Inspection	
Number	Inspection Activity	Title	on Site	Start	End	Туре	
EB2-TFP - TRIENNIAL FIRE PROTECTION PRE-INSP VISIT 4							
1, 2	IP 7111105T	Fire Protection		03/01/2005	03/03/2005	Baseline Inspections	
	EB2-TFP - TRIE	NNIAL FIRE PROTECTION INSPECTION	4				
1, 2	IP 7111105T	Fire Protection		03/21/2005	03/25/2005	Baseline Inspections	
1, 2	IP 7111105T	Fire Protection		04/04/2005	04/08/2005	Baseline Inspections	
	ISFSI - ISFSI	DRY RUN INSPECTION	4				
1, 2	IP 60854	Preoperational Testing Of An ISFSI		05/12/2005	05/31/2005	Other Routine	
	PS1-RP - RADI	ATION PROTECTION PRE-INSP VISIT	1				
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		06/06/2005	06/10/2005	Baseline Inspections	
	PB2-FP - FLOC	DD PROTECTION	1				
1, 2	IP 7111106	Flood Protection Measures		06/27/2005	06/30/2005	Baseline Inspections	
	PS1-RP - RP P	UBLIC BASELINE	4				
1, 2	IP 7112103	Radiation Monitoring Instrumentation and Protective Equipment		06/27/2005	07/01/2005	Baseline Inspections	
1, 2	IP 7112201	Radioactive Gaseous and Liquid Effluent Treatment and Monitoring Systems		06/27/2005	07/01/2005	Baseline Inspections	
1,2	IP 7112203	Radiological Environmental Monitoring Program		06/27/2005	07/01/2005	Baseline Inspections	
1, 2	IP 71151	Performance Indicator Verification		06/27/2005	07/01/2005	Baseline Inspections	
	EB1-MODS - MODI	IFICATIONS/10CFR50.59	3				
1, 2	IP 7111102	Evaluation of Changes, Tests, or Experiments		07/11/2005	07/15/2005	Baseline Inspections	
1,2	IP 7111117B	Permanent Plant Modifications		07/11/2005	07/15/2005	Baseline Inspections	
	PB2-PI&R - PI&R	PREINSPECTION VISIT	1				
1, 2	IP 71152B	Identification and Resolution of Problems		07/18/2005	07/22/2005	Baseline Inspections	
	PB2-PI&R - BIEN	NIAL PI&R	4				
1, 2	IP 71152B	Identification and Resolution of Problems		08/08/2005	08/12/2005	Baseline Inspections	
1, 2	IP 71152B	Identification and Resolution of Problems		08/22/2005	08/26/2005	Baseline Inspections	
	PS2-EP - EP IN	ISPECTION/EXERCISE	1				
1,2	IP 7111401	Exercise Evaluation		08/22/2005	08/26/2005	Baseline Inspections	
1, 2	IP 7111402	Alert and Notification System Testing		08/22/2005	08/26/2005	Baseline Inspections	
1, 2	IP 7111403	Emergency Response Organization Augmentation Testing		08/22/2005	08/26/2005	Baseline Inspections	
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/22/2005	08/26/2005	Baseline Inspections	
1, 2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		08/22/2005	08/26/2005	Baseline Inspections	
1,2	IP 71151	Performance Indicator Verification		08/22/2005	08/26/2005	Baseline Inspections	
	MTN-HEAD - U-2 R	EACTOR HEAD REPLACEMENT	3				
2	IP 71007	Reactor Vessel Head Replacement Inspection		09/12/2005	09/16/2005	Other Routine	
	MTN-ISI - U2 INSERVICE INSPECTION 2						
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.

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Unit Number	Inchestion Activity	Tido	No. of Staff on Site	Planned Start	d Dates End	Inspection Type
Number	Inspection Activity	Title		Start	Ellu	туре
		160 U-2: PZR PENTRATION NOZZLES	1			
2	IP 2515/160	Pzr Pene Nozzles & Stm Space Piping Connections in U.S. PWRs [NRC Bulletin 2004-01]		10/31/2005	11/04/2005	Safety Issues
	_	ASELINE & RX HEAD REPLACEMENT	1			
1, 2	IP 71007	Reactor Vessel Head Replacement Inspection		10/31/2005	11/04/2005	Other Routine
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		10/31/2005	11/04/2005	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		10/31/2005	11/04/2005	Baseline Inspections
	MTN-MR - MR E	FFECTIVENESS	1			
1, 2	IP 7111112B	Maintenance Effectiveness		12/05/2005	12/09/2005	Baseline Inspections
	MTN-HS - HEAT	T SINK	1			
1, 2	IP 7111107B	Heat Sink Performance		02/13/2006	02/17/2006	Baseline Inspections
	PS1-RP - RP PI	REINSPECTION OCCUPATIONAL/ ISFSI	1			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		03/13/2006	03/15/2006	Baseline Inspections
	PS1-RP - RP B	ASELINE OCCUPATIONAL WK1	2			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/03/2006	04/07/2006	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/03/2006	04/07/2006	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		04/03/2006	04/07/2006	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		04/03/2006	04/07/2006	Baseline Inspections
	MTN-ISI - U1 IN	SERVICE INSPECTION	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/10/2006	04/14/2006	Baseline Inspections
	MTNSGISI - U1 ST	TEAM GENERATOR ISI	1			
1	IP 7111108P	Inservice Inspection Activities - PWR		04/17/2006	04/21/2006	Baseline Inspections
	PS1-RP - RP O	CCUPATIONAL BASELINE WK2	3			
1, 2	IP 7112101	Access Control to Radiologically Significant Areas		04/17/2006	04/21/2006	Baseline Inspections
1, 2	IP 7112102	ALARA Planning and Controls		04/17/2006	04/21/2006	Baseline Inspections
1, 2	IP 7112202	Radioactive Material Processing and Transportation		04/17/2006	04/21/2006	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		04/17/2006	04/21/2006	Baseline Inspections
	EB1SSDPC - SSDP	PC PRE-INSPECTION VISIT	1			
1, 2	IP 7111121	Safety System Design and Performance Capability		07/31/2006	08/02/2006	Baseline Inspections
	OL RQ - REQU	JAL INSPECTION	2			
1, 2	IP 7111111B	Licensed Operator Requalification Program		08/14/2006	08/18/2006	Baseline Inspections
	PS2-EP - EP EX	XERCISE	3			
1, 2	IP 7111401	Exercise Evaluation		09/11/2006	09/15/2006	Baseline Inspections
1, 2	IP 7111404	Emergency Action Level and Emergency Plan Changes		09/11/2006	09/15/2006	Baseline Inspections
1, 2	IP 71151	Performance Indicator Verification		09/11/2006	09/15/2006	Baseline Inspections
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Inspection / Activity Plan 03/01/2005 - 09/30/2006

Unit Number	Inspection Activity	Title		Planned Dates Start End	Inspection Type
	EB1SSDPC - SAF	ETY SYSTEM DESIGN & PERF. CAPABILITY	6		
1, 2	IP 7111121	Safety System Design and Performance Capability	09/1	11/2006 09/15/2006	Baseline Inspections
1, 2	IP 7111121	Safety System Design and Performance Capability	09/2	25/2006 09/29/2006	Baseline Inspections