



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

March 1, 2007

Southern Nuclear Operating Company, Inc.
ATTN: Mr. J. Randy Johnson
Vice President - Farley
Joseph M. Farley Nuclear Plant
7388 North State Highway 95
Columbia, AL 36319

SUBJECT: ANNUAL ASSESSMENT LETTER - JOSEPH M. FARLEY NUCLEAR PLANT
(NRC INSPECTION REPORT 05000348/2007001 AND 05000364/2007001)

Dear Mr. Johnson:

On February 6, 2007, the NRC technical staff completed its performance review of the Joseph M. Farley Nuclear Plant for the period from January 1 through December 31, 2006. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. 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 the enclosed inspection plan do not include physical protection information. A separate 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 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 the first two quarters of the assessment cycle, was in 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 (ROP) baseline inspections at your facility. We also plan to conduct non-ROP inspections of the independent spent fuel storage installation and containment emergency recirculation sump modifications. In addition, we will conduct initial reactor operator licensing examinations.

While plant performance for the most recent quarter is within the Licensee Response column of the Action Matrix, there were safety significant performance indicators affecting the third quarter of the assessment cycle. In the third quarter, the Mitigating Systems Performance Indicator (MSPI) for Cooling Water crossed the White threshold. To address this PI, your staff re-evaluated several start demands that were due to breaker and handswitch failures and reanalyzed service water flow requirements. During the week of February 16, 2007, we initiated a supplemental inspection 95001 to review these and any other actions taken.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through September 30, 2008. The inspection plan is provided to minimize the resource impact on your staff and 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 twelve 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 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 the inspection plan, we will contact you to discuss the change as soon as possible. Please contact me at (404) 562-4521 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Scott M. Shaeffer, Chief
Reactor Projects Branch 2
Division of Reactor Projects

Docket No.: 50-348, 50-364
Licensee No.: NPF-2, NPF-8

Enclosure: Farley Inspection/Activity Plan

cc w/encl: (See page 3)

cc w/encls:

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Distribution w/encl: (See page 4)

Farley
Inspection / Activity Plan
03/01/2007 - 09/30/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates Start	Planned Dates End	Inspection Type
	PB2-SUPP - SUPPLEMENTAL FOR COOLING WATER MSPI		1			
1,2	IP 95001	Supplemental Inspection For One Or Two White Inputs In A Strategic Performance Area		02/12/2007	03/23/2007	Supplemental Program
	EB3-ISI - UNIT 2 ISI (AFW MINIFLOW HI VIB REVIEW)		2			
2	IP 7111108P	Inservice Inspection Activities - PWR		04/16/2007	04/20/2007	Baseline Inspections
	EB3SGISI - UNIT 2 STEAM GENERATOR ISI		2			
2	IP 7111108P	Inservice Inspection Activities - PWR		04/23/2007	04/27/2007	Baseline Inspections
	EB1-SUMP - PWR CONTAINMENT SUMP BLOCKAGE TI (U-2)		1			
2	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02		04/29/2007	05/04/2007	Safety Issues
	DRP/BR2 - OPERATIONAL ISFSI INSPECTION BY RESIDENT		1			
1,2	IP 60855.1	Operation of an Independent Spent Fuel Storage Installation at Operating Plants		07/09/2007	07/20/2007	Other Routine
	PB2-PI&R - BIENNIAL PI&R		4			
1,2	IP 71152B	Identification and Resolution of Problems		08/06/2007	08/10/2007	Baseline Inspections
1,2	IP 71152B	Identification and Resolution of Problems		08/20/2007	08/24/2007	Baseline Inspections
	PSB1-EP - EP INSP		1			
1,2	IP 7111402	Alert and Notification System Testing		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 7111403	Emergency Response Organization Augmentation Testing		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 71151-EP01	Drill/Exercise Performance		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 71151-EP02	ERO Drill Participation		09/10/2007	09/14/2007	Baseline Inspections
1,2	IP 71151-EP03	Alert & Notification System		09/10/2007	09/14/2007	Baseline Inspections
	OL PREP - INITIAL EXAM PREPARATION		3			
1	V23273	FARLEY/OCTOBER 2007 EXAM AT POWER FACILITIES		10/01/2007	10/05/2007	Not Applicable
	EB3-ISI - UNIT 1 INSERVICE INSPECTION		1			
1	IP 7111108P	Inservice Inspection Activities - PWR		10/08/2007	10/12/2007	Baseline Inspections
	EB1-SUMP - PWR CONTAINMENT SUMP BLOCKAGE TI (U-1)		1			
1	IP 2515/166	Pressurized Water Reactor Containment Sump Blockage [NRC GENERIC LETTER 2004-02		10/21/2007	10/26/2007	Safety Issues
	OL EXAM - INITIAL EXAM WEEK #1		3			
1	V23273	FARLEY/OCTOBER 2007 EXAM AT POWER FACILITIES		10/29/2007	11/02/2007	Not Applicable
	OL EXAM - INITIAL EXAM WEEK #2		3			
1	V23273	FARLEY/OCTOBER 2007 EXAM AT POWER FACILITIES		11/05/2007	11/09/2007	Not Applicable
	EB1-MODS - MODIFICATIONS - 10CFR50.59		4			
1,2	IP 7111102	Evaluation of Changes, Tests, or Experiments		11/26/2007	11/30/2007	Baseline Inspections
1,2	IP 7111117B	Permanent Plant Modifications		11/26/2007	11/30/2007	Baseline Inspections

Farley
Inspection / Activity Plan
03/01/2007 - 09/30/2008

Unit Number	Inspection Activity	Title	No. of Staff on Site	Planned Dates		Inspection Type
				Start	End	
	EBR - MR - MAINTENANCE RULE		1			
1,2	IP 7111112B	Maintenance Effectiveness		02/04/2008	02/08/2008	Baseline Inspections
	EB2-TFP - TRIENNIAL FIRE PROTECTION		5			
1,2	IP 7111105T	Fire Protection [Triennial]		02/26/2008	02/28/2008	Baseline Inspections
1,2	IP 7111105T	Fire Protection [Triennial]		03/17/2008	03/21/2008	Baseline Inspections
1,2	IP 7111105T	Fire Protection [Triennial]		03/31/2008	04/04/2008	Baseline Inspections
	OL RQ - REQUAL INSPECTION		2			
1,2	IP 7111111B	Licensed Operator Requalification Program		07/07/2008	07/11/2008	Baseline Inspections
	PSB1-EP - EP EXERCISE		3			
1,2	IP 7111401	Exercise Evaluation		08/11/2008	08/15/2008	Baseline Inspections
1,2	IP 7111404	Emergency Action Level and Emergency Plan Changes		08/11/2008	08/15/2008	Baseline Inspections
1,2	IP 71151-EP01	Drill/Exercise Performance		08/11/2008	08/15/2008	Baseline Inspections
1,2	IP 71151-EP02	ERO Drill Participation		08/11/2008	08/15/2008	Baseline Inspections
1,2	IP 71151-EP03	Alert & Notification System		08/11/2008	08/15/2008	Baseline Inspections
	PSB1-RP - RADIATION PROTECTION PREINSPECTION VISIT		1			
1,2	IP 7112101	Access Control to Radiologically Significant Areas		08/25/2008	08/29/2008	Baseline Inspections