



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET SW SUITE 23T85
ATLANTA, GEORGIA 30303-8931**

August 30, 2004

Southern Nuclear Operating Company, Inc.
ATTN: Mr. L. M. Stinson, Vice President
Joseph M. Farley Nuclear Project
P. O. Box 1295
Birmingham, AL 35201-1295

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - JOSEPH M. FARLEY NUCLEAR PLANT

Dear Mr. Stinson:

On August 3, 2004, the NRC staff completed its mid-cycle plant performance assessment of the Joseph M. Farley Nuclear Plant. The mid-cycle review for Farley involved the participation of all technical divisions in evaluating performance for the first half of the calendar year 2004 assessment cycle. The process included a review of 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 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 mid-cycle performance review letter, designated and marked as "Proprietary Information in accordance with 10 CFR 2.390(d)(1)," will include the physical protection review and a resultant inspection plan.

Plant performance for the most recent quarter 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 baseline inspections at your facility through March 31, 2006. We also plan on conducting several inspections which are not part of the routine baseline inspection program. These inspections include initial reactor operator licensing examinations, reactor vessel head replacement inspections, a license renewal inspection, a reactor pressure vessel lower head inspection, independent spent fuel storage installation (ISFSI) pre-operational testing inspection, reactor containment sump blockage inspection, a review of your activities in response to Generic Letter 89-13, "Service Water System Problems Affecting Safety-Related Equipment", and during the fall 2004 refueling outage, an inspection of your response to NRC Bulletin 2004-01: Inspection of Alloy 82/182/600 Materials Used in the Fabrication of Pressurizer Penetrations and Steam Space Piping Connections at Pressurized-Water Reactors.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 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 twelve months of the inspection plan are tentative and may be revised at the end-of-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) 562-4540 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Brian R. Bonser, Chief
Reactor Projects Branch 2
Division of Reactor Projects

Docket Nos.: 50-348, 50-364
License Nos.: NPF-2, NPF-8

Enclosure: Joseph M. Farley Nuclear Plant Inspection/Activity Plan

cc w/encl: (See page 3)

SNC

3

cc w/encl:

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Distribution w/encl: (See page 4)

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4

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