



UNITED STATES
NUCLEAR REGULATORY COMMISSION

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

August 31, 2006

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

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

Dear Mr. Sumner:

On August 3, 2006, the NRC staff completed its performance review of the Joseph M. Farley Nuclear Plant for the first half of the calendar year (CY) 2006 assessment cycle. 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 both Farley Units for the most recent quarter was in the Regulatory Response Column of the NRC's Action Matrix due to a Mitigating Systems Performance Index, Cooling Water Systems PI crossing the Green/White threshold in the 2nd quarter of CY 2006. This White PI, involving the Mitigating System Cornerstone, reflected performance at a level requiring increased regulatory response. Therefore, in addition to the reactor oversight process (ROP) baseline inspection program at your facility, the NRC plans to conduct a supplemental inspection in accordance with IP 95001, "Inspection for One or Two White Inputs In a Strategic Performance Area," as required by the NRC's Action Matrix. We will coordinate with you the scheduling of the supplemental inspection.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 2008. In addition to the baseline inspections and the supplemental inspection mentioned above, the plan currently includes non-ROP inspections involving containment sump blockage, Mitigating System Performance Index, and your Independent Spent Fuel Storage Installation. 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 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 Scott Shaeffer at (404) 562-4521 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Charles A. Casto, Director
Division of Reactor Projects

Docket No.: 50-348, 50-364, and 72-42
Licensee No.: NPF-2, NPF-8

Enclosure: Farley Inspection/Activity Plan

cc w/encl: (See page 3)

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SNC

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SNC

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Letter to H. L. Sumner from Charles A. Casto dated August 31, 2006

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

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