



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

March 3, 2010

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

SUBJECT: ANNUAL ASSESSMENT LETTER – JOSEPH M. FARLEY NUCLEAR PLANT
(NRC INSPECTION REPORT 05000348/2010001 AND 05000364/2010001)

Dear Mr. Johnson:

On February 9, 2010, the NRC staff completed its performance review of Joseph M. Farley Nuclear Plant. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results for the period from January 1, 2009, through December 31, 2009. 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, 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 for Unit 1 was within the Regulatory Response column of the NRC's Action Matrix. The Mitigating Systems Performance Index (MSPI), Emergency AC systems crossed the threshold from Green to White in the first quarter 2008 due to failures of the 1B Emergency Diesel Generator (EDG). A Supplemental Inspection was conducted for Unit 1 during the third quarter 2008 using Inspection Procedure 95001 "Inspection For One Or Two White Inputs In A Strategic Performance Area". In addition a White Finding was issued in the second quarter 2009 for failure to maintain the means to provide alert, notification, and clear instruction to all of the population within the plume exposure pathway Emergency Planning Zone (EPZ). A supplemental inspection was completed in February 2010, using Inspection Procedure 95001. No significant weaknesses were identified.

Unit 2 plant performance was within the Regulatory Response column of the NRC's Action Matrix in the most recent quarter for a White Finding in the Emergency Preparedness Cornerstone issued in the second quarter 2009 for failure to maintain the means to provide alert, notification, and clear instruction to all of the population within the plume exposure pathway Emergency Planning Zone (EPZ). A supplemental inspection was completed in February 2010, using Inspection Procedure 95001. No significant weaknesses were identified. All Performance Indicators during the assessment period were Green for Unit 2.

Additionally, the NRC has identified a substantive cross-cutting issue in the area of human performance. During the cycle, there were 3 green findings and one severity level III violation with documented cross-cutting aspects in the area of human performance which constitute a cross-cutting theme in the aspect of "procedural compliance" (H.4(b)). In evaluating the scope of efforts and progress in addressing the cross-cutting theme, the staff determined that you had appropriately identified/recognized the cross-cutting theme, scheduled and took actions based on judgment and/or risk insights to address this theme. However, the NRC does not have a reasonable assurance the scope of actions taken will be effective in addressing the procedural compliance cross-cutting issue. Therefore the staff has concluded that a substantive cross-cutting issue in the Human Performance area does exist at this time. The Human Performance cross-cutting issue will be addressed in the plant's baseline inspection as an area of focus. The NRC assessment of your progress to clear the SCCI will be based on: 1.) The appropriate and comprehensive range of actions identified by the Corrective Action Program, which address the cross-cutting theme; 2.) Fewer than four findings with the cross-cutting aspect of "procedural compliance" (H.4(b)) during the previous twelve month assessment period; and 3.) An increased level of confidence in your ability to deal effectively with issues as related to the cross-cutting theme of "procedural compliance" (H.4(b)) during the previous six month assessment period. Additionally, a resident inspector semi-annual trend review of the procedure adherence issues will assess your efforts to ensure effective corrective action implementation and timeliness. This will encompass both the original apparent cause determination 2008 action items (CR 2008106454) related to procedure adherence and the recent CR (2009113187) regarding a potential NRC identified cross-cutting theme.

We also plan on conducting several infrequently performed inspections, which include the triennial 50.59 Modification inspection, triennial Fire Protection inspection, temporary instruction (TI) 2515/172 "Reactor Coolant System Dissimilar Metal Butt Welds," TI 2515/177 "Managing Gas Accumulation In Emergency Core Cooling, Decay Heat Removal, and Containment Spray Systems (NRC Generic Letter 2008-01)," Independent Spent Fuel Storage Installation and operator licensing inspections.

The enclosed inspection plan details the inspections, less those related to security scheduled through June 30, 2011. 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 end-of cycle 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).

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3

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 Scott Shaeffer at 404-562-4521 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Leonard D. Wert, Jr., Director
Division of Reactor Projects

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

Enclosure: Farley Inspection/Activity Plan

cc w/encl: (See page 4)

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3

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cc w/encl: (See page 4)

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SIGNATURE	TXL	JTM	SMS	LDW			
NAME	TLighty	JMunday	SShaeffer	LWert			
DATE	02/25/2010	03/02/2010	03/01/2010	03/02/2010			
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

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5

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6

Letter to J. Randy Johnson from Leonard D. Wert, Jr. dated March 3, 2010

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(NRC INSPECTION REPORT 05000348/201001 AND 05000364/2010001)

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