



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION II
245 PEACHTREE CENTER AVENUE NE, SUITE 1200
ATLANTA, GEORGIA 30303-1257

July 31, 2012

Tom A. Lynch
Vice President - Farley
Southern Nuclear Operating Company, Inc.
7388 North State Highway 95
Columbia, AL 36319

**SUBJECT: NOTICE OF ENFORCEMENT DISCRETION DENIAL FOR SOUTHERN
NUCLEAR COMPANY REGARDING JOSEPH M. FARLEY NUCLEAR PLANT,
V23414 - NOED (NOTICE OF ENFORCEMENT DISCRETION) FARLEY UNIT 1,
NOED NO. 12-2-002**

Dear Mr. Lynch:

By letter dated July 30, 2012, you requested that the NRC exercise discretion to not enforce compliance with the actions required in the Joseph M. Farley Nuclear Plant (FNP) Technical Specification 3.8.1.B, A/C Sources – Operating, One Diesel Generator (DG) Set Inoperable. Your letter documented information previously discussed with the NRC in a telephone conference on July 26, 2012, at 6:00 p.m. The principal NRC staff members who participated in that telephone conference included Len Wert, Deputy Regional Administrator for Operations, Region II and Eugene Guthrie, Acting Director for Division of Reactor Projects. You stated that on July 26, 2012, at 9:52 p.m. the plant would not be in compliance with Technical Specification 3.8.1.B which would require you to place the plant in Mode 3 (hot standby, with the reactor shutdown) by July 27 at 3:52 a.m. You requested that a Notice of Enforcement Discretion (NOED) be granted pursuant to the NRC's policy regarding exercise of discretion for an operating facility, set out in Section VII.C, of the "General Statement of Policy and Procedures for NRC Enforcement Actions" (Enforcement Policy), NUREG-1600, and be effective for the shorter of either the time to return the 1B DG to service or the 66-hour extension from 9:52 p.m., July 26, 2012. This letter documents our telephone conversation starting July 26 at 6:00 P.M., when we orally declined to issue this NOED.

You described the events leading up to the request for the NOED as follows: On July 16, 2012, at 9:52 p.m., you entered Technical Specification 3.8.1.B, with a 10 day allowable outage time (AOT), to conduct 24-month maintenance activities on the 1B DG set. Five days into the AOT, after completing several maintenance activities, you ran the 1B DG as part of the maintenance work order. The 1B the DG inner condenser cooling water control valve malfunctioned during this run, which resulted in overheating and damage to the 1B DG. You recognized that the time to complete the repairs and perform necessary inspections and subsequent test runs could require up to 66 hours more than the time remaining in the AOT.

In evaluating your NOED request, the NRC staff could not conclude that you satisfactorily addressed item number eight in Section D of NRC Inspection Manual, Part 9900: Technical Guidance, Operations – Notices of Enforcement Discretion. Specifically, Branch Technical Position (BTP) 8-8 of the Standard Review Plan, Onsite (Emergency Diesel Generators) and Offsite Power Sources Allowed Outage Time, Extension, Page 8-8-4, 4th paragraph, was discussed. This BTP specifies, in part, that multi-unit sites that have installed a single alternate AC (AAC) power source for station blackout (SBO) cannot substitute it for the inoperable DG when requesting AOT extensions unless the AAC source has enough capacity to carry all loss of offsite power (LOOP) loads to bring the unit to a cold shutdown as a substitute for the DG in an extended AOT and carry all SBO loads for the unit that has an SBO event without any load shedding. The NRC concluded that relying on a single AAC power source for an SBO in one unit and an inoperable DG in the adjacent unit erodes the defense-in-depth aspects of the plant's design and operation and thereby reduces the safety margins due to a planned extended allowed outage time and that the request was not acceptable.

You made no commitments with regard to a follow-up amendment and the nature of the request.

On the basis of the staff's evaluation of your request, we have concluded that granting this NOED is inconsistent with the Enforcement Policy and staff guidance, and may have an adverse impact on public health and safety or the environment, if granted. Therefore, your request was denied and FNP subsequently complied with the required actions of Technical Specification 3.8.1.B.

Sincerely,

/RA/

Leonard D. Wert, Jr.
Deputy Regional Administrator
Region II

Docket No.: 50-348
License No: NPF-2

cc: (See page 3)

In evaluating your NOED request, the NRC staff could not conclude that you satisfactorily addressed item number eight in Section D of NRC Inspection Manual, Part 9900: Technical Guidance, Operations – Notices of Enforcement Discretion. Specifically, Branch Technical Position (BTP) 8-8 of the Standard Review Plan, Onsite (Emergency Diesel Generators) and Offsite Power Sources Allowed Outage Time, Extension, Page 8-8-4, 4th paragraph, was discussed. This BTP specifies, in part, that multi-unit sites that have installed a single alternate AC (AAC) power source for station blackout (SBO) cannot substitute it for the inoperable DG when requesting AOT extensions unless the AAC source has enough capacity to carry all loss of offsite power (LOOP) loads to bring the unit to a cold shutdown as a substitute for the DG in an extended AOT and carry all SBO loads for the unit that has an SBO event without any load shedding. The NRC concluded that relying on a single AAC power source for an SBO in one unit and an inoperable DG in the adjacent unit erodes the defense-in-depth aspects of the plant's design and operation and thereby reduces the safety margins due to a planned extended allowed outage time and that the request was not acceptable.

You made no commitments with regard to a follow-up amendment and the nature of the request.

On the basis of the staff's evaluation of your request, we have concluded that granting this NOED is inconsistent with the Enforcement Policy and staff guidance, and may have an adverse impact on public health and safety or the environment, if granted. Therefore, your request was denied and FNP subsequently complied with the required actions of Technical Specification 3.8.1.B.

Sincerely,

/RA/

Leonard D. Wert, Jr.
Deputy Regional Administrator
Region II

Docket No.: 50-348
License No: NPF-2

cc: (See page 3)

PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE NON-SENSITIVE
ADAMS: Yes ACCESSION NUMBER: _____ SUNSI REVIEW COMPLETE FORM 665 ATTACHED

OFFICE	RII:DRP	RII:DRP	RII:DRP	RII:DRP			
SIGNATURE	MOM /RA/	FJH /RA/	RPC /RA/	LDW /RA/			
NAME	MMiller	FEhrhardt	RCroteau	LWert			
DATE	7/ /2012	7/ /2012	7/ /2012	7/ /2012	7/ /2012	7/ /2012	7/ /2012
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

cc w/encl:

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(cc w/encl continued next page)

T. Lynch

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(cc w/encl continued)

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T. Lynch

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Letter to T. A. Lynch from Leonard D. Wert, Jr. dated July 31, 2012

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NOED NO. 12-2-002

Distribution w/encl:

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