



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

March 4, 2014

Ms. C. A. Gayheart
Vice President
Southern Nuclear Operating Company, Inc.
Joseph M. Farley Nuclear Plant
P.O. Drawer 470, BIN B500
Ashford, AL 36312

**SUBJECT: ANNUAL ASSESSMENT LETTER FOR JOSEPH M. FARLEY NUCLEAR PLANT
UNIT 1 AND UNIT 2 (NRC INSPECTION REPORT 05000348/2013001 AND
05000364/2013001)**

Dear Mr. Gayheart:

On February 18, 2014, the NRC completed its end-of-cycle performance review of Joseph M. Farley Nuclear Plant, Unit 1 and Unit 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2013 through December 31, 2013. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility.

The NRC determined that overall, Farley Unit 1 and Unit 2 operated in a manner that preserved public health and safety and met all cornerstone objectives. The NRC determined the performance at Farley Unit 1 and Unit 2 during the most recent quarter was within the Licensee Response Column of the NRC's Reactor Oversight Process (ROP) Action Matrix because all inspection findings had very low (i.e., green) safety significance and all PIs indicated that your performance was within the nominal, expected range (i.e., green).

On February 14, 2014, the NRC issued Integrated Inspection Report 05000348,364/2013005 and 05000348, 364/2013502 (ADAMS Accession No. ML14045A340) which described a finding of low-to-moderate safety significance (White), and associated Notice of Violation, in the emergency preparedness cornerstone of the ROP. The finding involved the licensee's failure to follow and maintain the effectiveness of emergency plans that meet 10 CFR 50.47(b)(4). As communicated in the integrated inspection report, the NRC exercised enforcement discretion for this issue because the finding met the criteria specified in Inspection Manual Chapter (IMC) 0305, "Operating Reactor Assessment Program," for treatment as an "old design issue." Therefore, in accordance with IMC 0305, this issue did not aggregate in the Action Matrix with other performance indicators and inspection findings. Notwithstanding the exercise of enforcement discretion, IMC 0305 specifies the need for an inspection in accordance with inspection procedure (IP) 95001 "Supplemental Inspection for One or Two White Inputs in a Strategic Performance Area," even if the White finding meets the criteria for treatment as an "old design issue." Therefore, in addition to the ROP baseline inspections, the NRC plans to conduct a supplemental inspection to review the root cause and corrective actions associated

with the White finding. The NRC requests that your staff provide notification of your readiness for the NRC to conduct the supplemental inspection to review the actions taken to address the White finding.

The enclosed inspection plan lists the inspections scheduled through June 30, 2015. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last nine months of the inspection plan are tentative and may be revised at the mid-cycle performance review. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes. This inspection plan does not include security related inspections, which will be sent via separate, non-publicly available correspondence.

Additionally, an NRC audit of licensee efforts towards compliance with Order EA-12-049, "Order Modifying Licenses with Regard to Requirements for Mitigation Strategies for Beyond-Design-Basis External Events" is ongoing. This audit includes an onsite component in order for the NRC to evaluate mitigating strategies as described in licensee submittals, and to receive and review information relative to associated open items. This onsite activity will occur in the months prior to a declaration of compliance for the first unit at each site, and will aid staff in development of an ultimate Safety Evaluation for the site. The onsite component has been scheduled for the week of April 28, 2014. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

From January 1 to December 31, 2013, the NRC issued four Severity Level IV traditional enforcement violations associated with impeding the regulatory process. The NRC evaluated the need to conduct IP 92723, "Follow Up Inspection for Three or More Severity Level IV Traditional Enforcement Violations in the Same Area in a 12-Month Period." The NRC determined that it is not necessary to conduct IP 92723 at this time. Three of these violations were identified by the licensee. NRC will re-evaluate the need for conducting this inspection during the mid-cycle assessment meeting in August 2014.

As a result of the Safety Culture Common Language Initiative, the terminology and coding of cross-cutting aspects were revised. All cross-cutting aspects identified during inspections conducted in calendar year 2014 will reflect this revision to IMC 0310. The calendar year (CY) 2013 end-of-cycle assessments were conducted using the IMC 0310 guidance in effect in CY 2013 (dated October 28, 2011). Cross-cutting aspects identified in 2013 using the 2013 terminology will be converted to the latest revision in accordance with the cross-reference in IMC 0310 during the mid-cycle assessment review and evaluated for cross-cutting themes and potential substantive cross-cutting issues in accordance with IMC 0305.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be 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).

C. Gayheart

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Please contact me at 404-997-4611 with any questions you have regarding this letter.

Sincerely,

/RA/

Frank Ehrhardt, Chief
Projects Branch 2
Division of Reactor Projects

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

Enclosure: Farley Inspection/Activity Plan
(03/01/2014 – 06/30/2015)

cc distribution via Listserv

C. Gayheart

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NAME	AAlen	JWorosilo	FEhrhardt				
DATE	02/25/2014	02/25/2014	02/25/2014				
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C. Gayheart

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Letter to C. A. Gayheart from Frank Ehrhardt dated March 4, 2014

SUBJECT: ANNUAL ASSESSMENT LETTER FOR JOSEPH M. FARLEY NUCLEAR PLANT
UNIT 1 AND UNIT 2 (NRC INSPECTION REPORT 05000348/2013001 AND
05000364/2013001)

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Institute of Nuclear Power Operations (INPO)

ROP Reports

ROP Assessment

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
			EP - EP EXERCISE		3
1, 2	03/01/2014	04/25/2014	IP 7111408	Exercise Evaluation – Scenario Review	
1, 2	04/21/2014	04/25/2014	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	04/21/2014	04/25/2014	IP 7111407	Exercise Evaluation - Hostile Action (HA) Event	
1, 2	04/21/2014	04/25/2014	IP 711151	Performance Indicator Verification	
			OL RQ - REQUAL INSP		2
1, 2	03/10/2014	03/14/2014	IP 7111111B	Licensed Operator Requalification Program	
			CDBI - COMPONENT DESIGN BASES INSPECTION		7
1, 2	04/07/2014	04/11/2014	IP 7111121	Component Design Bases Inspection	
1, 2	05/05/2014	05/09/2014	IP 7111121	Component Design Bases Inspection	
1, 2	05/19/2014	05/23/2014	IP 7111121	Component Design Bases Inspection	
1, 2	06/02/2014	06/06/2014	IP 7111121	Component Design Bases Inspection	
			TFPI - TRIENNIAL FIRE PROTECTION INSP		9
1, 2	07/14/2014	07/18/2014	IP 7111105T	Fire Protection [Triennial]	
1, 2	07/28/2014	08/01/2014	IP 7111105T	Fire Protection [Triennial]	
			OL EXAM - INITIAL LICENSE EXAM PREP		3
1	09/15/2014	09/19/2014	V23427	FARLEY/OCTOBER 2014 INITIAL EXAM AT POWER FACILITIES	
			OL EXAM - INITIAL LICENSE EXAM WEEK 1		3
1	10/06/2014	10/10/2014	V23427	FARLEY/OCTOBER 2014 INITIAL EXAM AT POWER FACILITIES	
			OL EXAM - INITIAL LICENSE EXAM WEEK 2		3
1	10/13/2014	10/17/2014	V23427	FARLEY/OCTOBER 2014 INITIAL EXAM AT POWER FACILITIES	
			RP - RP OCCUPATIONAL BASELINE		3
1, 2	10/20/2014	10/24/2014	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1, 2	10/20/2014	10/24/2014	IP 71124.02	Occupational ALARA Planning and Controls	
1, 2	10/20/2014	10/24/2014	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1, 2	10/20/2014	10/24/2014	IP 71124.04	Occupational Dose Assessment	
1, 2	10/20/2014	10/24/2014	IP 71124.05	Radiation Monitoring Instrumentation	
1, 2	10/20/2014	10/24/2014	IP 711151	Performance Indicator Verification	
			ISI - UNIT 2 IN-SERVICE INSPECTION		1
2	10/27/2014	10/31/2014	IP 7111108P	Inservice Inspection Activities - PWR	
			RP - RP OCCUPATIONAL BASELINE WEEK2		3
1, 2	11/03/2014	11/07/2014	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1, 2	11/03/2014	11/07/2014	IP 71124.02	Occupational ALARA Planning and Controls	

This report does not include INPO and OUTAGE activities.
This report shows only on-site and announced inspection procedures.

Unit Number	Planned Dates Start	Planned Dates End	Inspection Activity	Title	No. of Staff on Site
			RP - RP OCCUPATIONAL BASELINE WEEK2		3
1, 2	11/03/2014	11/07/2014	IP 71124.03	In-Plant Airborne Radioactivity Control and Mitigation	
1, 2	11/03/2014	11/07/2014	IP 71124.04	Occupational Dose Assessment	
1, 2	11/03/2014	11/07/2014	IP 71124.05	Radiation Monitoring Instrumentation	
1, 2	11/03/2014	11/07/2014	IP 71151	Performance Indicator Verification	
			SGISI - UNIT 2 SG IN-SERVICE INSPECTION		1
2	11/03/2014	11/07/2014	IP 711108P	Inservice Inspection Activities - PWR	
			EP - EP PROGRAM INSPECTION		1
1, 2	03/23/2015	03/27/2015	IP 7111402	Alert and Notification System Testing	
1, 2	03/23/2015	03/27/2015	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1, 2	03/23/2015	03/27/2015	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	03/23/2015	03/27/2015	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1, 2	03/23/2015	03/27/2015	IP 71151	Performance Indicator Verification	
			ISI - UNIT 1 IN-SERVICE INSPECTION		1
1	04/06/2015	04/10/2015	IP 711108P	Inservice Inspection Activities - PWR	
			RP - RAD HAZARDS ANALYSIS AND TRANSPORTATION		2
1, 2	04/06/2015	04/10/2015	IP 71124.01	Radiological Hazard Assessment and Exposure Controls	
1, 2	04/06/2015	04/10/2015	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1, 2	04/06/2015	04/10/2015	IP 71151	Performance Indicator Verification	
			SGISI - UNIT 1 SG IN-SERVICE INSPECTION		1
1	04/13/2015	04/17/2015	IP 711108P	Inservice Inspection Activities - PWR	
			RP - RP PUBLIC RAD SAFETY BASELINE		2
1, 2	06/22/2015	06/26/2015	IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	
1, 2	06/22/2015	06/26/2015	IP 71124.07	Radiological Environmental Monitoring Program	
1, 2	06/22/2015	06/26/2015	IP 71151	Performance Indicator Verification	

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