November 21, 1995

Southern Nuclear Operating Company, Inc. ATTN: Mr. D. N. Morey Vice President Farley Project P. O. Box 1295 Birmingham, AL 35201-1295

SUBJECT: NRC INSPECTION REPORT NOS. 50-348/95-18 AND 50-364/95-18, NOTICE OF VIOLATION, AND SAFETY EVALUATION REPORT

Dear Mr. Morey:

This refers to the inspection conducted on September 18 through October 22, 1995 at the Farley Nuclear Plant (FNP). The purpose of the inspection was to determine whether activities authorized by the licensee were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the findings were discussed with those members of your staff listed in the enclosed report.

Areas examined during the inspection are identified in the report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observation of activities in progress.

Based on results of this inspection, the NRC has determined that violations of NRC requirements occurred. The violations are cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding them are described in detail in the subject inspection report. Of these violations, violation C is of particular concern due to its multiple examples of plant personnel from various groups failing to follow approved procedures. Furthermore, most of these and the other examples identified in the inspection report details were identified by the NRC.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures, and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

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The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paper Work Reduction Act of 1980, Pub. L. No. 96-511.

Attached to the enclosed inspection report is a safety evaluation report (SER) that supports closure of the last remaining open item from the NRC's Electrical Distribution System Functional Inspection conducted in 1992. This SER addresses an unresolved issue of undervoltage relay settings for degraded grid conditions. Furthermore, the SER identifies certain pending licensee commitments. These commitments will be tracked as an inspector followup item.

Sincerely

Orig. signed by P.H. Skinner

Pierce H. Skinner, Chief Reactor Projects Branch 2 Division of Reactor Projects

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

Enclosures: 1. Notice of Violation 2. NRC Inspection Report

cc w/encls: M. J. Ajluni Licensing Manager Southern Nuclear Operating Company, Inc. P. O. Box 1295 Birmingham, AL 35201-1295

R. D. Hill. Jr. General Manager, Farley Plant Southern Nuclear Operating Company, Inc. P. O. Box 470 Ashford, AL 36312

G. S. Waymire, Supervisor Safety Audit and Engineering Review Farley Nuclear Plant P. O. Box 470 Ashford, AL 36312

(cc w/encls cont'd - See page 3)

SNC

cc w/encls: Continued J. D. Woodard Executive Vice President Southern Nuclear Operating Company, Inc. P. O. Box 1295 Birmingham, AL 35201

State Health Officer Alabama Department of Public Health 434 Monroe Street Montgomery, AL 36130-1701

M. Stanford Blanton Balch and Bingham Law Firm P. O. Box 306 1710 Sixth Avenue North Birmingham, AL 35201

Chairman Houston County Commission P. O. Box 6406 Dothan, AL 36302

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NRC Resident Inspector U.S. Nuclear Regulatory Commission 7388 N State Highway 95 Columbia, AL 36319

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SIGNATURE	RW. Wight	MK 1								
NAME	RWright:dka	PHSkinner								
DATE	11/ /95	12-12/195	11/	/ 95	11/	/ 95	11/	/ 95	11/	/ 95
COPY?	(YES) NO	YES NO	YES	NO	YES	NO	YES	NO	YES	NO

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