



UNITED STATES NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA STREET, N.W.
ATLANTA, GEORGIA 30303

Central File
50-348

In Reply Refer To:
RII:JMF
50-348/78-23

OCT 26 1978

2.790

Alabama Power Company
ATTN: Mr. A. R. Barton
Executive Vice President
Post Office Box 2641
Birmingham, Alabama 35291

Gentlemen:

This refers to the inspection conducted by J. M. Fuchko of this office on September 18-20, 1978, of activities authorized by NRC Operating License No. NPF-2 at Farley and to the discussion of our findings held with W. G. Hairston at the conclusion of the inspection.

The area examined during this inspection was your program for safeguarding special nuclear material under the applicable provisions of Title 10, Code of Federal Regulations, Part 73, "Physical Protection of Plants and Materials." Within this area, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspectors.

During the inspection, it was found that certain activities under your license appear to be in noncompliance with NRC requirements. These items and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 20 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved. If Appendix A contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons on the basis of which it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, Appendix A will be placed in the Public Document Room.

781114 0257 Q

MATERIAL TRANSMITTED HEREWITH
CONTAINS NO INFORMATION

Alabama Power Company

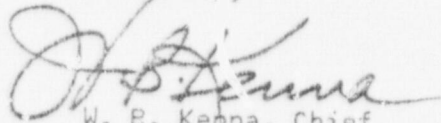
-2-

OCT 26 1978

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, details of activities involving safeguards and security measures are exempt from public disclosure; therefore, the Inspection Report enclosed with this letter with the exception of the report cover page, which is an inspection summary, will NOT be placed in the Public Document Room.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,



W. B. Kenna, Chief
Safeguards Branch

Enclosures:

Appendix A, Notice of Violation
(Not Exempt)

Inspection Report No. 50-348/78-23
(Exempt From Disclosure)

Inspection Summary
(Not Exempt)

cc: Mr. W. G. Hairston
Plant Manager
Drawer 470
Ashford, Alabama 36312