



**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 05000348/2014001
AND 05000364/2014001)**

Dear Ms. Gayheart:

On February 12, 2015, the NRC completed its end-of-cycle performance review of Joseph M. Farley Nuclear Plant, Units 1 and 2. The NRC reviewed the most recent quarterly performance indicators (PIs) in addition to inspection results and enforcement actions from January 1, 2014, through December 31, 2014. 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 Units 1 and 2 operated in a manner that preserved public health and safety and met all cornerstone objectives. The NRC determined the performance at Farley Units 1 and 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 safety significance (i.e., Green) and all PIs indicated that your performance was within the nominal, expected range (i.e., Green). Therefore, the NRC plans to conduct ROP baseline inspections at your facility.

On February 14, 2014, the NRC issued Inspection Reports 05000348,364/2013005 and 05000348, 364/2013502 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 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 NRC's Action Matrix. Notwithstanding the exercise of enforcement discretion, IMC 0305 specifies the need for an inspection in accordance with Inspection Procedure 95001 "Supplemental Inspection for One or Two White Inputs in a Strategic Performance Area." On August 14, 2014, the NRC satisfactorily completed this inspection.

The enclosed inspection plan lists the inspections scheduled through June 30, 2016. Routine inspections performed by resident inspectors are not included in the inspection plan. In addition to baseline inspections, the NRC will conduct Temporary Instruction 2800/041, Part 37 Materials

at Part 73 Plants, and initial reactor operator licensing examinations. 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," and Order EA-12-051, "Order Modifying Licenses with Regard to Reliable Spent Fuel Pool Instrumentation" is ongoing for various sites. The audit includes an onsite visit for the NRC staff to evaluate mitigating strategies as described in the licensee submittals, and to receive and review information relative to associated open items. This onsite audit will occur prior to the first unit at the site achieving compliance with the Orders and the audit will aid NRC staff in developing a final Safety Evaluation for the site. The audit at your site will occur in the Fall of 2015. A site-specific audit plan for the visit will be provided in advance to allow sufficient time for preparations.

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).

Please contact me at 404-997-4482 with any questions you have regarding this letter.

Sincerely,

/RA/

Joseph Austin, Acting Chief
Reactor Projects Branch 2
Division of Reactor Projects

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

Enclosure: Farley Inspection/Activity Plan
(03/01/2015 – 06/30/2016)

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

OFFICE	RII:DRP	RII:DRP					
SIGNATURE	/RA BY CWR1/	/RA By JDA/					
NAME	C. Rapp	J. Austin					
DATE	3/4/2015	3/4/2015					
E-MAIL COPY?	YES NO	YES NO					

Farley
Inspection / Activity Plan
03/01/2015 - 06/30/2016

Unit Number	Planned Dates		Inspection Activity	Title	No. of Staff on Site
	Start	End			
			ISI - UNIT 1 IN-SERVICE INSPECTION & RVH EXAM		2
1	04/06/2015	04/10/2015	IP 7111108P	Inservice Inspection Activities - PWR	
			SGISI - UNIT 1 SG IN-SERVICE INSPECTION		1
1	04/13/2015	04/17/2015	IP 7111108P	Inservice Inspection Activities - PWR	
			RP - RAD HAZARDS ANALYSIS AND PIV		1
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 71151	Performance Indicator Verification	
			EP - EP PROGRAM INSPECTION		4
1, 2	04/20/2015	04/24/2015	IP 7111403	Emergency Preparedness Organization Staffing and Augmentation System	
1, 2	04/20/2015	04/24/2015	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	04/20/2015	04/24/2015	IP 7111405	Correction of Emergency Preparedness Weaknesses and Deficiencies	
1, 2	04/20/2015	04/24/2015	IP 71151	Performance Indicator Verification	
			RP - RP PUBLIC RAD SAFETY BASELINE		3
1, 2	07/06/2015	07/10/2015	IP 71124.06	Radioactive Gaseous and Liquid Effluent Treatment	
1, 2	07/06/2015	07/10/2015	IP 71124.07	Radiological Environmental Monitoring Program	
1, 2	07/06/2015	07/10/2015	IP 71124.08	Radioactive Solid Waste Processing and Radioactive Material Handling, Storage, and Transportation	
1, 2	07/06/2015	07/10/2015	IP 71151	Performance Indicator Verification	
			OL EXAM - INITIAL LICENSE EXAM PREP		3
1	09/14/2015	09/18/2015	V23460	FARLEY/OCTOBER 2015 INITIAL EXAM AT POWER FACILITIES	
			OL EXAM - INITIAL LICENSE EXAM		3
1	10/05/2015	10/16/2015	V23460	FARLEY/OCTOBER 2015 INITIAL EXAM AT POWER FACILITIES	
			PI&R - PROBLEM IDENTIFICATION AND RESOLUTION		4
1, 2	11/02/2015	11/06/2015	IP 71152B	Problem Identification and Resolution	
1, 2	11/16/2015	11/20/2015	IP 71152B	Problem Identification and Resolution	
			MODS - PLANT MODIFICATIONS INSPECTION		3
1, 2	01/11/2016	01/15/2016	IP 7111117T	Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications	
1, 2	02/01/2016	02/05/2016	IP 7111117T	Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications	
			EP - EP EXERCISE INSPECTION		2
1, 2	03/07/2016	03/11/2016	IP 7111401	Exercise Evaluation	
1, 2	03/07/2016	03/11/2016	IP 7111404	Emergency Action Level and Emergency Plan Changes	
1, 2	03/07/2016	03/11/2016	IP 71151	Performance Indicator Verification	
			ISI - UNIT 2 IN-SERVICE INSPECTION & RVH EXAM		2
2	04/18/2016	04/22/2016	IP 7111108P	Inservice Inspection Activities - PWR	

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

Farley
Inspection / Activity Plan
03/01/2015 - 06/30/2016

Unit Number	Planned Dates Start End		Inspection Activity	Title	No. of Staff on Site
SGISI - UNIT 2 SG IN-SERVICE INSPECTION					
2	04/25/2016	04/29/2016	IP 7111108P	Inservice Inspection Activities - PWR	1

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