



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION II
SAM NUNN ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW, SUITE 23T85
ATLANTA, GEORGIA 30303-8931

August 31, 2007

Southern Nuclear Operating Company, Inc.

ATTN: Mr. J. Randy Johnson
Vice President

Joseph M. Farley Nuclear Plant
7388 N. State Highway 95
Columbia, AL 36319

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - JOSEPH M.
FARLEY NUCLEAR PLANT

Dear Mr. Johnson:

On August 15, 2007, the NRC staff completed its performance review of the Joseph M. Farley Nuclear Plant for the first half of the calendar year 2007 assessment cycle. Our technical staff reviewed performance indicators (PIs) for the most recent quarter and inspection results over the previous twelve months. The purpose of this letter is to inform you of our assessment of your safety performance during this period and our plans for future inspections at your facility.

This performance review and the enclosed inspection plan do not include physical protection information. A separate letter, designated and marked as "Exempt from Public Disclosure in Accordance with 10 CFR 2.390," will include the physical protection review and a resultant inspection plan.

Overall, both Farley Unit 1 and Unit 2 operated in a manner that preserved public health and safety and fully met all cornerstone objectives. Plant performance for Unit 1 for the most recent quarter as well as the previous three quarters was within the Licensee Response Column of the NRC's Action Matrix. Therefore, the NRC plans to conduct only baseline inspections at Unit 1 through March 31, 2009. In addition, we plan to conduct non-ROP activities involving initial reactor operator examinations at both Unit 1 and Unit 2.

Plant performance for Unit 2 for the previous three quarters was within the Licensee Response Column of the NRC's Action Matrix. However, the Mitigating Systems Performance Index (MSPI), Residual Heat Removal (RHR) System PI crossed the threshold from Green to White in the second quarter of calendar year 2007. This White PI resulted in Unit 2 moving into the Regulatory Response Column of the NRC's Action Matrix which reflected performance at a level requiring increased regulatory response. Therefore, in addition to conducting baseline inspections at Unit 2, the NRC plans to conduct Supplemental Inspection Procedure 95001, "Inspection for One or Two White Inputs In a Strategic Performance Area" when you have notified us of your readiness.

The enclosed inspection plan details the inspections, less those related to physical protection, scheduled through March 31, 2009. The inspection plan is provided to minimize the resource impact on your staff and to allow for the resolution of any scheduling conflicts and personnel

availability issues well in advance of inspector arrival onsite. Routine resident inspections are not listed due to their ongoing and continuous nature.

During the calendar year 2006 assessment cycle, the MSPI, Cooling Water Systems PI for both Unit 1 and Unit 2 crossed the threshold from Green to White in the second quarter. In March 2007, we conducted Supplemental Inspection Procedure 95001 for this White PI. Supplemental Inspection Report 05000348/2007008 and 05000364/2007008 documented a parallel PI White finding due to continuing problems with evaluating safety-related breaker failures. This parallel White finding was not considered during this performance review because the final determination was made after the review had been completed. However, this parallel White finding will be applied to the NRC's Action Matrix beginning with the third quarter of calendar year 2007.

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

The NRC is currently evaluating the scope and frequency of all baseline inspection procedures. If the results of this evaluation, or any other circumstances, cause us to change the inspection plan, we will contact you to discuss the changes as soon as possible. Please contact Scott Shaeffer to (404) 562-4521 with any questions you may have regarding this letter or the inspection plan.

Sincerely,

/RA/

Charles A. Casto, Director
Division of Reactor Projects

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

Enclosure: Farley Inspection/Activity Plan

cc w/encl: (See page 3)

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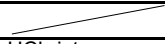
Charles A. Casto, Director
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X PUBLICLY AVAILABLE NON-PUBLICLY AVAILABLE SENSITIVE X NON-SENSITIVE
ADAMS: X Yes ACCESSION NUMBER:

OFFICE	Rii:DRP	Rii:DRP	Rii:DRP	Rii:DRP			
SIGNATURE	SMS /RA/	CWR /RA/		CAC /RA/			
NAME	SShaeffer	CRapp	HChristensen	CCasto			
DATE	08/30/2007	08/30/2007		08/30/2007			
E-MAIL COPY?	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO

SNC

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cc w/encls:

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SNC

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Letter to J. Randy Johnson from Charles A. Casto dated August 31, 2007

SUBJECT: MID-CYCLE PERFORMANCE REVIEW AND INSPECTION PLAN - JOSEPH M.
FARLEY NUCLEAR PLANT

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