

October 3, 2007

Southern Nuclear Operating Company, Inc.
ATTN: Mr. J. Randy Johnson
Vice President - Farley Project
P.O. Box 1295
Birmingham, AL 35201-1295

SUBJECT: JOSEPH M. FARLEY NUCLEAR PLANT, UNITS 1 AND 2 - NRC MATERIAL
CONTROL AND ACCOUNTING PROGRAM INSPECTION REPORT NOS.
5000348/2005204 AND 05000364/2005204

Dear Mr. Johnson:

As you are aware, on August 29 - September 2, 2005, the U.S. Nuclear Regulatory Commission (NRC) conducted an inspection of the material control and accounting (MC&A) safeguards program at the Joseph M. Farley Nuclear Plant, Units 1 and 2. The inspection was conducted under Phase III of Temporary Instruction 2515/154. The results of that MC&A inspection were documented in Inspection Report Nos. 05000348/2005204 and 05000364/2005204, issued on October 3, 2005. In an effort to keep its stakeholders informed of inspection activities, the Commission directed staff to make security-related inspection report cover letters available to the public. This letter is consistent with Commission guidance on its contents and no actions are required on your part.

The inspection examined activities conducted under your license as they relate to safety, security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed storage of special nuclear material in the spent fuel pool, and interviewed personnel. Areas examined during the inspection included physical inventory and accounting records.

Based on the results of that inspection, no findings of significance were identified. However, one NRC-identified violation, which was determined to be of very low safety significance, was discussed in the report. The NRC treated the violation as non-cited violation (NCV) consistent with Section VI.A.1 of the Enforcement Policy because of the very low safety significance of the violation and because it was placed in the corrective action program for resolution.

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 Public Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the report, and in accordance with 10 CFR 2.390, the report will not be available for public inspection.

J.R. Johnson

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Should you have any questions concerning this letter, please contact Martha Williams at (301) 415-7878.

Sincerely,

/RA/ by P. Peduzzi for

Barry Westreich, Chief
Reactor Security Oversight Branch
Division of Security Operations
Office of Nuclear Security and Incident Response

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

cc: B. D. McKinney, Licensing
Services Manager, B-031
Southern Nuclear Operating Company, Inc.

J. T. Gasser
Executive Vice President
Southern Nuclear Operating Company, Inc.

Rodney Rogers
Engineering Supervisor, Reactor
Southern Nuclear Operating Company
Joseph M. Farley Nuclear Plant

Steve Chestnut
Engineering Support Manager
Southern Nuclear Operating Company
Joseph M. Farley Nuclear Plant

State Health Officer
Alabama Department of Public Health
RSA Tower - Administration
201 Monroe St., Suite 700
P. O. Box 303017
Montgomery, AL 36130-3017

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