APS

Palo Verde Nuclear
Generating Station

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10 CFR 50.54f

102-04967-CDM/SAB/RJR
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U.S. Nuclear Regulatory Commission
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11555 Rockville Pike
Rockville, MD. 20852

References: 1. Letter 102-04885-GRO/SAB/RJR, "APS' Response to NRC Request for Additional Information dated November 21, 2002," dated January 31, 2003 from Gregg R. Overbeck to NRC.

2. NRC letter, "Bulletin 2002-01, 'Reactor Pressure Vessel Head Degradation and Reactor Coolant Pressure Boundary Integrity,' 15-Day and 60-Day Response for Palo Verde Nuclear Generating Station, Units 1, 2, and 3 – Request for Additional Information," dated November 21, 2002.

Dear Sirs:

Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2, and 3
Docket Nos. STN 50-528/529/530
Bulletin 2002-01 Additional Information (TAC No.s MB4563, MB4564, and MB4565)

In Reference 1, APS responded to the NRC's request for information transmitted to APS in Reference 2. This letter is being provided to update the information submitted in Reference 1 in which APS provided information on inspections performed in the area of the reactor bottom head nozzles. At the time the information in Reference 1 was provided, APS had only looked at the outer surface of the insulation package on the bottom of the vessel in each unit in accordance with ASME Code and the PVNGS Inservice Inspection (ISI) program.

During the Unit 3 outage completed this spring, APS did access the area between the vessel bottom and the insulation package to support planning and preparation for future examinations of the bottom instrumentation nozzles. During this data gathering inspection, some light staining and boric acid residue was evident on the bottom of the vessel. The probable cause of the staining and residue was from refueling pool seal leaks before the installation of a permanent reactor cavity pool seal during the 4th

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refueling outage. APS has determined that the observed staining produced only slight surface oxidation. No measurable degradation was observed. On April 29, 2003, APS discussed this condition with members of the NRC staff as documented in NRC letter dated May 30, 2003.

No commitments are being made to the NRC in this letter. Should you have any questions, please contact Thomas N. Weber at (623) 393-5764.

Sincerely,

David O Mauldin

CDM/SAB/RJR/kg

cc: Regional Administrator, NRC Region IV
J. N. Donohew
N. L. Salgado