



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-4005**

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February 23, 2004

Gregg R. Overbeck, Senior Vice
President, Nuclear
Arizona Public Service Company
P.O. Box 52034
Phoenix, Arizona 85072-2034

**SUBJECT: PALO VERDE NUCLEAR GENERATING STATION - NRC INSPECTION REPORT
05000528/2003010; 05000529/2003010; 05000530/2003010**

Dear Mr. Overbeck:

On August 28, 2003, the NRC completed an inspection at your Palo Verde Nuclear Generating Station. The enclosed report documents the inspection findings which were discussed on February 19, 2004, with you and other members of your staff.

The inspection examined activities conducted under your license as they relate to public health and safety, the common defense and security, and to compliance with the Commission's regulations, orders, and the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended. Therefore, the material will not be placed in the Public Document Room.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, without 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).

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

Sincerely,

//RA// Gail M. Good for

Dwight D. Chamberlain, Director
Division of Reactor Safety

Dockets: 50-528
50-529
50-530

Licenses: NPF-41
NPF-51
NPF-74

Enclosures: Inspection Report 05000528; 05000529; 05000530/2003-010
w/Attachment: Supplemental Information

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- Security Inspector (Pick)

Electronic distribution by RIV:

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- DRP Director (**ATH**)
- DRS Director (**DDC**)
- Branch Chief, DRP/D (**JAC**)
- Senior Project Engineer, DRP/D (**JLT2**)
- Staff Chief, DRP/TSS (**PHH**)
- RITS Coordinator (**NBH**)
- Debby Jackson, OEDO RIV Coordinator (**DAJ1**)
- PV Site Secretary (**vacant**)

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