



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064**

January 25, 2001

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 50-528/00-11; 50-529/00-11; 50-530/00-11**

Dear Mr. Overbeck:

On January 6, 2001, the NRC completed an inspection at your Palo Verde Nuclear Generating Station, Units 1, 2, and 3, facility. The enclosed report presents the results of this inspection. The results of this inspection were discussed on January 10 with you and members of your staff.

This inspection was an examination of activities conducted under your licenses as they relate to safety and to compliance with the Commission's rules and regulations and with the conditions of your licenses. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

Based on the results of this inspection, the inspectors identified one issue of very low safety significance (GREEN). This issue was determined to involve a violation of NRC requirements. However, because of its very low safety significance and because it has been entered into your corrective action program, the NRC is treating this issue as a noncited violation, in accordance with Section VI.A.1 of the NRC Enforcement Policy. If you deny this noncited violation, you should provide a response with the basis for your denial within 30 days of the date of this inspection report to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region IV; the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspector at the Palo Verde Nuclear Generating Station facility.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure 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/NRC/ADAMS/index.html> (the Public Electronic Reading Room).

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

Sincerely,

/RA/

Linda Joy Smith, Chief
Project Branch D
Division of Reactor Projects

Dockets: 50-528
50-529
50-530
Licenses: NPF-41
NPF-51
NPF-74

Enclosures:
NRC Inspection Report
50-528/00-11, 50-529/00-11, 50-530/00-11

Attachments:
(1) Supplemental Information
(2) NRC's Revised Reactor Oversight Process

cc w/enclosure:
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 Branch Chief, DRP/TSS (**PHH**)
 RITS Coordinator (**NBH**)

Only inspection reports to the following:
 David Diec (**DTD**)
 NRR Event Tracking System (**IPAS**)
 PV Site Secretary (**TLB4**)
 Dale Thatcher (**DFT**)

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RIV:RI:DRP/D	RI:DRP/D	SRI:DRP/D	BC:DRP/D
NLSalgado	GGWarnick	JHMoorman	LJSmith
T-LJSmith	T-NLS/LJS	T-LJSmith	/RA/
01/23/01	01/23/01	01/25/01	01/25/01

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ENCLOSURE

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

Docket: 50-528, 50-529, 50-530
License: NPF-41, NPF-51, NPF-74
Report: 50-528/00-11, 50-529/00-11, 50-530/00-11
Licensee: Arizona Public Service Company
Facility: Palo Verde Nuclear Generating Station, Units 1, 2, and 3
Location: 5951 S. Wintersburg Road
Tonopah, Arizona
Dates: November 26, 2000, through January 6, 2001
Inspectors: J. H. Moorman, III, Senior Resident Inspector
N. L. Salgado, Resident Inspector
G. G. Warnick, Resident Inspector
J. G. Kramer, Resident Inspector, San Onofre
Approved By: Linda Joy Smith, Chief, Project Branch D, Division of Reactor Projects

b.

a. .2

b.

a. .1

1R04 1.

petitions Summary of Plant Sta

No findings of significance

[Report Details](#)

a. 1. 1R14 b.

a. 1R13 b.

~~the most significant of the following items are listed in the attached schedule of items to be removed from the site.~~

Low Pressure Hot Water Heating System (Jettie) Cooling Water and Effluent Discharge Facility

40A6

.3

.2

~~inspected for the presence of lead, mercury, cadmium, chromium, copper, nickel, and zinc.~~

Reactor Safety

NRC'S REVISED REACTOR SAFETY

- **Radiation Safety**

ATTACHMENT 2

- **Physical Protection**

Safeguards