



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
REGION IV  
1600 E. LAMAR BLVD  
ARLINGTON, TX 76011-4511

July 29, 2015

Mr. Randall K. Edington  
Executive Vice President Nuclear/CNO  
Arizona Public Service Company  
P.O. Box 52034, MS 7602  
Phoenix, AZ 85072-2034

SUBJECT: CLOSURE OF INVESTIGATION (OI 4-2014-038)

Dear Mr. Edington:

This refers to an investigation conducted by the NRC's Office of Investigations regarding activities at Palo Verde Nuclear Generating Station. The Office of Investigations initiated the investigation to determine whether personnel at Arizona Public Service Company's Palo Verde Nuclear Generating Station in Wintersburg, Arizona willfully failed to label a container containing radioactive material and willfully failed to conduct a survey to evaluate radioactivity and potential radiological levels prior to de-posting a contaminated valve.

Based on the evidence, the allegation that personnel at Palo Verde Nuclear Generating Station willfully failed to label a container containing radioactive material was not substantiated.

Based on the evidence, the allegation that personnel at Palo Verde Nuclear Generating Station willfully failed to conduct a survey to evaluate radioactivity and potential radiological levels prior to de-posting a contaminated valve is not substantiated.

The NRC plans no further action related to the willful aspects of this allegation and considers this investigation closed.

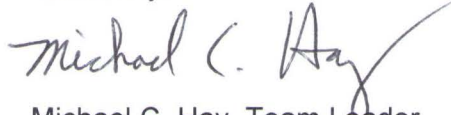
You should note that final NRC documents may be made available to the public under the Freedom of Information Act subject to redaction of information pursuant to the Freedom of Information Act. Requests under the Freedom of Information Act should be made in accordance with 10 CFR 9.23, Requests for Records. Information is accessible from the NRC's website at <http://www.nrc.gov/reading-rm/foia/foia-request.html#how>.

R. Edington

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In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC website at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

A handwritten signature in black ink that reads "Michael C. Hay". The signature is written in a cursive style with a large, sweeping flourish at the end.

Michael C. Hay, Team Leader  
Allegations Coordination and Enforcement Staff

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