

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~



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

September 11, 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: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 –
NRC SECURITY INSPECTION REPORT 05000528/2015403, 05000529/2015403,
AND 05000530/2015403

Dear Mr. Edington:

On August 20, 2015, the U.S. Nuclear Regulatory Commission (NRC) completed a security inspection at Palo Verde Nuclear Generating Station, Units 1, 2, and 3. An NRC inspector discussed the results of this inspection with Ms. M. Lacal, Vice President, Regulatory and Oversight, and other members of your staff. The inspector documented the results of this inspection in the enclosed inspection report.

The NRC inspector did not identify any findings or violations of more than minor significance.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390, "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

However, the material enclosed herewith contains Security-Related Information in accordance with 10 CFR 2.390(d)(1) and its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the material in the enclosure will not be made available electronically.

"Enclosure transmitted herewith contains SUNSI. When separated from enclosure, this transmittal document is decontrolled."

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~

R. Edington

- 2 -

for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agency wide Documents Access and Management System (ADAMS). If you choose to provide a response and Security-Related Information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information – Withhold from Public Disclosure Under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Mark S. Haire
Chief, Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 50-528, 50-529, and 50-530
License Nos. NPF-41, NPF-51, and NPF-74

Nonpublic Enclosure:
NRC Inspection Report 05000528/2015403,
05000529/2015403, 05000530/2015403
w/Attachment: Supplemental Information

cc w/enclosure:
Mr. Michael J. Cosenza
Department Leader, Nuclear Security Programs
Arizona Public Service Company
P.O. Box 52034, MS 7002
Phoenix, AZ 85072-2034

cc w/o enclosure: Electronic Distribution

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~

R. Edington

- 2 -

for public inspection in the NRC's Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Documents Access and Management System (ADAMS). If you choose to provide a response and Security-Related Information is necessary to provide an acceptable response, please mark your entire response "Security-Related Information – Withhold from Public Disclosure Under 10 CFR 2.390" in accordance with 10 CFR 2.390(d)(1) and follow the instructions for withholding in 10 CFR 2.390(b)(1). In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response.

Sincerely,

/RA/

Mark S. Haire
Chief, Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 50-528, 50-529, and 50-530
License Nos. NPF-41, NPF-51, and NPF-74

Nonpublic Enclosure:
NRC Inspection Report 05000528/2015403,
05000529/2015403, 05000530/2015403
w/Attachment: Supplemental Information

cc w/enclosure:
Mr. Michael J. Cosenza
Department Leader, Nuclear Security Programs
Arizona Public Service Company
P.O. Box 52034, MS 7002
Phoenix, AZ 85072-2034

cc w/o enclosure: Electronic Distribution

Distribution:
See next page

ADAMS ACCESSION NUMBER: ML15257A335

Entire Report: <input checked="" type="checkbox"/> SUNSI Review Complete By: MKB		<input type="checkbox"/> Non-Sensitive <input checked="" type="checkbox"/> Sensitive		<input type="checkbox"/> Publicly Available <input checked="" type="checkbox"/> Non-Publicly Available		Keyword: MD 3.4 Non-Public A.3 NRC-002	
Cover Letter Only: <input checked="" type="checkbox"/> SUNSI Review Complete By: MKB		<input checked="" type="checkbox"/> Non-Sensitive <input type="checkbox"/> Sensitive		<input checked="" type="checkbox"/> Publicly Available <input type="checkbox"/> Non-Publicly Available		Keyword: SUNSI Review Complete NRC-002	
OFFICE	PSI:PSB1	C:PSB1	C:DRP/D	C:PSB1			
NAME	MBrooks	MHaire	GMiller	MHaire			
SIGNATURE	/RA/	/RA/	/RA/	/RA/			
DATE	9/6/15	9/10/15	9/11/15	9/11/15			

OFFICIAL RECORD COPY

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~

Letter to Randall K. Edington from Mark S. Haire, dated September 11, 2015

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 –
NRC SECURITY INSPECTION REPORT 05000528/2015403, 05000529/2015403,
AND 05000530/2015403

Electronic distribution by RIV w/enclosure:

Security Specialist/NSIR (Eric.Wharton@nrc.gov)
Security Specialist/NSIR (Niry.Simonian@nrc.gov)
Chief, Security Performance Evaluation Branch/NSIR (Clay.Johnson@nrc.gov)
Security Specialist/NSIR (Douglas.Garner@nrc.gov)
Branch Chief, RI DRS/PSB1 (Anthony.Dimitriadis@nrc.gov)
Branch Chief, RII DRS/PSB1 (Binoy.Desai@nrc.gov)
Branch Chief, RIII DRS/PSB (Steven.Orth@nrc.gov)
Senior Resident Inspector (Charles.Peabody@nrc.gov)

Electronic distribution by RIV w/o enclosure:

Regional Administrator (Marc.Dapas@nrc.gov)
Deputy Regional Administrator (Kriss.Kennedy@nrc.gov)
DRP Director (Troy.Pruett@nrc.gov)
DRP Deputy Director (Ryan.Lantz@nrc.gov)
DRS Director (Anton.Vegel@nrc.gov)
DRS Deputy Director (Jeff.Clark@nrc.gov)
Senior Resident Inspector (Charles.Peabody@nrc.gov)
Resident Inspector (David.You@nrc.gov)
Resident Inspector (Dustin.Reinert@nrc.gov)
Branch Chief, DRP/D (Geoffrey.Miller@nrc.gov)
Senior Project Engineer, DRP/D (Bob.Hagar@nrc.gov)
Project Engineer, DRP/D (Jan.Tice@nrc.gov)
Public Affairs Officer (Victor.Dricks@nrc.gov)
Public Affairs Officer (Lara.Uselding@nrc.gov)
Project Manager (Margaret.Watford@nrc.gov)
Acting Team Leader, DRS/TSS (Eric.Ruesch@nrc.gov)
RITS Coordinator (Marisa.Herrera@nrc.gov)
ACES (R4Enforcement.Resource@nrc.gov)
Regional Counsel (Karla.Fuller@nrc.gov)
Technical Support Assistant (Loretta.Williams@nrc.gov)
Congressional Affairs Officer (Jenny.Weil@nrc.gov)
RIV Congressional Affairs Officer (Angel.Moreno@nrc.gov)
RIV/ETA: OEDO (Cindy.Rosales-Cooper@nrc.gov)
ROPReports

~~OFFICIAL USE ONLY – SECURITY-RELATED INFORMATION~~