



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

December 1, 2016

Mr. Robert S. Bement
Executive Vice President Nuclear/
Chief Nuclear Officer
Mail Station 7602
Arizona Public Service Company
P. O. Box 52034
Phoenix, AZ 85072-2034

**SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
NOTIFICATION OF EVALUATIONS OF CHANGES, TESTS, AND
EXPERIMENTS, AND PERMANENT PLANT MODIFICATIONS
INSPECTION (05000528/2017007; 05000529/2017007; AND 05000530/2017007)
AND REQUEST FOR INFORMATION**

Dear Mr. Bement:

The purpose of this letter is to notify you that U.S. Nuclear Regulatory Commission (NRC) staff will conduct the baseline inspection of changes, tests, experiments, and permanent plant modifications at your Palo Verde Nuclear Generating Station, Units 1, 2, and 3, from February 27, 2017, to March 3, 2017. The inspection will consist of three reactor inspectors from the NRC's Region IV office for one on-site week. The inspection will be conducted in accordance with NRC Inspection Procedure 71111.17T, "Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications."

Experience has shown that this inspection is resource intensive for both the NRC inspectors and your staff. In order to minimize the impact to your on-site resources and to ensure a productive inspection, we have enclosed a request for documents needed for this inspection. Please note that the documents are requested to be provided by February 15, 2017. Upon review of these documents, the inspectors will select additional documentation for review upon arrival. It is important that all of these documents are up-to-date and complete in order to minimize the number of additional documents requested during the preparation and/or the on-site portions of the inspection.

We have discussed the schedule for these inspection activities with your staff. If there are any questions about this inspection or the material requested, please contact the lead inspector, James Drake, by telephone at 817-200-1558 or by e-mail at James.Drake@nrc.gov.

This letter does not contain new or amended information collection requirements subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing information collection requirements were approved by the Office of Management and Budget, control number 3150-0011. The NRC may not conduct or sponsor, and a person is not required to respond to, a request for information or an information collection requirement unless the requesting document displays a currently valid Office of Management and Budget control number.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," 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/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

/RA/

Thomas R. Farnholtz, Chief
Engineering Branch 1
Division of Reactor Safety

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

Enclosure:
Request for Information

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OFFICIAL RECORD COPY

Letter to Robert S. Bement from Thomas R. Farnholtz, dated December 1, 2016

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
NOTIFICATION OF EVALUATIONS OF CHANGES, TESTS, AND
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Request for Information
Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications
Inspection
Palo Verde Nuclear Generating Station, Units 1, 2, and 3

Inspection Report: 05000528/2017007, 05000529/2017007, and 05000530/2017007

Inspection Dates: February 27, 2017 to March 3, 2017

Inspection Procedure: IP 71111.17T, "Evaluations of Changes, Tests, and Experiments and Permanent Plant Modifications"

Lead Inspector: James Drake, Senior Reactor Inspector

Information Requested for the In-Office Preparation Week

The following information should be provided to the Region IV office in hard copy or electronic format or via CERTREC (preferred) by February 15, 2017, to the attention of Jim Drake. We request that you categorize the documents in your response with the numbered list below. If only hard copies of the requested documents are available or if the electronic format is too large, please inform the lead inspector and provide the documents on the first day of the on-site inspection. Also, the inspectors will select specific items from the information requested below and request from your staff additional documents needed during the on-site inspection week. We ask that the specific items requested be available and ready for review on the first day of inspection. If you have any questions regarding this information request, please contact the lead inspector as soon as possible.

1. Procedure(s) for conducting 10 CFR 50.59 screenings and evaluations.
2. A list with descriptions of all 10 CFR 50.59 screenings (or equivalent) of fully implemented changes, tests, and experiments performed since the last triennial modification inspection that did not result in an evaluation.
3. A list with descriptions of all 10 CFR 50.59 evaluations of fully implemented changes, tests, and experiments performed since the last triennial modification inspection that did not result in an application for a license amendment.
4. A list with descriptions of all corrective action documents related to 10 CFR 50.59 screenings and evaluations since the last triennial modification inspection.
5. A list of personnel qualified to prepare 10 CFR 50.59 screenings and/or evaluations, including qualification dates.
6. A list of personnel qualified to review and approve 10 CFR 50.59 screenings and/or evaluations, including qualification dates.
7. Procedure(s) for implementing permanent plant modifications.

Enclosure

8. A list with descriptions of all permanent plant modifications fully implemented since the last triennial modification inspection.
9. A list with descriptions of all corrective action documents related to permanent plant modifications fully implemented since the last triennial modification inspection.
10. Current revisions of the Technical Specifications and bases and the Updated Final Safety Analysis Report.
11. A copy of the most recent audits/self-assessments performed of the 10 CFR 50.59 and permanent plant modification programs.
12. A copy of the most recent submittal of the report containing a brief description of any changes, tests, and experiments, including a summary of the evaluation of each, required by 10 CFR 50.59(d)(2).
13. A list of systems and system designators and a set of one-line (i.e., simplified) system diagrams.

Note: Descriptions should be brief, but of sufficient detail to ensure that inspectors can determine the safety and/or risk significance of the screenings, evaluations, and modifications.

Note: For this inspection, permanent plant modifications include permanent plant changes, design changes, set point changes, procedure changes, equivalency evaluations, suitability analyses, calculations, and commercial grade dedications.

Lead Inspector Contact Information:

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Senior Reactor Inspector
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