



**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**

REGION IV  
1600 EAST LAMAR BOULEVARD  
ARLINGTON, TEXAS 76011-4511

September 23, 2021

Ms. Maria Lacal  
Executive Vice President / Chief Nuclear Officer  
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 –  
INDEPENDENT SPENT FUEL STORAGE INSTALLATION SECURITY INSPECTION REPORT  
05000528/2021404, 05000529/2021404, 05000530/2021404 AND 07200044/2021401

Dear Ms. Lacal:

On August 26, 2021, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at Palo Verde Nuclear Generating Station Units 1, 2 and 3 and discussed the results of this inspection with Mr. Mike McLaughlin, Vice President, Site Services, and other members of your staff.

The NRC inspector documented one NRC identified Severity Level IV violation. The NRC is treating this violation as a non-cited violation (NCV) consistent with Section 2.3.2 of the Enforcement Policy.

If you contest the violation or significance of this NCV, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington DC 20555-0001; with copies to the Regional Administrator, Region IV; and the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's Agencywide Document 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 for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. If Security-Related Information is necessary to provide an acceptable response, please mark your entire response Security-Related Information in accordance with 10 CFR 2.390(d)(1) and

Enclosure(s) transmitted herewith contain(s) SUNSI. When separated from enclosure(s), this transmittal document is decontrolled.
--

M. Lacal

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

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,



Signed by Kellar, Ray  
on 09/23/21

Ray L. Kellar, P.E., Chief  
Plant Support Branch 1  
Division of Reactor Safety

Docket No. 05000530  
05000529  
05000528  
07200044

Enclosure:  
As stated

cc w/ encl: Distribution via LISTSERV®

~~OFFICIAL USE ONLY – SECURITY RELATED INFORMATION~~

PALO VERDE NUCLEAR GENERATING STATION UNITS 1, 2 AND 3 –  
INDEPENDENT SPENT FUEL STORAGE INSTALLATION SECURITY INSPECTION REPORT  
05000528/2021404, 05000529/2021404, 05000530/2021404 AND 07200044/2021401-  
DATED SEPTEMBER 23, 2021

**DISTRIBUTION:**

SMorris, RA  
JMonninger, DRA  
AVegel, DRP  
MHay, DRP  
RLantz, DRS  
GMiller, DRS  
DCylkowski, RC  
AMcCraw, RIV/OEDO  
VDricks, ORA  
LWilkins, OCA  
SLingam, NRR  
AMoreno, RIV/OCA  
BMaier, RSLO  
AAgrawal, IPAT  
JDixon, DRP  
ASanchez, DRP  
RWilliams, DRP  
JFreeman, DRP  
LMerker, DRP  
NCuevas, DRP  
ELantz, DRP  
YDubay, DRP  
BCorrell, IPAT  
LFlores, IPAT  
FRamirez, IPAT  
MMuessle, DNMS  
LHowell, DNMS  
GWarnick, DNMS  
EWharton, NSIR  
NSimonian, NSIR  
DGarner, NSIR  
TKeene, NSIR  
DJohnson, NSIR  
JJustice, NSIR  
FSullivan, NSIR  
FBower, RI  
JWorosilo, RII  
SOrth, RIII DRS  
R4Enforcement

ADAMS ACCESSION NUMBER: ML21265A322

<input checked="" type="checkbox"/> SUNSI Review	<input checked="" type="checkbox"/> Non-Sensitive		<input checked="" type="checkbox"/> Publicly Available		
OFFICE	PSB1	PSB1	C: PSB1	C: DRPD	C: PSB1
NAME	DHolman	AMeyen	RKellar	AAgrawal	RKellar
DATE	09/16/2021	09/17/2021	09/17/2021	09/21/2021	09/23/2021

OFFICIAL RECORD COPY