



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

March 11, 2025

Adam C. Heflin, Executive Vice President,
and Chief Nuclear Officer
Arizona Public Service Company
P.O. Box 52034, MS 7602
Phoenix, AZ 85072-2034

**SUBJECT: ANNUAL ASSESSMENT LETTER FOR PALO VERDE NUCLEAR
GENERATING STATION - UNITS 1, 2 AND 3 REPORT 05000528/2024006
AND 05000529/2024006 AND 05000530/2024006**

Dear Adam Heflin:

The U.S. Nuclear Regulatory Commission (NRC) has completed its end-of-cycle performance assessment of Palo Verde Nuclear Generating Station, Units 1, 2, and 3, reviewing performance indicators (PIs), inspection results, and enforcement actions from January 1, 2024, through December 31, 2024. This letter informs you of the NRC's assessment of your facility during this period and its plans for future inspections at your facility. The NRC concluded that overall performance at your facility preserved public health and safety. The baseline inspection program was completed at your facility as defined in Inspection Manual Chapter 2515, "Light-Water Reactor Inspection Program - Operations Phase."

The NRC determined the performance at Palo Verde Nuclear Generating Station, Units 1, 2, and 3 during the most recent quarter was within the Licensee Response Column, the highest performance category of the NRC's Reactor Oversight Process (ROP) Action Matrix, because all inspection findings had very low safety significance (i.e., Green), and all PIs were within the expected range (i.e., Green). Therefore, the NRC plans to conduct ROP baseline inspections at your facility.

The enclosed inspection plan lists the inspections scheduled through December 31, 2026. The NRC provides the inspection plan to allow for the resolution of any scheduling conflicts and personnel availability issues. Routine inspections performed by resident inspectors are not included in the inspection plan. The inspections listed during the last 12 months of the inspection plan are tentative and may be revised. The NRC will contact you as soon as possible to discuss changes to the inspection plan should circumstances warrant any changes.

This plan also includes two non-routine inspections in calendar year 2025 which are, inspection procedures IP 71003 License Renewal (Post-Approval Site (Units 1, 2, and 3) Inspection – Phase 2) scheduled March 3 – 21, 2025, and IP 71003 License Renewal (Unit 3 – Phase 1) scheduled October 5 – 11, 2025. The regional administrator has approved implementation of these inspection procedures.

This letter and its enclosure will be made available for public inspection and copying at [ADAMS Public Documents | NRC.gov](https://www.nrc.gov/publications/ADAMS) and at the NRC Public Document Room in accordance with Title 10 of the Code of Federal Regulations 2.390, "Public Inspections, Exemptions, Requests for Withholding."

Please contact me at (817) 200-1574 with any questions you have regarding this letter.

Sincerely,



Signed by Dixon, John
on 03/11/25

John L. Dixon, Jr., Chief
Reactor Projects Branch D
Division of Operating Reactor Safety

Docket Nos. 05000528; 05000529; 05000530
License Nos. NPF-41; NPF-51; NPF-74

Enclosure:
Inspection Plan

cc w/ encl: Distribution via LISTSERV

ANNUAL ASSESSMENT LETTER FOR PALO VERDE NUCLEAR GENERATING STATION - UNITS 1, 2 AND 3 REPORT 05000528/2024006 AND 05000529/2024006 AND 05000530/2024006 – DATED MARCH 11, 2025

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DOCUMENT NAME: ANNUAL ASSESSMENT LETTER FOR PALO VERDE NUCLEAR GENERATING STATION - UNITS 1, 2 AND 3 REPORT 05000528/2024006 AND 05000529/2024006 AND 05000530/2024006

ADAMS ACCESSION NUMBER: **ML25062A273**

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Site Inspection Activity Plan

Palo Verde

01/01/2025 - 12/31/2026

Unit	Start	End	Activity	CAC	Title	Staff Count
FORCE-ON-FORCE PLANNING AND EXERCISE WEEKS - PV						5
1,2,3	1/6/2025	1/10/2025	IP 71130.03	000735	Contingency Response - Force-On-Force Testing	
1,2,3	1/27/2025	1/31/2025	IP 71130.03	000735	Contingency Response - Force-On-Force Testing	
Fire Protection Inspection - PV						3
1,2,3	1/27/2025	1/31/2025	IP 71111.21N.05	001646	Fire Protection Team Inspection (FPTI)	
1,2,3	2/10/2025	2/14/2025	IP 71111.21N.05	001646	Fire Protection Team Inspection (FPTI)	
License Renewal 71003- PV (Phase 2)						5
1,2,3	3/3/2025	3/7/2025	IP 71003	000687	Post-Approval Site Inspection for License Renewal	
1,2,3	3/17/2025	3/21/2025	IP 71003	000687	Post-Approval Site Inspection for License Renewal	
EP 2025 Biennial Exercise Inspection - PV						4
1,2,3	3/3/2025	3/7/2025	IP 71114.01	000716	Exercise Evaluation	
1,2,3	3/3/2025	3/7/2025	IP 71114.04	000719	Emergency Action Level and Emergency Plan Changes	
1,2,3	3/3/2025	3/7/2025	IP 71151	001397	Performance Indicator Verification	
PV 2025 INITIAL EXAM						8
1,2,3	3/30/2025	4/5/2025	OV	000956	FB-OR-Onsite Validation Of Initial License Examination (OV)	
1,2,3	5/4/2025	5/10/2025	EXAD	000500	FB-OR-Initial License Exam Administration (EXAD)	
Inservice Inspection - PV (U1)						1
1	4/7/2025	4/18/2025	IP 71111.08P	000702	Inservice Inspection Activities (PWR)	
RP 1,4,PI - PV						2
1,2,3	4/14/2025	4/18/2025	IP 71124.01	000725	Radiological Hazard Assessment and Exposure Controls	
1,2,3	4/14/2025	4/18/2025	IP 71124.04	000728	Occupational Dose Assessment	
1,2,3	4/14/2025	4/18/2025	IP 71151	000746	Performance Indicator Verification	
PV 2025 Biennial PI&R						4
1,2,3	6/9/2025	6/13/2025	IP 71152B	000747	Problem Identification and Resolution	
1,2,3	6/23/2025	6/27/2025	IP 71152B	000747	Problem Identification and Resolution	
MC&A - PV						1
1,2,3	6/23/2025	6/27/2025	IP 71130.11	000742	Material Control and Accounting (MC&A)	
Security Access Control (.02), Security Plan Changes (.09), Security PIV (71151)						1
1,2,3	9/8/2025	9/12/2025	IP 71130.02	000734	Access Control	
1,2,3	9/8/2025	9/12/2025	IP 71130.09	001656	Security Plan Changes	
1,2,3	9/8/2025	9/12/2025	IP 71151	001338	Performance Indicator Verification	
RP 5,6,7,8 - PV						4
1,2,3	9/22/2025	9/26/2025	IP 71124.05	000729	Radiation Monitoring Instrumentation	

Site Inspection Activity Plan

1,2,3	9/22/2025	9/26/2025	IP 71124.06	000730	Radioactive Gaseous and Liquid Effluent Treatment	
1,2,3	9/22/2025	9/26/2025	IP 71124.07	000731	Radiological Environmental Monitoring Program	
1,2,3	9/22/2025	9/26/2025	IP 71124.08	000732	Radioactive Solid Waste Processing & Radioactive Material Handling, Storage, & Transportation	
License Renewal 71003 - PV Unit 3 (Phase 1)						2
3	10/5/2025	10/11/2025	IP 71003	000687	Post-Approval Site Inspection for License Renewal	
Inservice Inspection- PV (U3)						1
3	10/13/2025	10/24/2025	IP 71111.08P	000702	Inservice Inspection Activities (PWR)	
Comprehensive Engineering Team Inspection - Palo Verde						7
1,2,3	1/26/2026	1/30/2026	IP 71111.21M	000713	Comprehensive Engineering Team Inspection	
1,2,3	2/9/2026	2/13/2026	IP 71111.21M	000713	Comprehensive Engineering Team Inspection	
Security Protective Strategy (71130.05) and Target Sets (71130.14)						3
1,2,3	2/9/2026	2/13/2026	IP 71130.05	000737	Protective Strategy Evaluation	
1,2,3	2/9/2026	2/13/2026	IP 71130.14	000743	Review of Power Reactor Target Sets	
EP Program & PI Inspection (2026) - PV						1
1,2,3	3/16/2026	3/20/2026	IP 71114.02	000717	Alert and Notification System Testing	
1,2,3	3/16/2026	3/20/2026	IP 71114.03	000718	Emergency Response Organization Staffing and Augmentation System	
1,2,3	3/16/2026	3/20/2026	IP 71114.04	000719	Emergency Action Level and Emergency Plan Changes	
1,2,3	3/16/2026	3/20/2026	IP 71114.05	000720	Maintenance of Emergency Preparedness	
1,2,3	3/16/2026	3/20/2026	IP 71151	001397	Performance Indicator Verification	
Inservice Inspection - PV (U2)						1
2	4/13/2026	4/24/2026	IP 71111.08P	000702	Inservice Inspection Activities (PWR)	
RP 1,3,PI - PV						2
1,2,3	4/13/2026	4/17/2026	IP 71124.01	000725	Radiological Hazard Assessment and Exposure Controls	
1,2,3	4/13/2026	4/17/2026	IP 71124.03	000727	In-Plant Airborne Radioactivity Control and Mitigation	
1,2,3	4/13/2026	4/17/2026	IP 71151	000746	Performance Indicator Verification	
PV 2026 INITIAL EXAM						8
1,2,3	4/12/2026	4/18/2026	OV	000956	FB-OR-Onsite Validation Of Initial License Examination (OV)	
1,2,3	5/10/2026	5/16/2026	EXAD	000500	FB-OR-Initial License Exam Administration (EXAD)	
Cybersecurity-PV						2
1,2,3	5/11/2026	5/15/2026	IP 71130.10	000741	Cybersecurity	
Security FFD						1
1,2,3	6/22/2026	6/26/2026	IP 71130.08	000740	Fitness-For-Duty Program	
PV 2026 BRQ						2
1,2,3	8/30/2026	9/5/2026	IP 71111.11B	000704	Licensed Operator Requalification Program and Licensed Operator Performance	
Security AA-AC-PIV-Plan Change						2

Site Inspection Activity Plan

1,2,3	9/14/2026	9/18/2026	IP 71130.01	000733	Access Authorization	
1,2,3	9/14/2026	9/18/2026	IP 71130.02	000734	Access Control	
1,2,3	9/14/2026	9/18/2026	IP 71130.09	001656	Security Plan Changes	
1,2,3	9/14/2026	9/18/2026	IP 71151	001338	Performance Indicator Verification	
Inservice Inspection - PV (U1)						1
1	10/19/2026	10/30/2026	IP 71111.08P	000702	Inservice Inspection Activities (PWR)	