

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION IV 611 RYAN PLAZA DRIVE, SUITE 400 ARLINGTON, TEXAS 76011-4005

July 10, 2006

James M. Levine, Executive Vice President, Generation Mail Station 7602 Arizona Public Service Company P.O. Box 52034 Phoenix, AZ 85072-2034

SUBJECT: CLOSURE OF INVESTIGATION (OI 4-2006-007)

Dear Mr. Levine:

This refers to an investigation conducted by the NRC Office of Investigations (OI) regarding activities at Palo Verde Nuclear Generating Station. OI initiated the investigation to determine whether an Instrument & Control (I&C) Planner/Advisor was the subject of discrimination for raising safety concerns.

Based on the evidence developed during the investigation, testimony, and document reviews, the allegation was not substantiated. The NRC plans no further action related to alleged discrimination and considers this investigation closed.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," 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 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/

Arthur T. Howell III, Director Division of Reactor Projects

Dockets: 50-528

50-529

50-530

Licenses: NPF-41

NPF-51

NPF-74

J. Levine -2-

bcc: Allegation File

SUNSI Review Completed: SPR ADAMS: Yes No □ Initials: SPR Publicly Available □ Non-Publicly Available □ Sensitive

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NAME	SPRutenkroger	HAFreeman	KDFuller	TWPruett	ATHowell
	/RA/	/RA/	/RA/	/RA/	/RA/
DATE	07/05/2006	07/05/2006	07/06/2006	07/06/2006	07/10/2006