

## SAFEGUARDS INFORMATION

October 05, 2007

Mr. Randall K. Edington  
Senior Vice President Nuclear  
Palo Verde Nuclear Generating Station  
Arizona Public Service Co.  
5801 S. Wintersburg Road  
Tonopah, AZ 85354-0003

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION - SECURITY INSPECTION  
05000528/2007201, 05000529/2007201 AND 05000530/2007201

Dear Mr. Edington:

On August 24, 2007, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at the Palo Verde Nuclear Generating Station. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed inspection report documents the inspection results, which were discussed on August 24, 2007, with you and other members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel. No findings of significance were identified.

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 Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related information contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

Enclosure contains **Safeguards Information**. Upon removal, this letter is decontrolled.

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R. Edington

-2-

Should you have any questions concerning this letter, please contact us. Your cooperation is appreciated.

Sincerely,

*/RA/*

Ronald J. Albert, Chief  
Security Performance Evaluation Branch  
Division of Security Operations  
Office of Nuclear Security and Incident Response

Docket Nos.: 50-528, 50-529, 50-530

License Nos.: NPF-41, NPF-51, NPF-74

Enclosure: NRC Inspection Report No. 05000528/2007201, 05000529/2007201 and 05000530/2007201

cc w/encl: Mr. Charles H. Coles, Department Leader, Security Operations  
Palo Verde Nuclear Generating Station  
Arizona Public Service Co.  
5801 S. Wintersburg Road  
Tonopah, AZ 85354-0003

cc w/o encl: Mr. Edward A. O'Neill, Emergency Planning Program Department Lead  
Palo Verde Nuclear Generating Station  
Arizona Public Service Co.  
5801 S. Wintersburg Road  
Tonopah, AZ 85354-0003

Frank Navarette  
Homeland Security Director  
Director of the Division of Emergency Management  
1700 W. Washington Street, 3<sup>rd</sup> Floor  
Phoenix, AZ 85007

Aubrey Godwin, Director  
Arizona Radiation Regulatory Agency  
4814 South 40<sup>th</sup> Street  
Phoenix, AZ 85004

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Distribution w/encl:

SPEB R/F - C. Grigsby, SPEB  
R. Patterson, R-IV

D. Riffle, DDSO/DSO  
G. Warnick, SRI Palo Verde

Distribution w/o encl:

M. Markley, PM - NRR  
A. McLeod - PMDA

Accession No.: ML072670415

\* See previous concurrence

<b>OFC:</b>	DSO/SPEB		DSO/SPEB		SRI Palo Verde		Region IV		DSO/SPEB	
<b>NAME:</b>	*C. Grigsby		*A. Rayland		*G. Warnick		*M. Shannon		R. Albert	
<b>DATE:</b>	09/20/07		09/21/07		09/21/07		09/21/07		10/05/07	

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