

UNITED STATES NUCLEAR REGULATORY COMMISSION REGION IV 612 EAST LAMAR BLVD, SUITE 400 ARLINGTON, TEXAS 76011-4125

AUG 1 3 2010

Randall K. Edington, Executive Vice President, Nuclear/CNO Arizona Public Service Company P.O. Box 52034, Mail Stop 7602 Phoenix, AZ 85072-2034

SUBJECT: CLOSURE OF INVESTIGATION (OI 4-2010-007)

Dear Mr. Edington:

This refers to an investigation conducted by the NRC's Office of Investigations regarding activities at Palo Verde Nuclear Generating Station. The Office of Investigations initiated the investigation to determine whether a senior scheduler was the subject of discrimination for raising safety concerns.

Based on the evidence developed during the investigation, testimony, and document reviews, the allegation with regard to a senior scheduler being the subject of discrimination for raising safety concerns was not substantiated. The NRC plans no further action related to discrimination aspects of the allegation 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 <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a> (the Public Electronic Reading Room).

Sincerely,

1-OST

William B. Jones, Chief Allegations and Enforcement Branch

Dockets: 50-528; 50-529; 50-530 Licenses: NPF-41; NPF-51; NPF-74