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

June 25, 2012

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

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 – NRC  
SECURITY INSPECTION PROCEDURE 95001  
SUPPLEMENTAL INSPECTION REPORT 05000528/2012405,  
05000529/2012405 AND 05000530/2012405

Dear Mr. Edington:

On June 11, 2012, the U. S. Nuclear Regulatory Commission (NRC) completed a supplemental inspection, pursuant to Inspection Procedure 95001, at your Palo Verde Nuclear Generating Station, Units 1, 2, and 3. The enclosed inspection report documents the inspection results, which were discussed on June 13, 2012, with Mr. D. Mims, Senior Vice President, Regulatory Affairs, and other members of your staff.

In accordance with the NRC Reactor Oversight Process Action Matrix, this supplemental inspection was performed to follow-up on a performance issue which occurred in the second quarter of 2011. This issue was previously documented and assessed in NRC Inspection Report 05000528/2011404, 05000529/2011404 and 05000530/2011404. The NRC was informed on May 14, 2012, of your staff's readiness for this inspection.

The objectives of this supplemental inspection were to provide assurance that: (1) the root causes and the contributing causes for the significant issues were understood; (2) the extent of condition and extent of cause of the issues were identified; and (3) corrective actions were or will be sufficient to address and preclude repetition of the root and contributing causes.

Based on the results of this inspection, no findings were identified.

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Sincerely,

/RA/

Thomas Blount, Acting Director  
Division of Reactor Safety

Docket Nos: 50-528; 50-529; 50-530  
License Nos: NPF-41; NPF-51; NPF-74

Nonpublic Enclosure:  
NRC Inspection Report 05000528/2012405,  
05000529/2012405, and 05000530/2012405  
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SUNSI Review Completed: ETB                      ADAMS:  Yes                      Initials: ETB  
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