



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION V  
1990 N. CALIFORNIA BOULEVARD  
SUITE 202, WALNUT CREEK PLAZA  
WALNUT CREEK, CALIFORNIA 94596

MAY 23 1980

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

Arizona Public Service Company  
P. O. Box 21666  
Phoenix, Arizona 85036

Attention: Mr. E. E. Van Brunt, Jr.  
Vice President, Construction Projects and ANPP Director

Gentlemen:

Subject: NRC Inspection of Palo Verde Units 1, 2 & 3

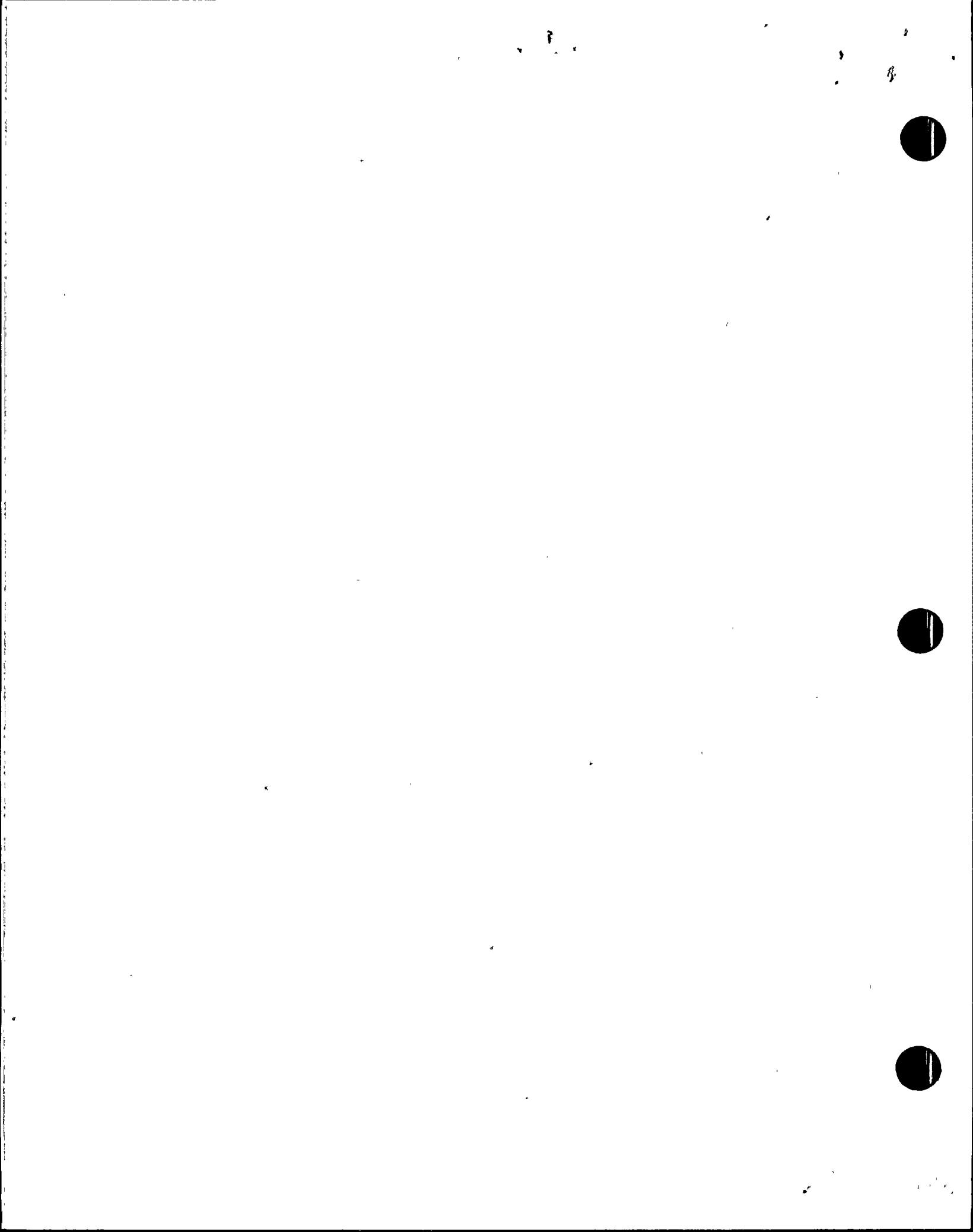
This refers to the inspection conducted by Messrs. J. H. Eckhardt, G. Hernandez, and P. V. Joukoff of this office on April 15-18, 1980 of activities authorized by NRC Construction Permit Nos. CPPR-141, 142 and 143 and to the discussion of our findings held with you and other members of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. This item of noncompliance has been categorized into a level as described in our correspondence to all NRC licensees dated December 31, 1974.

This notice is sent to you pursuant to the provisions of Section 2.201, of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within thirty (30) days of your receipt of this notice, a written statement or explanation in reply including (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further violations; and (3) the date when full compliance will be achieved.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public




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Document Room. If this report contains any information that you believe to be proprietary, it is necessary that you submit a written application to this office, within 30 days of the date of this letter, requesting that such information be withheld from public disclosure. The application must include a full statement of the reasons why it is claimed that the information is proprietary. The application should be prepared so that any proprietary information identified is contained in an enclosure to the application, since the application without the enclosure will also be placed in the Public Document Room. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be glad to discuss them with you.

Sincerely,



G. S. Spencer, Chief  
Reactor Construction and Engineering  
Support Branch

Enclosures:

- A. Appendix A - Notice of Violation
- B. Inspection Report
  - Nos. 50-528/80-06
  - 50-529/80-06
  - 50-530/80-06

cc w/o enclosures A & B:  
F. W. Hartley

