Docket Nos. 50-528, 50-529

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

Attention: Mr. E. E. Van Brunt Jr., Vice President, Nuclear Production

Gentlemen:

Subject: NRC Inspection of Palo Verde Units 1 and 2.

This refers to the inspection conducted by Messrs. R. Zimmerman, J. Crews, G. Fiorelli, and C. Bosted of this office on December 15, 1984 - January 31, 1985 of activities authorized by NRC License No. NPF-34 and NRC Construction Permit Number CPPR 142 and to the discussion of our findings held with yourself and other members of your staff at the conclusion of the inspection.

FEB 2 2 1985

84-63

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.

No items of noncompliance with NRC requirements were identified within the scope of this inspection.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosure will be placed in the NRC Public Document Room.

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

Sincerely, Original signed by a nggana F. Kirsch, Acting Director, Division of Reactor Safety & Projects Enclosure: Inspection Report Nos. 50-528/84-63 and 50-529/84-42 cc w/enclosure: J. R. Bynum, S. R. Frost, T. D. Shriver, W. E. Ide, C. N. Russo, APS; Ms. J. Morrison, Mothers for Peace Ms. L. Bernabei, GAP Arthur C. Gehr, Esq., Snell & Wilmer bcc: RSB/Document Control Desk (RIDS); pink/green/file copies; Mr. Martin; Resident Inspector; LFMB an CREASIN THIORELLI BOSTED ZIMMERMAN/dot KIRSCH CHAFFEE MILLER 2/2(/85 2/2(/85 $2/^{2}r/85$ 2/21/85 2/71/85 2/ /85 2/**2**\/85 1 IE01 8503150422 850222 PDR ADOCK 05000528

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