

APR 09 1985

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, G. Fiorelli, and C. Bosted of this office on February 1 - March 10, 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.

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.

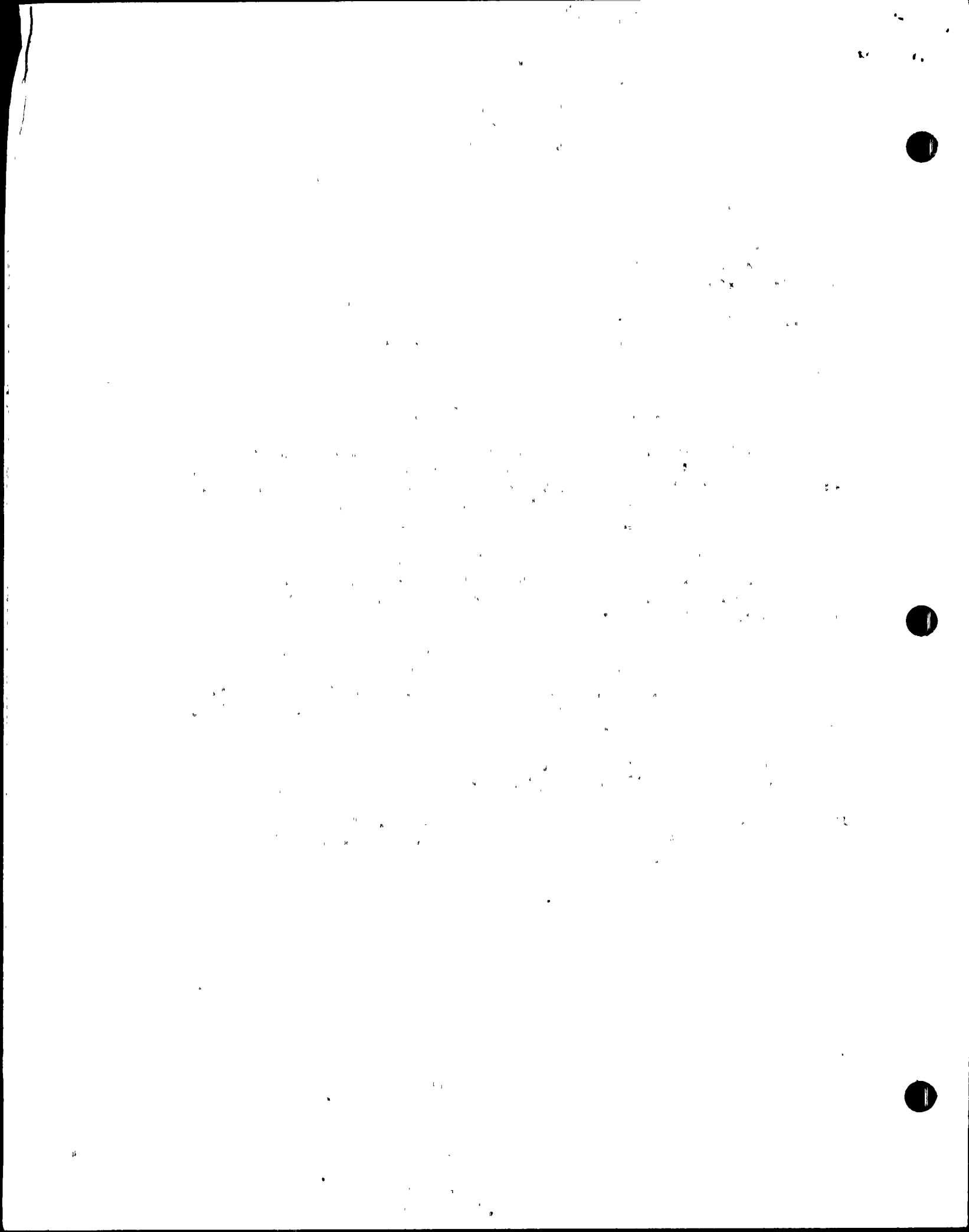
Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A.

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.

The responses directed by this Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

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

Sincerely,

Original signed

D. F. Kirsch, Acting Director,
Division of Reactor Safety and Projects

Enclosure:

- A. Appendix A - Notice of Violation
- B. Inspection Report Numbers: 50-528/85-04
50-529/85-06

cc w/enclosure:

- J. R. Bynum, PVNGS Plant Manager
- S. R. Frost, Supervisor, Nuclear Operations Licensing, Station. 40804
- T. D. Shriver, Manager, Quality Systems & Engineering
- W. E. Ide, Manager, Corporate QA/QC
- C. N. Russo, Manager, QA Audits/Monitoring
- Ms. J. Morrison
- Ms. L. Bernabei, GAP
- Arthur C. Gehr, Esq., Snell & Wilmer

JR
Zimmerman
3/22/85

FR
Fiorelli
3/22/85

FR
Bosted
3/22/85

JR ch...
Miller ^{4/18/85} Kirsch
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JR
A. Johnson
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Kirsch

