

NUCLEAR REGULATORY COMMISSION

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

ARIZONA PUBLIC SERVICE CORPORATION

[Palo Verde Nuclear Generating Station, Unit Nos 1, 2, and 3]

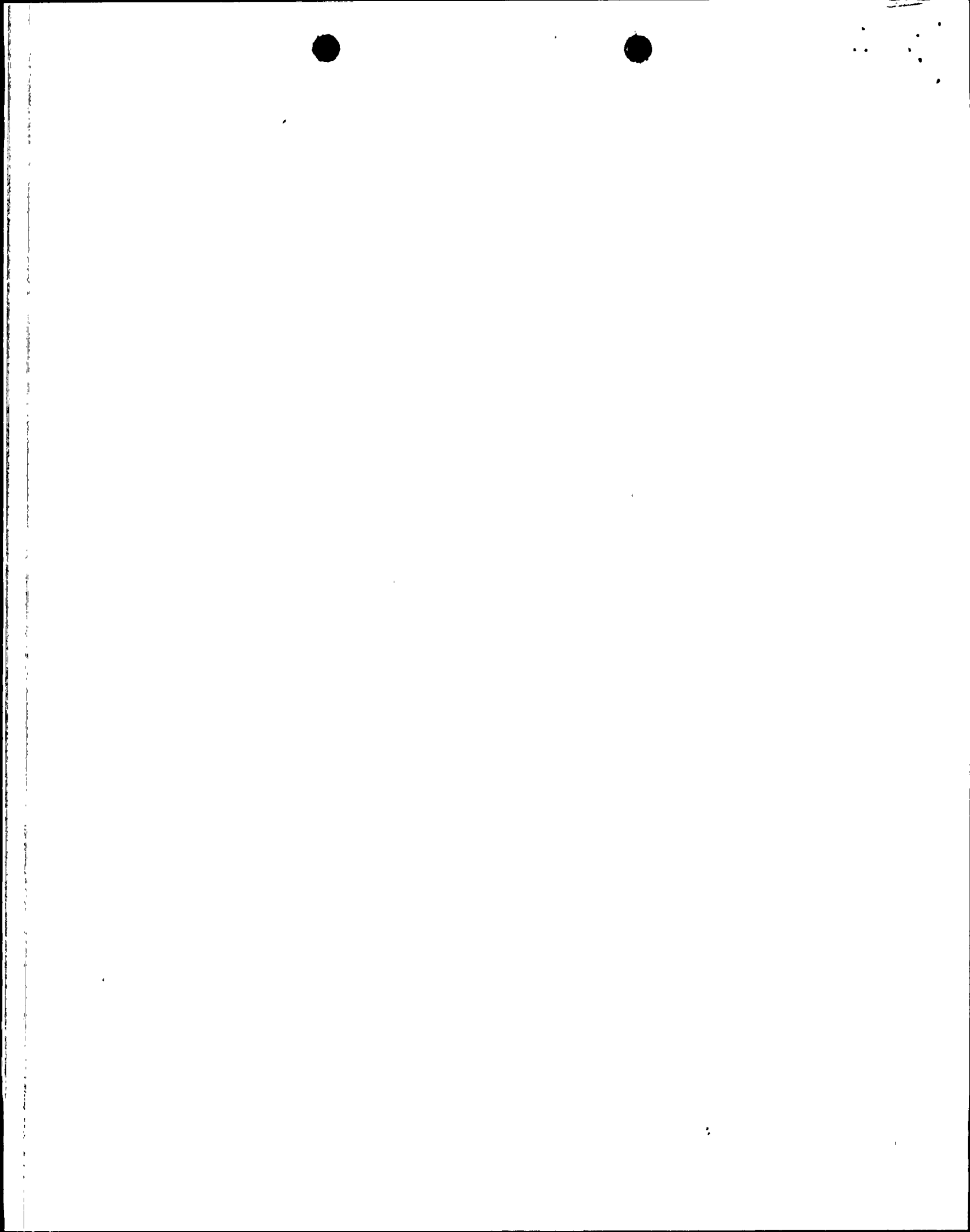
Director's Decision Under 10 CFR 2.206 (DD 88-08)

Notice is hereby given that the Director, Office of Enforcement, has denied in part a petition under 10 CFR 2.206 filed by Ms. Barbara S. Bush, Ms. Lyn McKay, and Mr. Myron L. Scott on behalf of the Coalition for Responsible Energy Education (CREE or Petitioner). In its petition, CREE asked the Nuclear Regulatory Commission (NRC) to provide relief by (1) imposing a stringent civil penalty on Arizona Public Service Corporation (APS); (2) requiring APS to post notices to employees advising them of protection afforded under 10 CFR 50.7 and the Energy Reorganization Act; (3) requiring the posting of notices of public apology by APS for alleged violations of 10 CFR 50.7 and the Energy Reorganization Act; and (4) deny or revoke all Palo Verde licenses.

As grounds for its request, CREE asserts that APS discriminated against certain employees by requiring them to submit to polygraph testing as a means of discouraging them from reporting unsafe conditions at the Palo Verde Nuclear Generating Station.

The CREE request, with the exception of the request to have notices posted has been denied. The reasons for this decision are fully described in the "Director's Decision Under 10 CFR 2.206," issued on this date, which is available for public inspection in the Commission's Public Document Room, 1717 H Street, NW, Washington, DC 20555, and in the local public document room

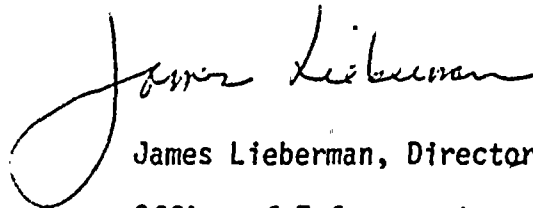
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for Palo Verde located at the Phoenix Public Library, Business, Science and Technology Department, 12 East McDowell Road, Phoenix, Arizona 85004.

Dated at Rockville, Maryland this 15th day of June 1988.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in cursive script that reads "James Lieberman". The signature is written in dark ink and is positioned above the typed name and title.

James Lieberman, Director
Office of Enforcement

