



PDR

DEC - 2 1988

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

Arizona Nuclear Power Project
P. O. Box 52034
Phoenix, Arizona 85072-2034

Attention: Mr. D. B. Karner
Executive Vice President

Gentlemen:

SUBJECT: NRC INSPECTION OF PALO VERDE UNITS 1, 2 AND 3

This refers to the routine on-site inspection conducted by Mr. G. Cicotte of this office on October 31-November 4, 1988, of activities authorized by NRC License Nos. NPF-41, NPF-51, and NPF-74 and to the discussion of our findings held by Mr. Cicotte with Mr. J. Driscoll 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.

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 glad to discuss them with you.

Sincerely,

Original Signed

Gregory P. Yuhas, Chief
Emergency Preparedness and
Radiological Protection Branch

Enclosures:

- A. Notice of Violation, Appendix A
- B. Inspection Report Nos. 50-528/88-40
50-529/88-39 and 50-530/88-38

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cc w/enclosures A and B:

- J. G. Haynes, Vice President, Nuclear Production
- W. F. Quinn, Director, Nuclear Safety & Licensing
- R. Papworth, Director, Quality Assurance
- L. Souza, Manager, Quality Audits & Monitoring
- T. D. Shriver, Manager, Compliance
- C. N. Russo, Manager, QA Audits/Monitoring
- D. Canady, ANPP
- Lynne Bernabei, Government Accountability Project (GAP)
- Timothy Hogan, Chief Counsel, Arizona Corp.
- A. C. Gehr, Esq. Snell & Wilmer

bcc w/Enclosures A and B:

- Docket File
- Project Inspector
- Resident Inspector
- G. Cook
- B. Faulkenberry
- J. Martin
- T. Foley
- A. Johnson

bcc w/Enclosure A only:

- M. Smith
- LFMB

REGION V
 GCicotte/Joan
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Call for
 MCillis
 11/29/88

Call for
 HNorth
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 MBlume
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 GYuhas
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<u>YES</u> / NO	<u>YES</u> / NO	<u>YES</u> / NO	YES / NO	<u>YES</u> / NO

SEND TO PDR]
<u>YES</u> / NO]

