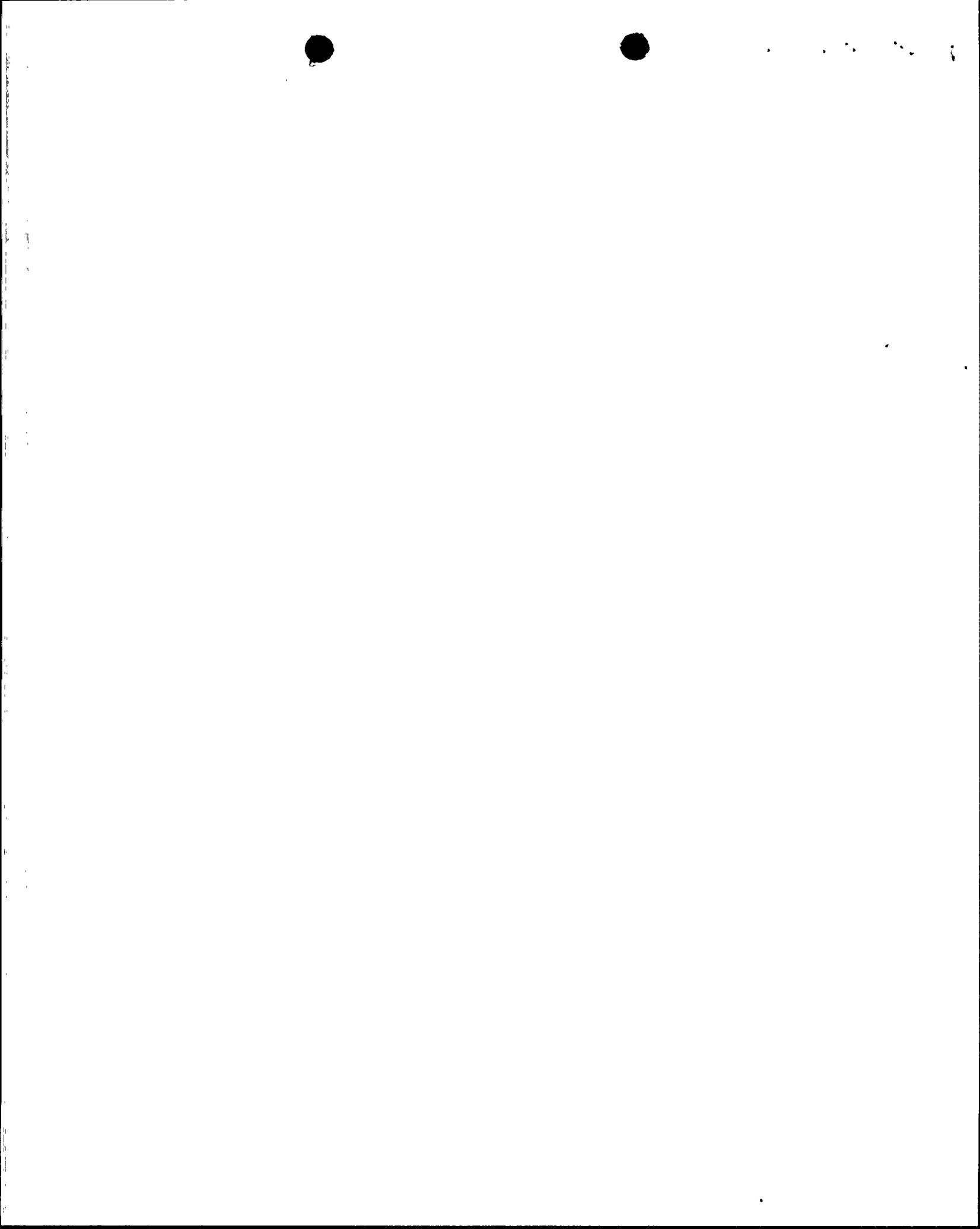


U.S. NUCLEAR REGULATORY COMMISSION  
ARIZONA PUBLIC SERVICE COMPANY, ET AL.  
PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3  
DOCKET NOS. 50-528, 50-529, AND 50-530  
RECEIPT OF PETITION FOR DIRECTOR'S DECISION UNDER 10 CFR 2.206

Notice is hereby given that by letter of June 6, 1991 (Petition), Messrs. David K. Colapinto, Esquire, and Stephen M. Kohn presented 10 allegations on behalf of the National Whistleblower Center and unidentified employee allegers regarding operations at the Palo Verde Nuclear Generating Station operated by the Arizona Public Service Company (the licensee) and requested that the three units at Palo Verde be immediately shut down until the matters raised in the letter have been resolved. In addition, the letter requested that the U.S. Nuclear Regulatory Commission (NRC) appoint a special investigative team to monitor and inspect conditions at the plant.

Petitioners assert as bases for these requests the following concerns. A hydrogen leak in the main generator of Unit 1 could pose a fire hazard. Fire pumps at the plant have malfunctioned and cannot pump water in the event of a fire. The cooling towers are crumbling and are unsafe. The plants have been operating outside of safety regulations under "justifications for continued operation." The licensee has not identified the electrical circuit breakers for fire protection such that, in the event of a fire, it would not know what equipment could be damaged. It is rumored that Unit 2 has a primary-to-secondary leak of 2-gallons-per-minute. The licensee has willfully operated Palo Verde in violation of unspecified licensing requirements and willfully failed to report unspecified safety violations to

9108220216 910815  
PDR ADOCK 05000528  
A PDR



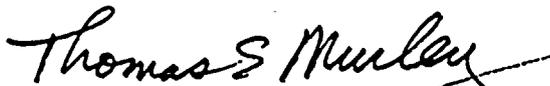
the NRC through licensee event reports, as required. The licensee has never moved the portable hydrogen recombiner from one unit to another, has no procedure to do so, and has no back-up recombiner. The licensee failed to implement correctly a design change for the reactor control element drive mechanisms on Unit 3. The licensee has engaged in widespread harassment and retaliation against employees who raise safety concerns.

The letter is being treated as a request for action under the NRC's regulations contained in Section 2.206 of Title 10 of the Code of Federal Regulations (10 CFR 2.206). As provided by that regulation, appropriate action will be taken with regard to the specific issues raised in the Petition within a reasonable time. Responding to Petitioners' request for an immediate shutdown of the Palo Verde units, the NRC notified the Petitioners by letter of August 15, 1991, that, based on a prompt inspection of the matters raised in the Petition, there is no need to take such action.

A copy of the Petition is available for inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, N.W., Washington, D.C. 20555 and at the local public document room for the Palo Verde facility located at the Phoenix Public Library, 12 East McDowell Road, Phoenix, Arizona 85004.

Dated at Rockville, Maryland, this 15th day of August 1991.

FOR THE NUCLEAR REGULATORY COMMISSION



Thomas E. Murley, Director  
Office of Nuclear Reactor Regulation

