



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION V

1450 MARIA LANE, SUITE 210
WALNUT CREEK, CALIFORNIA 94596-5368

AUG 21 1991

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

Arizona Public Service Company
P. O. Box 52034
Phoenix, Arizona 85072-2034

Attention: Mr. William F. Conway
Executive Vice President, Nuclear

Gentlemen:

SUBJECT: REPORT OF MEETING WITH APS MANAGEMENT

This refers to the meeting held with Mr. J. Levine and other members of your staff at the Arizona Public Service Company corporate office in Phoenix, Arizona, on August 2, 1991. The subjects discussed are summarized in Meeting Report Nos. 50-528/91-32, 50-529/91-32, and 50-530/91-32, enclosed herewith. A copy of the slides used during your presentation is also enclosed.

During the meeting, we discussed the status of the units and current issues, on-line maintenance, various engineering issues, Unit 2 outage preparations, and the APS Five Year Business Plan and Diagnostic Evaluation Team action items. During the meeting, several issues were highlighted:

- o Performance appears to be improving overall, yet problems still occasionally occur.
- o You are improving operational and maintenance practices based on results of your probabilistic risk assessments.
- o You are increasing your expectations of personnel performance.
- o You remain committed to complete the resolution of significant issues identified by the NRC Diagnostic Evaluation Team.

We look forward to future discussions with you regarding your progress toward further improved performance.

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

Should you have any questions concerning our minutes of the meeting, documented in the enclosed meeting report, we will be pleased to discuss them with you.

RP Zimmerman

R. P. Zimmerman, Director
Division of Reactor Safety
and Projects

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Enclosures:

1. Report Nos. 50-528/91-32, 50-529/91-32, 50-530/91-32
2. APS Slide Presentation Package

cc w/enclosures:

Mr. O. Mark DeMichele, APS
Mr. James M. Levine, APS
Mr. Jack N. Bailey, APS
Mr. E. C. Simpson, APS
Mr. Blaine E. Ballard, APS
Mr. Thomas R. Bradish, APS
Mr. Robert W. Page, APS
Mr. Arthur C. Gehr, Esq., Snell & Wilmer
Mr. Al Gutterman, Newman & Holtzinger P. C.
Mr. James A. Boeletto, Esq., (same address as Mr. Kocher)
Mr. Charles B. Brinkman, Combustion Engineering, Inc.
Mr. Charles Tedford, Director, Arizona Radiation Regulatory Agency
Chairman, Maricopa County Board of Supervisors
Mr. Steve M. Olea, Chief Engineer, Arizona Corporation Commission
Ignacio R. Troncoso, El Paso Electric Company
Roy P. Lessey, Jr., Esq., Akin, Gump, Strauss, Hauer, and Feld
Bradley W. Jones, Esq., Akin, Gump, Strauss, Hauer, and Feld
Mr. John W. Norman, Chief, Arizona Corporation Commission
Mr. Charles R. Kocher, Esq., Assistant Council, SCE

bcc w/enclosures:
Docket File
Resident Inspector
Project Inspector
G. Cook
B. Faulkenberry
J. Martin

bcc w/o enclosure:
M. Smith
J. Zollicoffer

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RZimmerman
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SEND TO PDR
 YES / NO

report only - no enclosure package