



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION V

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

OCT 16 1991

91-30

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

Arizona Public Service Company
P.O. Box 53999, Station 9012
Phoenix, Arizona 85072-3999

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

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

This letter refers to the inspection conducted by Mr. W. J. Wagner of this office on August 12-30, 1991, of activities authorized by NRC License Nos. NPF-41, NPF-51 and NPF-74, and to the discussion of findings held with 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.

No violations or deviations were identified within the scope of this inspection.

The purpose of this inspection was to assess the effectiveness of corrective actions which you have implemented to improve the reliability and performance of your emergency lighting system. Although it is clear that you have taken several actions to significantly improve available design margins and overall quality of the emergency lighting system, we continue to have some concern in regard to your management of the emergency lighting program. In particular we note that:

- ° You do not appear to have effectively implemented a method to monitor whether recent system modifications are actually resulting in improved emergency lighting system performance.
- ° Several types of emergency lighting system deficiencies, similar to those noted during previous NRC inspections, appear to be recurring.
- ° Appropriate licensee engineering and management personnel do not appear to be properly involved in the timely evaluation and correction of several of those recurring deficiencies.

We consider that the above concerns should be promptly addressed. In this regard, you are requested to respond to the concerns noted in this letter and advise us by November 22, 1991 of your specific planned actions on this matter.

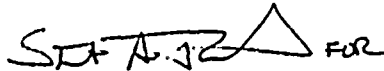
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In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosure, will be placed in the NRC Public Document Room.

The response requested by this letter is 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.

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

Sincerely,

A handwritten signature in dark ink, appearing to read "R. P. Zimmerman", followed by the word "for" in a smaller, less distinct script.

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

Enclosure:
Inspection Report Nos. 50-528/91-30, 50-529/91-30,
and 50-530/91-30

cc w/enclosure:

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 & Holtziner P.C.
Mr. James A. Boeletto, Esq. Assistant Counsel, SCE Company
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. Lessy, Jr., Esq., Akin, Gump, Strauss, Hauer and Feld
Bradley W. Jones, Esq., Akin, Gump, Strauss, Hauer and Feld

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

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

copy also to A. Johnson

Region V/ann

PDU for WSW+
Wagner

10/4/91

P. Kullay
-Wong-

10/10/91

PDU for RH
RHuey

10/8/91

DKirsch

10/15/91

SAR for
RZimmerman
10/16/91

* per previous ladder

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YES / NO	YES / NO	YES / NO	YES / NO	YES / NO

SEND TO PDR
YES / NO

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Project Inspector
G. Cook
B. Faulkenberry
J. Martin
R. Zimmerman

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M. Smith
J. Zollicoffer

Région V/ann

Wagner *W* RHuey DKirsch
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