

March 19, 1992

*cpt filed with
3/16/92 ltr.*

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

Mr. William F. Conway
Executive Vice President, Nuclear
Arizona Public Service Company
P.O. Box 53999
Phoenix, Arizona 84072-3999

Dear Mr. Conway:

SUBJECT: ISSUANCE OF DIRECTOR'S DECISION UNDER 10 CFR 2.206 REGARDING PALO
VERDE NUCLEAR GENERATING STATION, UNIT NOS. 1, 2, AND 3
(TAC NOS. M80560, M80561 and M80562)

On June 6, 1991, David K. Colapinto and Stephen M. Kohn submitted a letter to the Chairman of the Nuclear Regulatory Commission requesting that the three units at Palo Verde be shut down pending the resolution of ten specific allegations contained in the letter. The letter also requested that NRC appoint a special investigative team to monitor and inspect conditions at the plant. The letter has been treated as a request for action under 10 CFR 2.206 of the Commission's regulations.

A Director's Decision was issued on March 16, 1992. A copy of the decision and the related notice that has been filed with the Office of the Federal Register for publication are enclosed for your information.

Sincerely,
Original signed by
Charles M. Trammell, Senior Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

Enclosures:
As stated

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Docket File
PDV r/f
PDV p/f
CTrammell
NRC/Local PDRs
KThompson
TQuay
MVirgilio
BBoger
DFoster
RZimmerman, RV
ACRS (10)
OGC
EJordan

OFFICE	PDV/LA	PDV/PM	PDV/PM	PDV/AD	
NAME	DFoster	CTrammell:bj	KThompson	TQuay	
DATE	3/19/91	3/18/91	3/16/91	3/19/91	

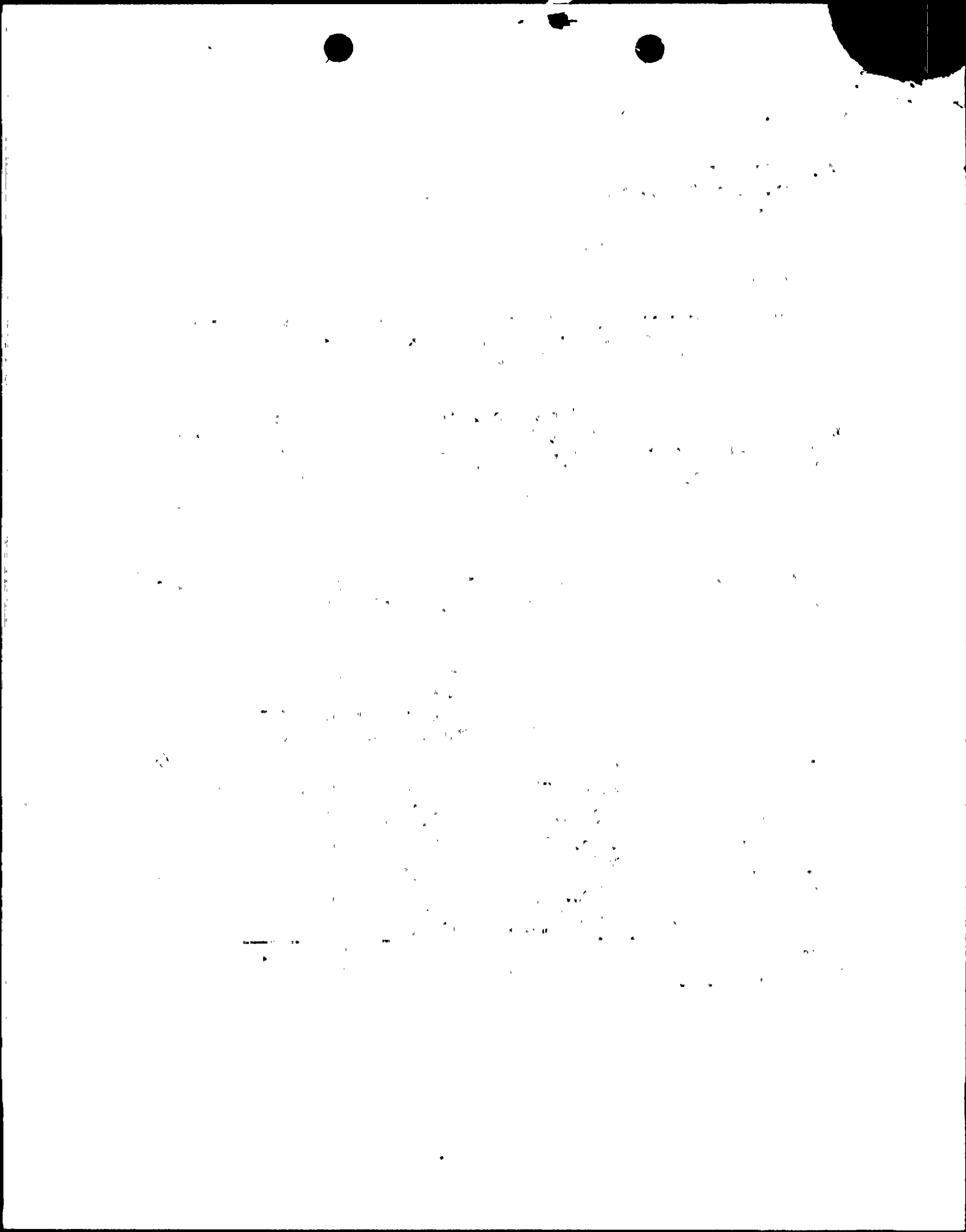
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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555
March 19, 1992

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Charles M. Trammell

Charles M. Trammell, Senior Project Manager
Project Directorate V
Division of Reactor Projects III/IV/V
Office of Nuclear Reactor Regulation

Enclosures:
As stated

cc w/enclosures:
See next page

1

Mr. William F. Conway
Arizona Public Service Company

Palo Verde

cc:

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Chairman
Maricopa County Board of Supervisors
111 South Third Avenue
Phoenix, Arizona 85003



1



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NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

March 16, 1992

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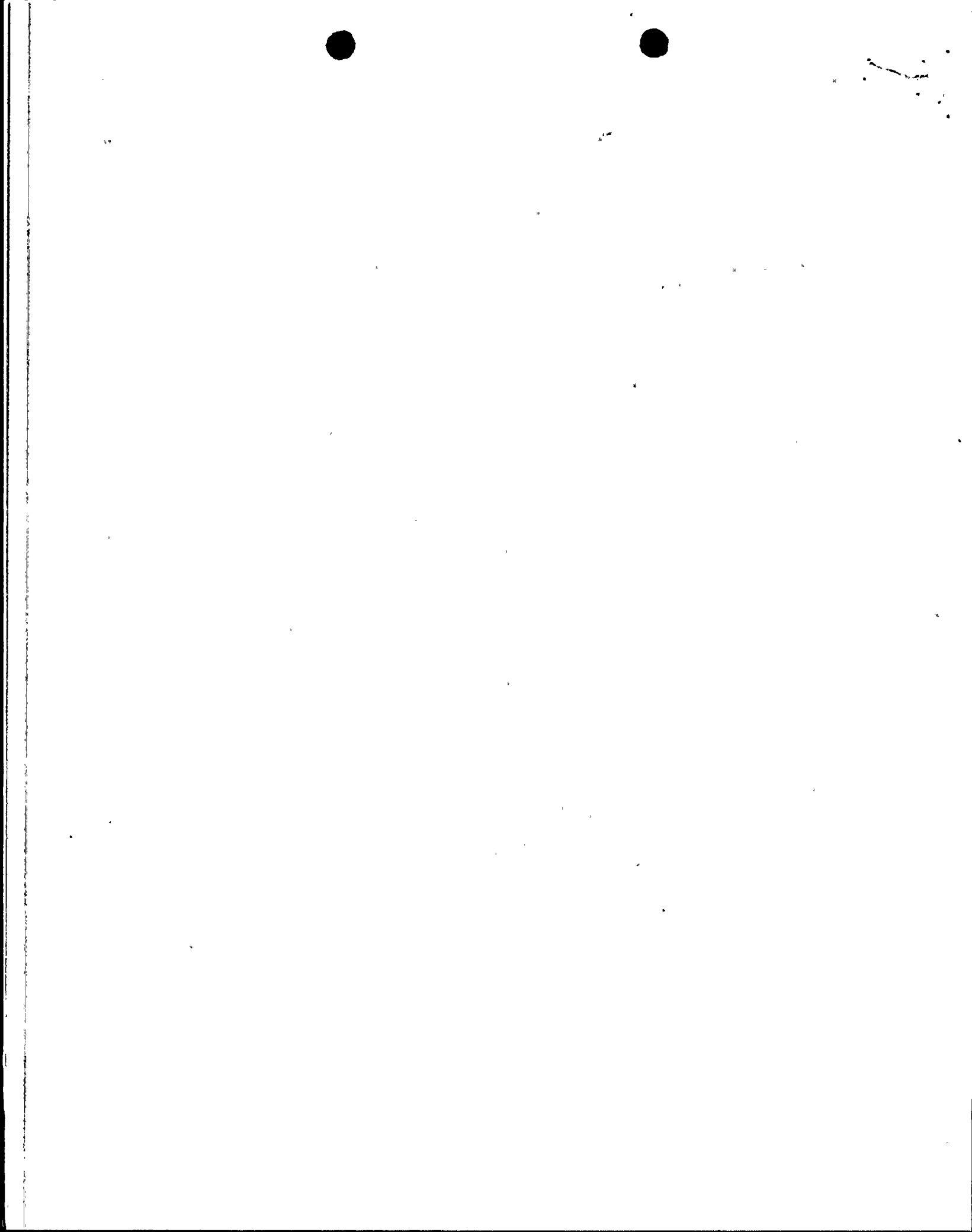
David K. Colapinto, Esq.
Stephen M. Kohn, Chairman
Board of Governors
National Whistleblower Center
517 Florida Avenue, N.W.
Washington, D.C. 20001-1850

Dear Messrs. Colapinto and Kohn:

I am providing a final response to your letter of June 6, 1991, and supplemental letter of January 14, 1992, in which you presented 10 allegations regarding operations at the Palo Verde Nuclear Generating Station and requested that the three units at Palo Verde be immediately shut down until the matters raised in your letter have been resolved. You also requested that the U.S. Nuclear Regulatory Commission (NRC) appoint a special investigative team to monitor and inspect conditions at the plant.

For the reasons set forth in the enclosed Director's Decision (DD-92-01), your requests are denied. A copy of this decision will be referred to the Secretary of the Commission for the Commission to review in accordance with Section 2.206(c) of Title 10 of the Code of Federal Regulations (10 CFR 2.206(c)). As provided by this regulation, the decision will constitute the final action of the Commission 25 days after the date of issuance unless the Commission, on its own motion, institutes a review of the decision within that time.

Your letter alleges safety problems at Palo Verde and also alleges that the Arizona Public Service Company has engaged in widespread harassment and retaliation against employees who raise safety concerns, thereby creating a "chilling effect" to suppress the free disclosure of safety violations. This matter was also raised in the 10 CFR 2.206 Petition submitted by Mr. Colapinto on behalf of Mrs. Linda E. Mitchell of May 22, 1990. In my letter of October 31, 1990, which provided a partial response to that petition, I stated that the NRC Office of Investigations is investigating this matter, and I will issue a Final Director's Decision on this matter at a later time.

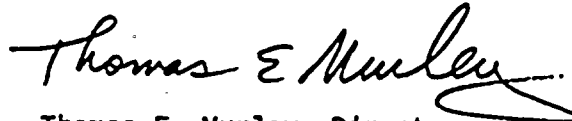


Messrs. Colapinto and Kohn

-2-

I have enclosed a copy of the notice regarding this decision that has been filed with the Office of the Federal Register for publication.

Sincerely,



Thomas E. Murley, Director
Office of Nuclear Reactor Regulation

Enclosures:

1. Director's Decision (DD-92-01)
2. Federal Register Notice



1