

ENCLOSURE 1

NOTICE OF VIOLATION

Arizona Public Service Company

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

Palo Verde Nuclear Generating Station

License Nos.: NPF-41
NPF-51
NPF-74

During an NRC inspection conducted on May 13-16, with inoffice inspection continuing until June 20, 1997, one violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

Criterion V of Appendix B to 10 CFR Part 50 states, in part, that activities affecting quality shall be prescribed by documented instructions, procedures, or drawings appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings.

Procedure 34DP-OME01, "Out-of-Tolerance Evaluator's Instructions," Revision 3, Section 3.4 requires that out-of-tolerance notices be resolved within 30 days of opening the notice, or that a justified extension be documented.

Procedure 34DP-OME01, Section 3.4 requires that an adequate basis for acceptability be documented.

Procedure 34DP-OME02, "Measuring and Test Equipment," Revision 0, Section y, requires equipment that is past its calibration due date to be documented by an out-of-tolerance notice.

Contrary to the above, the following are examples in which these procedural requirements were not met:

1. There were 16 examples identified where out-of-tolerance notices were not resolved within 30 days of opening and were without documented justifications for extensions. For example, Out-of-Tolerance Notice 960707 against Hygrometer/Thermometer GU7034 was issued on October 3, 1996, which had been due for calibration on September 12, 1996. However, the notice remained open until November 20, 1996, without a documented justification for extension.



2. Eight examples were identified where out-of-tolerance notices contained inadequate documented bases for continued acceptability. For example, Out-of-Tolerance Notice 960192 against Calibrator MM0222 was issued on March 12, 1996. The licensee determined that the initial disposition of the notice was inadequate and issued a corrective action document to address this problem.
3. Several examples were identified where equipment past (more than 30 days) the calibration due dates, and had not been returned for calibration, and was not documented on an out-of-tolerance notice. For example, Hygrometer/ Thermometer GU7037 was due for calibration on February 4, 1996, and Out-of-Tolerance Notice 96047 was not issued until May 30, 1996.

These examples constitute a Severity Level IV violation (Supplement I) (50-528;-529;-530/9713-01).

The NRC has concluded that information regarding the reason for the violation, the corrective actions taken and planned to correct the violation and prevent recurrence and the date when full compliance will be achieved is already adequately addressed by the extensive audit you performed and the corrective actions planned to correct the identified deficiencies. However, you are required to submit a written statement or explanation pursuant to 10 CFR 2.201 if the description therein does not accurately reflect your corrective actions or your position. In that case, or if you choose to respond, clearly mark your response as a "Reply to a Notice of Violation," and send it to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Regional Administrator, Region IV, 611 Ryan Plaza Drive, Suite 400, Arlington, Texas 76011, and a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice).

Dated at Arlington, Texas
this 24th day of June 1997

