



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

May 8, 2018

Mr. Robert S. Bement
Executive Vice President Nuclear/
Chief Nuclear Officer
Arizona Public Service Company
P.O. Box 52034, MS 7602
Phoenix, AZ 85072-2034

SUBJECT: NRC OFFICE OF INVESTIGATIONS REPORT NO. 4-2016-032

Dear Mr. Bement:

This letter refers to an investigation conducted by the U.S. Nuclear Regulatory Commission (NRC), Office of Investigations (OI) to determine if the Director of Nuclear Security and Emergency Planning, Arizona Public Service Company, Palo Verde Nuclear Generating Station, Wintersburg, Arizona, willfully changed the Security Owner Controlled Area barrier sensitivity in order to ensure that detection would be provided during NRC Force on Force testing. Based on the evidence developed during the OI investigation, the NRC could not substantiate that wrongdoing occurred.

Please note that the complete OI investigation report, including supporting documentation, may be obtained by you and the public under the Freedom of Information Act (FOIA), subject to redaction of information pursuant to the FOIA. Requests under the FOIA should be made in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 9.23, "Requests for Records." The instructions for making a request of information under the FOIA are accessible at <http://www.nrc.gov/reading-rm/foia/foia-privacy.html>.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, and your response, if any, will be available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

If you have any questions or comments regarding this matter, please contact Ms. Dori Willis, Senior Allegation Coordinator of NRC's Headquarters Allegation Team in the Office of Enforcement, at 301-287-9423.

Sincerely,

(/RA by Marissa Bailey for Andrew Pretzello)

Andrew J. Pretzello, Deputy Director
Division of Security Operations
Office of Nuclear Security
and Incident Response

Mr. R. Bement

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OFC	ETB:SPEB:DSO:NSIR	SPEB:DSO:NSIR	DD:DSO:NSIR	SROAC:HQAT
NAME	JBerry	DHuyck	APretzello (<i>MBailey for AP</i>)	DWillis
DATE	04/24/18	05/07/18	05/08/18	05/07/18

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