MAR 1 6 1982

Docket No. 50-528 (OPS)

Arizona Public Service Company P. O. Box 21666 Phoenix, Arizona 85036

Attention: Mr. G. C. Andognini Vice President, Electric Operations

Gentlemen:

Subject: NRC Inspection - Palo Verde Unit 1 (Preoperational Test Phase)

This refers to the inspection conducted by Messrs. P. H. Johnson, J. W. Hormor, and J. P. Stewart of this office on January 12-15 and February 2-5, 1982, of activities authorized by NRC Construction Permit No. CPPR-141 and to the discussion of our findings held by the inspectors with Messrs. E. E. Van Brunt and F. W. Hartley and other members of the Arizona Public Service Company (APS) 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 inspectors.

No items of noncompliance with NRC regulations were identified within the scope of this inspection.

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 unless you notify this office, by telephone, within ten days of the date of this letter and submit written application to withhold information contained therein within thirty days of the date of this letter. Such application must be consistent with the requirements of 2.790(b)(1).

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

bcc: DMB/Document Control Desk (RIDS)Sincerely, Distributed by RV: Engelken (w/o encl) Resident Inspector G. Fiorelli State of AZ (Gehr) DMB/Document Control Desk (RIDS)Sincerely, Original signed b D. M. Sternberg D. M. Sternberg, Ch

Enclosure: Inspection Report No. 50-528/82-06 (OPS) Original signed by D. M. Sternberg D. M. Sternberg, Chief Reactor Operations Projects Branch

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