



SAFEGUARDS INFORMATION

UNITED STATES

NUCLEAR REGULATORY COMMISSION

REGION V

1450 MARIA LANE, SUITE 210
WALNUT CREEK, CALIFORNIA 94596

RSB

SEP 11 1984

Docket No. 50-528

Arizona Public Service Company
P. O. Box 21666
Phoenix, Arizona 85836

Attention: Mr. E. E. Van Brunt, Jr.
Vice President, Nuclear Production

Gentlemen:

Subject: NRC Inspection - Palo Verde Unit 1

This letter refers to the initial pre-operational Safeguards inspection of your activity at Palo Verde Nuclear Generating Station, Unit 1, by Mr. D. W. Schaefer of this office on August 20-24, 1984. It also refers to the discussion of our inspection findings with Mr. D. Karner, Assistant Vice President, Nuclear, members of his staff, and other APS representatives on August 24, 1984.

Areas examined during this inspection are described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and records, interviews with facility personnel and observations by the inspector.

Within the scope of the inspection, no violations were observed.

In accordance with Section 2.790(d) of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, documentation of the findings of your safeguards and security procedures are exempt from public disclosure; therefore, the enclosed report will not be placed in the Public Document Room and will receive limited distribution.

We have determined that the enclosed inspection report contains Safeguards Information and must be protected against unauthorized disclosure in accordance with the provisions of 10 CFR 73.21.

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

Sincerely,

MS!
M. D. Schuster, Acting Chief
Safeguards and Emergency
Preparedness Branch

Enclosure:

Inspection Report

No. 50-528/84-35 (IE-V-651)

cc w/enclosure:

J. R. Bynum, APS

cc w/o enclosure:

S. R. Frost, Supervisor

Nuclear Operations Licensing, Station 4080

T. D. Shriver, Manager, Quality Systems & Engineering

Ms. Jill Morrison

Lynne Bernabei, GAP

Arthur Gehr, Esq.

bcc: RSB/Document Control Desk (RIDS) (w/o enc.)

Mr. Martin

Resident Inspector (w/o enc.)

RV *D*
D.Schaefer:dh
9/10 /84

M. Schuster
M. Schuster
9/10 /84