



SAFEGUARDS INFORMATION  
UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION V  
1450 MARIA LANE, SUITE 210  
WALNUT CREEK, CALIFORNIA 94596

JUN 02 1992

Docket Nos. 50-528, 50-529 and 50-530  
License Nos. NPF-41, NPF-51 and NPF-74

Arizona Public Service Company  
P.O. Box 53999, Station 9012  
Phoenix, Arizona 85072-3999

Attention: Mr. William F. Conway  
Executive Vice President, Nuclear

SUBJECT: NRC INSPECTION REPORT 50-528/92-18, 50-529/92-18, AND 50-530/92-18

This refers to the inspection conducted by Mr. D. Schaefer of this office on May 4-8, 1992. The inspection included a review of activities authorized for your Palo Verde facility. At the conclusion of the site visit, the preliminary findings were discussed with Mr. Paul Caudill and members of your staff identified in the enclosed inspection report. Ms. P. Coffin of your staff discussed additional information with D. Schaefer of this office on May 15, 1992.

Areas examined during this inspection included activities related to physical security as described in the enclosed inspection report. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations of activities in progress.

Within the scope of this inspection, no violations were identified.

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 enclosure to this letter will not be placed in the NRC Public Document Room, and will receive limited distribution.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR Part 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended.

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

Sincerely,

James H. Reese, Chief  
Safeguards, Emergency Preparedness,  
and Non-Power Reactor Branch

68000

ENCLOSURE CONTAINS  
SAFEGUARDS INFORMATION.  
UPON SEPARATE DOCUMENTS  
PAGE IS DECLASSIFIED.

SAFEGUARDS INFORMATION

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PDR ADOCK 05000528  
G PDR

## Enclosure:

Inspection Report Nos. 50-528/92-18  
50-529/92-18  
50-530/92-18

## cc w/enclosure:

Mr. J. Levine, APS  
Mr. R. Stevens, APS  
Mr. P. Caudill, APS  
Mr. S. Guthrie, APS  
Mr. T. Bradish, APS  
Mr. F. Kroll, APS

## cc w/o enclosure:

Mr. O. DeMichele, APS  
Mr. E. Simpson, APS  
Mr. R. Page, APS  
Ms. N. Lottin, Esq., Snell & Wilmer  
Mr. A. Gutterman, Newman & Holtzinger  
Mr. J. Boeletto, Esq., Assistant Council, SCE Company  
Mr. C. Brinkman, Combustion Engineering, Inc.  
Mr. W. Wright, Acting Director, Arizona Radiation Regulatory Agency  
Chairman, Maricopa County Board of Supervisors  
Mr. S. Olea, Chief, Engineering, Arizona Corporation Commission  
Mr. I. Troncoso, El Paso Electric Company  
Mr. R. Lessy, Jr., Esq., Akin, Gump, Strauss, Hauer and Feld  
Mr. B. Jones, Esq., Akin, Gump, Strauss, Hauer and Feld  
Mr. J. Newman, Esq., Newman & Holtzinger

Arizona Public Service Company  
Inspection Rpt. Nos. 50-528/92-18,  
50-529/92-18, 50-530/92-18

bcc w/enclosure  
Docket File  
B. Faulkenberry  
J. Martin

bcc w/o enclosure  
Resident Inspector  
Project Inspector  
G. Cook  
M. Smith  
J. Zollicoffer  
LFMB

Region V/  
D. Schaefer  
5/28/92

*[Signature]* Reese  
5/2/92

SEND TO PDR
<input checked="" type="radio"/> YES <input type="radio"/> NO

- LTR ONLY -