

# SAFEGUARDS INFORMATION

OCT 30 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 pre-operational physical security inspection of your activities at Palo Verde Nuclear Generating Station (PVNGS) Unit 1, by Messrs. D. W. Schaefer, L. R. Norderhaug, A. D. McQueen of this office and Mr. R. Bradley, of Lawrence Livermore National Laboratory (NRC contract) on October 1-10, 1984. It also refers to the discussion of our inspection findings with Mr. E. E. Van Brunt, Jr., APS Vice President, and members of his staff on October 10, 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 inspectors.

As we discussed with you, within the scope of this inspection, there are a number of program areas that must be upgraded prior to licensing. We will be closely monitoring your programs in this matter.

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

Sincerely,

*||signed||*

Ross A Scarano, Director  
Division of Radiological Safety  
and Safeguards Programs

Enclosure:

Inspection Report  
No. 50-528/84-41 (IE-V-657)

cc w/enclosure:

- J. R. Bynum, Director, Nuclear Operations  
Nuclear Operations Licensing, Station 4080
- T. D. Shriver, Manager, Quality Systems & Engineering
- W. E. Ide, Manager, Corporate QA/QC
- C. N. Russo, Manager, QA Audits

cc w/o enclosure:

- Ms. Jill Morrison, PVIF
- Lynne Bernabei, GAP

bcc: RSB/Document Control Deck (RIDS)

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