



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

October 9, 2020

Mrs. Maria L. Lacal
Executive Vice President/
Chief Nuclear Officer
Arizona Public Service Company
P.O. Box 52034, MS 7602
Phoenix, AZ 85072-2034

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION UNITS 1, 2, AND 3 –
NRC INSPECTION REPORT 05000528/2020411, 05000529/2020411, AND
05000530/2020411

Dear Ms. Lacal:

On September 24, 2020, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection at Palo Verde Nuclear Generating Station, Units 1, 2, and 3. On September 24, 2020, the NRC inspectors discussed the results of this inspection with Mr. S. West, Director, Emergency Services, and other members of your staff. The results of this inspection are documented in the enclosed report.

No findings or violations of more than minor significance were identified during this inspection.

This letter, its enclosure, and your response (if any) will be made available for public inspection and copying at <http://www.nrc.gov/reading-rm/adams.html> and at the NRC Public Document Room in accordance with Title 10 of the *Code of Federal Regulations* 2.390, "Public Inspections, Exemptions, Requests for Withholding."

Sincerely,

/RA James R. Larsen Acting for/

Ray L. Kellar, P.E., Chief
Plant Support Branch 1
Division of Reactor Safety

Docket Nos. 05000528, 05000529,
and 05000530
License Nos. NPF-41, NPF-51, and NPF-74

Enclosure:
As stated

cc w/ encl: Distribution via LISTSERV®

PALO VERDE NUCLEAR GENERATING STATION UNITS 1, 2, AND 3 – NRC INSPECTION REPORT 05000528/2020411, 05000529/2020411, AND 05000530/2020411 – October 9, 2020

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| NAME | DHostetter | CJewett | RKellar | JDixon | RKellar |
| DATE | 09/28/2020 | 09/28/2020 | 10/06/2020 | 10/08/2020 | 10/09/2020 |

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**U.S. NUCLEAR REGULATORY COMMISSION
Inspection Report**

Docket Numbers: 05000528, 05000529, and 05000530

License Numbers: NPF-41, NPF-51, and NPF-74

Report Numbers: 05000528/2020411, 05000529/2020411, and 05000530/2020411

Enterprise Identifier: I-2020-411-0008

Licensee: Arizona Public Service

Facility: Palo Verde Nuclear Generating Station, Units 1, 2, and 3

Location: Tonopah, AZ

Inspection Dates: September 21, 2020 to September 25, 2020

Inspectors: D. Hostetter, Physical Security Inspector
C. Jewett, Physical Security Inspector

Approved By: Ray L. Kellar, P.E., Chief
Plant Support Branch 1
Division of Reactor Safety

SUMMARY

The U.S. Nuclear Regulatory Commission (NRC) continued monitoring the licensee's performance by conducting a NRC inspection at Palo Verde Nuclear Generating Station, Units 1, 2, and 3, in accordance with the Reactor Oversight Process. The Reactor Oversight Process is the NRC's program for overseeing the safe operation of commercial nuclear power reactors. Refer to <https://www.nrc.gov/reactors/operating/oversight.html> for more information.

List of Findings and Violations

No findings or violations of more than minor significance were identified.

Additional Tracking Items

None.

INSPECTION SCOPES

Unless otherwise noted, baseline security inspections were conducted in accordance with the appropriate portions of the inspection procedures (IPs) in effect at the beginning of the inspection. Samples were declared complete when the IP requirements most appropriate to the inspection activity were met consistent with Inspection Manual Chapter 2201, "Security Inspection Program for Commercial Nuclear Power Reactors." The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel to assess licensee performance and compliance with Commission rules and regulations, license conditions, site procedures, and standards. Publicly available IPs are located at: <http://www.nrc.gov/reading-rm/doc-collections/insp-manual/inspection-procedure/index.html>.

SAFEGUARDS

71130.04 - Equipment Performance, Testing, and Maintenance

The inspectors evaluated the security equipment testing and maintenance program through completion of the following procedure elements:

Equipment Performance, Testing, and Maintenance (1 Sample)

- (1)
 - Tier I: All requirements
 - Tier II: 7 Requirements [02.09 a, 02.10 a, 02.11 a,c,d, 02.12 a, 02.13 a]
 - Tier III: 1 Requirement [02.14]

71130.07 - Security Training

The inspectors evaluated the security training program through completion of the following procedure elements:

Security Training (1 Sample)

- (1)
 - Tier I: All Requirements
 - Tier II: 7 Requirements [02.05 b-c, 02.06 b, 02.07 a, 02.08 a, 02.09 a-b]
 - Tier III: 2 Requirements [02.10, 02.13 a]

INSPECTION RESULTS

No findings were identified.

EXIT MEETINGS AND DEBRIEFS

The inspectors verified no proprietary information was retained or documented in this report.

- On September 24, 2020, the inspectors presented the NRC inspection results to Mr. S. West, Director, Emergency Services, and other members of the licensee staff.

DOCUMENTS REVIEWED

| Inspection Procedure | Type | Designation | Description or Title | Revision or Date | |
|----------------------|---|------------------------------|--|---|-------------|
| 71130.04 | Corrective Action Documents | Corrective Actions | 20-09937, 20-10414, 20-10852 | | |
| | Corrective Action Documents Resulting from Inspection | Corrective Actions | 20-11953, 20-11961, 20-11963, 20-11971, 20-12009, 20-12059 | | |
| | Miscellaneous | Nuclear Assurance Department | | Audit Plan and Report, Cyber and Nuclear Security 2018-008 & 2019-001 | Revision 1 |
| | | PV-E2293 | | Security Compensatory Post Worksheets | Multiple |
| | | Security Event Logs | | September 2019 - September 2020 | |
| | Procedures | 01DP-OA01 | | Procedure Action Request | Multiple |
| | | 01DP-OAP09 | | Procedure & Work Instruction Use & Adherence | Revision 19 |
| | | 20DP-OSK20 | | Conduct of Security | Revision 53 |
| | | 20DP-OSK28 | | Security Weapons and Equipment Control | Revision 34 |
| | | 20DP-OSK34 | | Safety/Security Interface | Revision 10 |
| | | 20DP-OSK70 | | Security Ingress Equipment Testing | Revision 2 |
| | | 20DP-OSK71 | | Security Perimeter Intrusion Detection Testing | Revision 8 |
| | | 20DP-OSK72 | | Security Doors, Hatches, and Turnstiles Testing | Revision 3 |
| | | 20DP-OSK77 | | Security Miscellaneous Testing | Revision 1 |
| | | 20DP-OSK99 | | SOCA Access Facility (SAF) Post 1 | Revision 8 |
| 30DP-9MP01 | | Conduct of Maintenance | Revision 84 | | |
| 71130.07 | Corrective Action Documents | | 19-15289, 20-01387, 20-02016, 20-11987, 20-11994, 20-11996, 20-12070 | | |
| | Miscellaneous | | Universal Thermal Mono-Sight | 04/14/2020 | |
| | | | Basic Pistol Qualifications Course | 08/06/2020 | |
| | | | Basic Rifle Qualifications Course | 08/06/2020 | |
| | | | Night Fire Pistol Qualifications Course | 02/22/2019 | |
| | | | Night Fire Rifle Qualifications Course | 02/22/2019 | |
| | | Security Post Orders | 004 | | |

| Inspection Procedure | Type | Designation | Description or Title | Revision or Date |
|----------------------|------------|-------------|--|------------------|
| | | | Plant Security Plan | 022 |
| | | | Universal Thermal Mono-Sight (Gas Mask) | 04/14/2020 |
| | | CSA-61 | Cyber Security Tampering Continuing Training | 001 |
| | | ESD 07 | Tactical Firearms Qualification | 08/05/2020 |
| | | ESD 30 | Familiarization Firearms Enhancement Course | 08/21/2020 |
| | | ESD 86-52 | Nuclear Security Training: Tamper Tour Lesson Plan | 002 |
| | Procedures | 01DP-0EM12 | Armed Security Personnel Medical Examinations | 017 |
| | | 20DP-0SK34 | Safety/Security Interface | 010 |
| | | 20DP-0TR01 | Security Personnel Training | 028 |
| | | 20DP-0TR02 | Conduct of Security Training | 019 |
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