



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 EAST LAMAR BOULEVARD
ARLINGTON, TEXAS 76011-4511

July 21, 2026

Adam C. Heflin, Executive Vice President,
and 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
EXAMINATION REPORT 05000528/2026301; 05000529/2026301;
05000530/2026301

Dear Mr. Heflin:

On May 21, the U.S. Nuclear Regulatory Commission (NRC) completed an initial operator license examination at Palo Verde Nuclear Generating Station, Units 1, 2, and 3. The enclosed report documents the examination results and licensing decisions. The preliminary examination results were discussed on May 14, 2026, with Mr. Brian Cable, Plant Manager, and other members of your staff. A telephonic exit meeting was conducted on June 18, 2026, with Mr. Jordan Nuss, Director, Regulatory Affairs, who was provided with the NRC licensing decisions.

The examination included the evaluations of 8 applicants for reactor operator licenses, 6 applicants for instant senior reactor operator licenses and 6 applicants for upgrade senior reactor operator licenses. The license examiners determined that all applicants satisfied the requirements of 10 CFR Part 55, and the appropriate licenses have been issued. There were no post-examination comments submitted by your staff. The enclosure contains details of this report.

No findings were identified during this examination.

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 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding."

Sincerely,



Signed by Mahdi Hayes on 07/21/26

Mahdi Hayes, Chief
Operator Licensing Branch
Division of Reactor Safety

Docket Nos: 50-528; 50-529; 50-530
License Nos: NPF-41; NPF-51; NPF-74

Enclosure:
Examination Report 05000528/2026301;
05000529/2026301; 05000530/2026301

PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 – NRC EXAMINATION
REPORT 05000528/2026301; 05000529/2026301; 05000530/2026301 – JULY 21, 2026

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U.S. NUCLEAR REGULATORY COMMISSION
Examination Report

Docket Numbers: 05000528, 05000529, 05000530

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

Report Numbers: 05000528/2026301; 05000529/2026301; 05000530/2026301

Enterprise Identifier: L-2026-OLL-0032

Licensee: Arizona Public Service Company

Facility: Palo Verde Nuclear Generating Station

Location: Tonopah, Arizona

Inspection Dates: April 13, 2026 to June 18, 2026

Inspectors: D. You, Senior Operations Engineer (Chief Examiner)
T. Farina, Senior Operations Engineer
C. Harrington, Senior Operations Engineer
N. Hernandez, Senior Operations Engineer
P. Breidenbach, Operations Engineer
R. Williams, Operations Engineer
S. Hedger, Senior Emergency Preparedness Inspector
B. Tindell, Senior Resident Inspector

Approved By: Mahdi Hayes, Chief
Operator Licensing Branch
Division of Reactor Safety

Enclosure

SUMMARY

Examination Report 05000528/2026301; 05000529/2026301; 05000530/2026301; Palo Verde Nuclear Generating Station, Units 1, 2, and 3; Initial Operator Licensing Examination Report

The NRC examiners evaluated the competency of 8 applicants for reactor operator licenses, 6 applicants for instant senior reactor operator licenses and 6 applicants for upgrade senior reactor operator licenses at Palo Verde Nuclear Generating Station, Units 1, 2, and 3.

The licensee developed the examinations using NUREG-1021, "Operator Licensing Examination Standards for Power Reactors," Revision 12. The written examination was administered by the licensee on May 21, 2026. The NRC examiners administered the operating tests on May 11-14, 2026.

The NRC examiners determined that all applicants satisfied the requirements of 10 CFR Part 55, and the appropriate licenses have been issued.

A. NRC-Identified and Self-Revealing Findings

None.

B. Licensee-Identified Violations

None.

REPORT DETAILS

OTHER ACTIVITIES – INITIAL LICENSE EXAMINATION

.1 License Applications

a. Scope

The NRC examiners reviewed all license applications submitted to ensure each applicant satisfied relevant license eligibility requirements. The NRC examiners also audited three of the license applications in detail to confirm that they accurately reflected the subject applicant's qualifications. This audit focused on the applicants' experience and on-the-job training, including control manipulations that provided significant reactivity changes.

b. Findings

No findings were identified.

.2 Examination Development

a. Scope

The NRC examiners reviewed integrated examination outlines and draft examinations submitted by the licensee against the requirements of NUREG-1021. The NRC examiners conducted an onsite validation of the operating tests.

b. Findings

The NRC examiners provided outline, draft examination and post-validation comments to the licensee. The licensee satisfactorily completed comment resolution prior to examination administration.

The NRC examiners determined the written examinations and operating tests initially submitted by the licensee were within the range of acceptability expected for a proposed examination.

.3 Operator Knowledge and Performance

a. Scope

On May 21, 2026, the licensee proctored the administration of the written examinations to all applicants. The licensee staff graded the written examinations, analyzed the results, and presented their analysis to the NRC on June 1, 2026.

The NRC examination team administered the various portions of the operating tests to all applicants on May 11-14, 2026.

b. Findings

No findings were identified.

All applicants passed the written examination and all parts of the operating tests. The final written examinations and post-examination analysis may be accessed in the ADAMS system under the accession numbers noted in the attachment. There were no post-examination comments as indicated in the licensee submittal.

The examination team noted a generic weakness regarding properly assessing the operability of the Power Dependent Insertion Limit alarm circuit during a dropped CEA event.

Post-examination analysis revealed four generic weaknesses associated with applicant performance on the written examination. Specifically, Questions 15, 24, 74, and 95 had a miss-rate greater than 50 percent. Copies of all individual examination reports were sent to the facility training manager for evaluation and determination of appropriate remedial training.

.4 Simulation Facility Performance

a. Scope

The NRC examiners observed simulator performance with regard to plant fidelity during examination validation and administration.

b. Findings

No findings were identified.

.5 Examination Security

a. Scope

The NRC examiners reviewed examination security for examination development during both the onsite preparation week and examination administration week for compliance with 10 CFR 55.49 and NUREG-1021. Plans for examination security and applicant control were reviewed and discussed with licensee personnel.

b. Findings

No findings were identified.

EXIT MEETINGS AND DEBRIEFS

Exit Meeting Summary

The chief examiner presented the preliminary examination results to Brian Cable, Plant Manager, and other members of the staff on May 14, 2026. A telephonic exit was conducted on June 18, 2026, between David You, chief examiner, and Jordan Nuss, Director, Regulatory Affairs. The licensee did not identify any information or materials used during the examination as proprietary.

ADAMS DOCUMENTS REFERENCED

Accession No. ML26194A325 - FINAL WRITTEN EXAMS

Accession No. ML26194A324 - FINAL OPERATING TEST

Accession No. ML26194A327 - POST-EXAMINATION ANALYSIS