



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

JAN 10 2012

Randall K. Edington, Executive
Vice President, Nuclear/CNO
Arizona Public Service Company
P.O. Box 52034, Mail Stop 7602
Phoenix, AZ 85072-2034

SUBJECT: CLOSURE OF INVESTIGATION (OI 4-2011-026)

Dear Mr. Edington:

This refers to an investigation conducted by the NRC's Office of Investigations regarding activities at the Palo Verde Nuclear Generating Station. The Office of Investigations initiated the investigation to determine whether a contract design engineer at Arizona Public Service Company's Palo Verde Nuclear Generating Station was subjected to discrimination for raising concerns regarding a modification to an auxiliary feedwater steam admission valve.

Based on the evidence developed during the investigation, testimony, and document reviews, the allegation of discrimination was determined to be not substantiated. The NRC plans no further action related to the discrimination aspect of this allegation and considers this investigation closed.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,

A handwritten signature in black ink, appearing to read "Heather J. Gepford".

Heather J. Gepford, Chief
Allegations Coordination and Enforcement Branch

Dockets: 50-528; 50-529; 50-530
Licenses: NPF-41; NPF-51; NPF-74