



James M. Levine
Executive Vice President
Generation

TEL (602)250-2095
FAX (602)250-3002

Mail Station 9046
P.O. Box 53999
Phoenix, AZ 85072-3999

EA-02-026

102-04666-JML/SAB/RAS
March 15, 2002

U.S. Nuclear Regulatory Commission
ATTN: Mr. Samuel J. Collins
Room 5D2, Mail Stop O-5E7
One White Flint North
11555 Rockville Pike
Rockville, Maryland 20852

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Stop P1-37
Washington, DC 20555

- References:
1. Letter from S. J. Collins, USNRC to J. M. Levine, APS, and Order Modifying License dated February 25, 2002
 2. APS letter no 102-04667-JML/SAB/RAS dated March 15, 2002 from J. M. Levine to S. J. Collins, USNRC

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Docket Nos. STN 50-528, 50-529 and 50-530
Response to 20 Day Request and Answer to NRC Order
for Interim Safeguards and Security Compensatory
Measures**

Via reference 1, the U.S. Nuclear Regulatory Commission (NRC or Commission) issued an Order to APS that modifies the current operating licenses for PVNGS Units 1, 2 and 3. The Order is immediately effective and requires compliance with specific interim safeguards and security compensatory measures as stated in an attachment to the Order.

*A member of the STARS Alliance (Strategic Teaming and Resource Sharing)
Calloway • Comanche Peak • Diablo Canyon • Palo Verde • South Texas Project • Wolf Creek*

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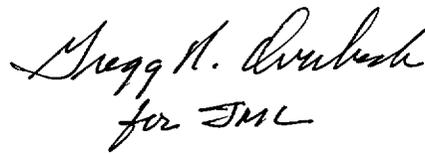
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Page 2

The Order requires a 20-day response to Conditions B.1, B.2, and C.1 of Section III of the Order. Attachment 1 to this letter provides that 20-day response for APS. Attachment 2 (Safeguards Information) is a description of the actions being taken by APS to comply with the Order. Reference 2 is an APS request for an extension of time to submit a response or request a hearing on a portion of the Order.

This response is hereby submitted to the Commission in accordance with 10 CFR 50.4 and 10 CFR 2.202. If you have any questions concerning this matter, please contact me at 602-250-2095 or Mr. Scott Bauer at 623-393-5978.

Sincerely,



JML/SAB/RAS

Attachments:

1. APS' Answer to Order
2. Description of Actions Being Taken to Comply with Order
(Safeguards Information)

cc: E. W. Merschoff
J. H. Moorman
D. N. Graves (w/o Safeguards Information)
J. N. Donohew (w/o Safeguards Information)

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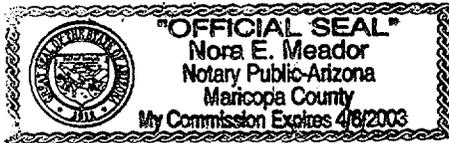
STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

I, Gregg R. Overbeck, represent that I am Senior Vice President, Nuclear, and the foregoing Answer to NRC Order for Interim Safeguards and Security Compensatory Measures has been signed by me, with full authority to do so on behalf of the Arizona Public Service Company, and to the best of my knowledge and belief, the statements made therein are true and correct.

Gregg R. Overbeck
Gregg R. Overbeck

Sworn Before Me This 15 Day Of March, 2002.

Nora E. Meador
Notary Public



Notary Commission Stamp