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Palo Verde Nuclear  
Generating Station

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68 FR 16374

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U. S. Nuclear Regulatory Commission  
ATTN: Rulemaking and Adjudications Staff  
Secretary, U. S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

DOCKETED  
USNRC

May 8, 2003 (11:11AM)

OFFICE OF SECRETARY  
RULEMAKINGS AND  
ADJUDICATIONS STAFF

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)**  
**Units 1, 2 and 3**  
**Docket Nos. STN 50-528/529/530**  
**Comments on Proposed Rule to Revise Fee Schedules**  
**(68 FR 16374)**

Arizona Public Service (APS) has reviewed the Nuclear Regulatory Commission's (NRC) proposed rule to revise fee schedules as published in the Federal Register on April 3, 2003 (68 FR 16374). APS endorses the comments submitted by the Nuclear Energy Institute (NEI) and Strategic Teaming and Resource Sharing (STARS).

APS understands the concept and regulation for NRC cost recovery through Licensee fee allocation. However, APS believes that there should be some specific accountability and reasonableness in that assessment. Therefore, the inclusion of security issues into the fee base when some of the financial responsibility lies within other governmental jurisdiction is unacceptable. In the same manner, many of the efficiencies gained from the current regulatory environment should also be reflected. APS also believes, as noted in the NEI letter, that better cost explanations for evaluation by licensees and stakeholders should be provided. Therefore, APS encourages the NRC to consider NEI's comments and recommendations.

Should you have any questions, please contact Thomas N. Weber (623) 393-5764.

Sincerely,

GRO/TNW/RKR/kg

A member of the **STARS** (Strategic Teaming and Resource Sharing) Alliance

Callaway • Comanche Peak • Diablo Canyon • Palo Verde • South Texas Project • Wolf Creek

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SECY-02

U. S. Nuclear Regulatory Commission  
ATTN: Rulemaking and Adjudications Staff  
Comments on Proposed Rule to Revise Fee Schedules  
(67 FR 14818)  
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cc: E. W. Merschoff  
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N. L. Salgado  
Senator John McCain  
Senator Jon Kyl  
Robert Aiken