

June 4, 2003

Mr. Gregg R. Overbeck
Senior Vice President, Nuclear
Arizona Public Service Company
P. O. Box 52034
Phoenix, AZ 85072-2034

SUBJECT: RESPONSE TO ORDER FOR COMPENSATORY MEASURES RELATED TO
ACCESS AUTHORIZATION (TAC NOS. MB7107, MB7108, AND MB7109)

Dear Mr. Overbeck:

On January 7, 2003, the U. S. Nuclear Regulatory Commission (NRC or Commission) issued Orders to holders of licenses for operating power reactors, for the implementation of compensatory measures (CMs) related to access authorization. On January 24, 2003, Arizona Public Service Company, the licensee for Palo Verde Nuclear Generating Station, submitted its written response to the Order.

The NRC staff has completed its review of your response. Based on that review, the NRC staff finds that your response to the January 7, 2003, Order is acceptable and responsive to the Order.

Please remember, pursuant to Section III.C.2 of the Order, you are to report to the Commission, in accordance with Title 10, of the *Code of Federal Regulations*, Section 50.4, when you have achieved full compliance with the requirements described in Attachment 2 to the Order. The NRC will determine the effectiveness of your implementation of the CMs through onsite inspections.

If you have any questions about this letter, please call Mr. Christopher Gratton at 301-415-1055.

Sincerely,

/RA/

Richard J. Laufer, Chief, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-528, 50-529, and 50-530

cc: See next page

June 4, 2003

Mr. Gregg R. Overbeck
Senior Vice President, Nuclear
Arizona Public Service Company
P. O. Box 52034
Phoenix, AZ 85072-2034

SUBJECT: RESPONSE TO ORDER FOR COMPENSATORY MEASURES RELATED TO
ACCESS AUTHORIZATION (TAC NOS. MB7107, MB7108, AND MB7109)

Dear Mr. Overbeck:

On January 7, 2003, the U. S. Nuclear Regulatory Commission (NRC or Commission) issued Orders to holders of licenses for operating power reactors, for the implementation of compensatory measures (CMs) related to access authorization. On January 24, 2003, Arizona Public Service Company, the licensee for Palo Verde Nuclear Generating Station, submitted its written response to the Order.

The NRC staff has completed its review of your response. Based on that review, the NRC staff finds that your response to the January 7, 2003, Order is acceptable and responsive to the Order.

Please remember, pursuant to Section III.C.2 of the Order, you are to report to the Commission, in accordance with Title 10, of the *Code of Federal Regulations*, Section 50.4, when you have achieved full compliance with the requirements described in Attachment 2 to the Order. The NRC will determine the effectiveness of your implementation of the CMs through onsite inspections.

If you have any questions about this letter, please call Mr. Christopher Gratton at 301-415-1055.

Sincerely,

/RA/

Richard J. Laufer, Chief, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-528, 50-529, and 50-530

cc: See next page

DISTRIBUTION:

PUBLIC	C. Gratton	R. Laufer	J. Nakoski	J. Donohew
J. Zwolinski	T. Marsh	S. Moore	S. Dembek	M. Burrell
C. Nolan	S. Marshall	OGC	ACRS	
M. Fields, EDO	A. Howell, RIV			

Adams Accession No. ML031550351

OFFICE	PDII-2/PM	PDI-2/LA	PDIV-1/LA	PDI-1/SC
NAME	CGratton:as	CRaynor	MMcAllister	RLaufer
DATE	05/22/03	05/23/03	05/27/03	06/04/03

OFFICIAL RECORD COPY

Palo Verde Generating Station, Units 1, 2, and 3

cc:

Mr. Steve Olea
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Douglas Kent Porter
Senior Counsel
Southern California Edison Company
Law Department, Generation Resources
P.O. Box 800
Rosemead, CA 91770

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
P. O. Box 40
Buckeye, AZ 85326

Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
Harris Tower & Pavillion
611 Ryan Plaza Drive, Suite 400
Arlington, TX 76011-8064

Chairman
Maricopa County Board of Supervisors
301 W. Jefferson, 10th Floor
Phoenix, AZ 85003

Mr. Aubrey V. Godwin, Director
Arizona Radiation Regulatory Agency
4814 South 40 Street
Phoenix, AZ 85040

Mr. Craig K. Seaman, Director
Regulatory Affairs/Nuclear Assurance
Palo Verde Nuclear Generating Station
P.O. Box 52034
Phoenix, AZ 85072-2034

Mr. Hector R. Puente
Vice President, Power Generation
El Paso Electric Company
2702 N. Third Street, Suite 3040
Phoenix, AZ 85004

Mr. John Taylor
Public Service Company of New Mexico
2401 Aztec NE, MS Z110
Albuquerque, NM 87107-4224

Mr. Jarlath Curran
Southern California Edison Company
5000 Pacific Coast Hwy Bldg DIN
San Clemente, CA 92672

Mr. Robert Henry
Salt River Project
6504 East Thomas Road
Scottsdale, AZ 85251

Terry Bassham, Esq.
General Counsel
El Paso Electric Company
123 W. Mills
El Paso, TX 79901

Mr. John Schumann
Los Angeles Department of Water & Power
Southern California Public Power Authority
P.O. Box 51111, Room 1255-C
Los Angeles, CA 90051-0100

Brian Almon
Public Utility Commission
William B. Travis Building
P. O. Box 13326
1701 North Congress Avenue
Austin, TX 78701-3326

Michael W. Priebe
Dept.-Leader Security Operations
Palo Verde Nuclear Generating Station,
Units 1, 2, and 3
Arizona Public Service Company
5801 S. Wintersburg Road
Tonapah, Arizona 85354-7529