



Palo Verde Nuclear  
Generating Station

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ID#: 102-05022-CDM/SAB/GAM  
December 24, 2003

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555-0001

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS) Units 1, 2, and 3  
Docket Nos. STN 50-528, 50-529, and 50-530  
Response to NRC Bulletin 2003-04, "Rebaselining of Data in the  
Nuclear Materials Management and Safeguards System"**

On October 8, 2003, the Nuclear Regulatory Commission (NRC) issued Bulletin 2003-04, "Rebaselining of Data in the Nuclear Materials Management and Safeguards System." The Bulletin requests affected licensees to report their possessed quantities of nuclear materials as stipulated in NUREG/BR-0006 or 0007 and NMMSS Report D-24 within 90 days of the Bulletin date. Additional NRC guidance for responding to the Bulletin was distributed by a December 9, 2003, e-mail from Donna Hinton of NAC International, the Nuclear Materials Management and Safeguards System (NMMSS) contractor. Option 3 in that additional guidance specifies that licensees who routinely report material balance/inventory information to the NMMSS contractor may respond to Bulletin 2003-04 by sending a letter to the NRC referencing the most recent material balance/inventory submittal. This letter is providing to the NRC the information specified in option 3 in the December 9, 2003 NMMSS e-mail. By copy of this letter, this submittal is being provided to Mr. Larry Harris, NRC Office of Nuclear Security and Incident Response.

The most recent material balances/inventories for the Palo Verde Nuclear Generating Station, Units 1, 2, and 3, were submitted in the following letters to NAC International, the NMMSS contractor:

Palo Verde Nuclear Generating Station Unit 1,  
Reporting Identification Symbol XTE  
Reporting Period: October 1, 2002, through September 23, 2003

Letter no. 162-10686-PFC/RPN, dated November 4, 2003, from APS to NAC International, "Palo Verde Nuclear Generating Station (PVNGS), Unit 1, Docket No. STN 50-528, Reporting Identification Symbol: XTE, Material Balance Reports, Physical Inventory Listings, and Nuclear Material Transaction Reports."

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Palo Verde Nuclear Generating Station Unit 2,  
Reporting Identification Symbol XTF  
Reporting Period: October 1, 2002, through April 3, 2003

Letter no. 162-10498-PFC/RPN, dated May 30, 2003, from APS to NAC International, "Palo Verde Nuclear Generating Station (PVNGS), Unit 2, Docket No. STN 50-529, Material Balance Reports, Physical Inventory Listings, and Nuclear Material Transaction Reports (Reporting Identification Symbol XTF)."

Palo Verde Nuclear Generating Station Unit 3,  
Reporting Identification Symbol XTG  
Reporting Period: October 1, 2002, through June 10, 2003

Letter no. 162-10560-PFC/RPN, dated July 17, 2003, from APS to NAC International, "Palo Verde Nuclear Generating Station (PVNGS), Unit 3, Docket No. STN 50-530, Material Balance Reports, Physical Inventory Listings, and Nuclear Material Transaction Reports (Reporting Identification Symbol XTG)."

No commitments are being made to the NRC by this letter.

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

Sincerely,  
*Paul F. Carley for CDM*

CDM/SAB/GAM/kg

cc: L. C. Harris NRC Office of Nuclear Security and Incident Response  
B. S. Mallett NRC Region IV Regional Administrator  
M. B. Fields NRC NRR Project Manager  
N. L. Salgado NRC Senior Resident Inspector for PVNGS  
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