SAFEGUARDS INFORMATION

July 23, 2004

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

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2 AND 3 -

REQUEST FOR ADDITIONAL INFORMATION RE: SAFEGUARDS

CONTINGENCY PLAN AND SECTION 9.4.1 OF THE PHYSICAL SECURITY

PLAN (TAC NOS. MC2950, MC2951, AND MC2952)

Dear Mr. Overbeck:

In response to the April 29, 2003, Orders revising the design basis threat, you submitted a revised physical security plan, safeguards contingency plan, and training and qualification plan, including an implementation schedule, for Palo Verde Nuclear Generating Station, Units 1, 2, and 3.

The Nuclear Regulatory Commission staff is reviewing your submission and has determined that a request for additional information (RAI) is necessary in order to complete its evaluation based on its review of your Safeguards Contingency Plan and Section 9.4.1 of the Physical Security Plan. Please respond to the enclosed RAI within 10 days from the receipt of this letter. If circumstances result in the need to revise the target response date, please contact me at (301) 415-1460.

Sincerely,

/RA/

Brian Benney, Project Manager Security Plan Review Team Division of Licensing Project Management Office of Nuclear Reactor Regulation

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

Enclosure: As stated

cc w/o encl: See next page

WARNING: Violation of Section 147 of the Atomic Energy Act, "Safeguards Information" is subject to Civil and Criminal Penalties NOTICE: The Enclosure contains Safeguards Information. Upon separation from the Enclosure, this letter is DECONTROLLED.

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