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Palo Verde Nuclear
Generating Station

10 CFR 26.71(d)

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102-05133-SAB/TNW/CJJ
July 30, 2004

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Station P1-37
Washington, DC 20555-0001

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2, & 3
Docket Nos. STN 50-528/529/530
Fitness-For-Duty Program Semiannual Performance Report**

Pursuant to 10 CFR 26.71(d), Arizona Public Service Company hereby provides, as an enclosure to this letter, the Fitness-For-Duty Program Semiannual Performance Report for the reporting period of January 1, 2004 through June 30, 2004.

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,

D.G. Marks for S.A.B.

SAB/TNW/CJJ/kg

Enclosure

cc: B. S. Mallett (all w/enclosure)
M. B. Fields
N. L. Salgado

A021

ENCLOSURE

ARIZONA PUBLIC SERVICE COMPANY

FITNESS-FOR-DUTY PROGRAM

SEMIANNUAL PERFORMANCE REPORT

January 1, 2004 through June 30, 2004

SEMIANNUAL PERFORMANCE REPORT

January 1, 2004 – June 30, 2004

PREPARED BY:

William G. Thomack II

William G. Thomack II 7-8-04
Signature Date

APPROVED BY:

Jeanne A. Copsy

Jeanne A. Copsy 7-9-04
Signature Date

REVIEWED BY:

Ouida Bland

Ouida Bland 7-8-04
Signature Date

ENCLOSURE

ARIZONA PUBLIC SERVICE COMPANY
SEMIANNUAL PERFORMANCE REPORT

January 1, 2004 THROUGH June 30, 2004

Introduction

The Arizona Public Service Company (APS) Fitness-for-Duty (FFD) Program continues to remain successful in its mission to maintain a drug-free workplace. During this reporting period, APS conducted 1320 tests. Of these, 629 were administered on a random basis. An equivalent annual testing rate of 51.1 percent was achieved during this reporting period.

APS experienced two confirmed positive random drug and alcohol tests during this reporting period. Therefore, the percentage of confirmed positive random drug and alcohol tests for this period is 0.3 percent.

Analysis of Program Results

The confirmed positive drug and alcohol test results for this reporting period by type of test and type of drug are summarized in Table 1 and 2 respectively and are discussed below.

Pre-Access Testing:

Amphetamine	1	
Alcohol	1	
Total	2	confirmed positive tests

Comments: APS tested a total of 643 individuals under the Pre-Access Testing category during this reporting period. Two individuals tested positive. The two individuals were contractors. Site access was denied and the individuals were released to their employers.

For Cause Testing:

Marijuana	1	
Total:	1	Confirmed Positive Tests

Comments: APS tested a total of 25 individuals under the For Cause testing category during this reporting period. For cause testing includes; behavior observation, post accident, suspected adulteration of specimens, or an odor of alcohol on an individual. The individual testing positive was a contractor. Site access was denied and the individual was released to the employer.

Random Testing:

Marijuana	2	
Total	2	Confirmed Positive Tests

Comments: APS tested a total of 629 individuals under the random testing category during this reporting period. Two individuals tested positive. The two individuals were contractors. Site access was denied and the individuals were released to their employers.

Follow-up Testing:

Total	0	Confirmed Positive Tests
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Comments: APS conducted a total of 22 tests under the Follow-up category during this reporting period. None of the individuals tested were positive.

Other:

Total	0	Confirmed Positive Tests
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Comments: APS tested one individual in the other testing category during this reporting period. There were no positive tests.

Reportable Events:

There were no reportable events during this reporting period.

Comments:

On July 4, 2004, a Fitness For Duty Technician was reviewing blind specimen numbers for the previous six month period. During the review, it was discovered that there had been an error when counting the number of specimens sent to the off-site lab in the month of May. This caused the number of blind specimens sent to the off-site lab to be below the required 10% for the 2nd quarter of the year. The initial count of specimens sent to the off site-lab for testing during the 2nd quarter of 2004 was 59. The actual number of specimens sent to the off-site lab was 61. Six blind specimens were sent to the off-site lab during the 2nd quarter of 2004 for a blind specimen rate of 9.8%, just below the required 10%. Corrective actions have been taken to prevent reoccurrence of this situation in the future. A formal peer check system has been put in place to ensure that PVNGS meets the required blind specimen rate.

**Fitness for Duty Program
Performance Data
Personnel Subject to 10 CFR 26**

June 30, 2004

Arizona Public Service Company

Company

6 months ending

Palo Verde Nuclear Generating Station (PVNGS)

Location

Jeanne A. Copsey

Contact Name

(623) 393-3228

Phone(include area code)

Cutoffs: Screen/Confirmation (ng/ml) Appendix A to 10 CFR 26

Marijuana	100/15	Amphetamines	1000/500
Cocaine	300/150	Phencyclidine	25/25
Opiates	300/300	Alcohol (% BAC)	0.04%

PVNGS screening test for Marijuana uses a cut off level of 50 ng/ml

Testing Results		Licensee Employees		Long-Term Contractor Personnel		Short-Term Contractor Personnel	
		1999		NA		461	
Categories		# Tested	# Positive	# Tested	# Positive	# Tested	# Positive
Pre- Access		67	0	NA	NA	576	2
For Cause	Post accident	3	0	NA	NA	7	0
	Observed behavior	2	0	NA	NA	13	1
Random		442	0	NA	NA	187	2
Follow-Up		17	0	NA	NA	5	0
Other		0	0	NA	NA	1	0
Total		531	0	NA	NA	789	5

Breakdown of Confirmed Positive Tests for Specific Substances

	Marjuana	Cocaine	Opiates	Ampheta- mines	Phency- clidine	Alcohol	Refusal to Test			Total		
Licensee Employees	0	0	0	0	0	0	0			0		
Long-Term Contractors	0	0	0	0	0	0	0			0		
Short-Term Contractors	3	0	0	1	0	1	0			5		
Total	3	0	0	1	0	1	0			5		

Additional Information Required by 10 CFR 26.71 (d)

Specimens screening positive for marijuana at 50 ng/ml: 4
Specimens screening positive for marijuana at 100 ng/ml: 2

These numbers include blind specimens sent to offsite lab for testing.