



A subsidiary of Pinnacle West Capital Corporation

EA-03-086
10CFR73.45

Palo Verde Nuclear
Generating Station

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102-05157-GRO/RAS
October 1, 2004

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
11555 Rockville Pike
Rockville, MD 20852

Reference: 1) NRC Order dated April 29, 2003, Requiring Compliance with Revised Design Basis Threat ("Order EA-03-086" or "Order")
2) APS letter no. 102-05098-GRO/RAS, dated 04/28/2004, from G. R. Overbeck, to NRC, Subject: Supplemental Response to the April 29, 2003, Orders to Palo Verde Nuclear Generating Station (PVNGS)
3) NRC letter dated 09/21/2004, from Scott A. Morris, to G. R. Overbeck, Subject: Security Plan Provisions for Enhanced Owner Controlled Area Surveillance and Response (TAC NOS. MC2950, MC2951 and MC2952)

Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2 and 3
Docket No. STN 50-528; 50-529; 50-530
License No. NPF-41; NPF-51; NPF-74
Response to Security Plan Provisions for Enhanced Owner Controlled Area Surveillance and Response (TAC NOS. MC2950, MC2951 and MC2952)

Dear Sirs:

The NRC issued an Order dated April 29, 2003, requiring compliance with revised Design Basis Threat ("Order EA-03-086" or "Order", Reference 1) and other security related Orders (collectively "Orders") for the Palo Verde Nuclear Generating Station.

Order EA-03-086 imposes license conditions on nuclear power plants licensed pursuant to the Atomic Energy Act of 1954 and Title 10 of the Code of Federal Regulations. Section III.A of the Order requires licensees to revise their physical security plans and safeguards contingency plans to provide protection against the revised design basis threat (DBT) set forth in Attachment 2 to the Order. Section III.A also requires licensees to revise the security force training and qualification plan to implement the revised DBT. These revised plans, along with an implementation schedule, were required to be submitted to the Commission for review and approval no later than April 29, 2004.

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In accordance with the Order and 10CFR § 50.4, APS submitted this Supplemental Response (Reference 2) on April 28, 2004.

On September 21, 2004, the NRC requested that APS implement certain voluntary enhanced owner controlled area (OCA) surveillance and response measures (Reference 3). Upon review, APS has determined the requested OCA surveillance and response measures are reasonable to achieve the desired objectives and has incorporated the security plan language provided by the NRC.

Revision 0 of the Palo Verde Nuclear Generating Station Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program incorporating the requested changes is enclosed.

If you have questions regarding this submittal, please contact Daniel G. Marks, Section Leader, Regulatory Affairs, at (623) 393-6492.

Arizona Public Service Company makes no commitments in this letter.

The material enclosed herewith contains Safeguards Information as defined by 10 CFR 73.21 and its disclosure to unauthorized individuals is prohibited by Section 147 of the Atomic Energy Act of 1954, as amended.

Sincerely,



GRO/RAS/ras

Enclosure: Revision 0 of the Palo Verde Nuclear Generating Station Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, and Independent Spent Fuel Storage Installation Security Program

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