



A subsidiary of Pinnacle West Capital Corporation

Palo Verde Nuclear
Generating Station

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102-05317-GRO/CKS/DGM/DFH
August 5, 2005

Document Control Desk
ATTN: Director,
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Secretary,
Office of the Secretary of the Commission
U.S. Nuclear Regulatory Commission
ATTN: Rulemakings and Adjudications Staff
Washington, DC 20555

References: 1. NRC Order EA-05-007, dated July 19, 2005, "Issuance of Order for Additional Security Measures on the Transportation of Radioactive Material Quantities of Concern"

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Docket Nos. STN 50-528, 50-529 and 50-530
Response to NRC Order EA-05-007**

Dear Sirs:

Pursuant to 10 CFR 2.202, Palo Verde Nuclear Generating Station (PVNGS) files this reply to the referenced Order regarding Additional Security Measures (ASMs) for Radioactive Material Quantities of Concern (RAMQC). PVNGS consents to the Order. Currently, PVNGS has no plans to ship radioactive materials in the quantities of concern described in the Order. In accordance with Section III.A of the Order, when a need arises to ship radioactive materials in quantities of concern, PVNGS will complete implementation of the ASMs before such shipment. In the meantime, PVNGS commits to referencing this Order and incorporating the table of isotopes/limits in our shipment procedure to ensure the issue is considered before any future shipment.

8001

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If you have questions concerning this matter, please contact Daniel G. Marks at 623-393-6492.

Sincerely,



GRO/CKS/DGM/DFH/ca

Enclosures:

- 1.) Oath
- 2.) Twenty-day Response to Order EA-05-007

cc: B. S. Mallet, Region IV Administrator
M. B. Fields, PVNGS Project Manager
G. G. Warnick, Resident Inspector
J. E. Dyer, Director, Office of Reactor Regulations
Office of Enforcement
Assistant General Counsel for Materials Litigation and Enforcement
Secretary of the Commission (hearingdocket@nrc.gov)
Office of General Counsel (OGCMailCenter@nrc.gov)

Enclosure

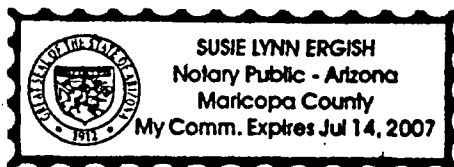
STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

I, Gregg R. Overbeck, represent that I am Senior Vice President, Nuclear, and the foregoing response letter to NRC Order 05-007 "Issuance of Order for Additional Security Measures on the Transportation of Radioactive Material Quantities of Concern," dated July 19, 2005, has been signed by me, with full authority to do so on behalf of the Arizona Public Service Company, and to the best of my knowledge and belief, the statements made therein are true and correct.

Gregg R. Overbeck
Gregg R. Overbeck

Sworn Before Me This 5th Day Of August, 2005.

Susie Lynn Ergish
Notary Public



Notary Commission Stamp

Enclosure 2

20-Day Response to NRC Order Dated July 19, 2005

The NRC order of July 19, 2005 includes the following reporting requirements:

III.

- B. 1. All Licensees shall, within **twenty (20) days** of the date of this Order, notify the Commission (1) if they are unable to comply with any of the requirements described in Attachment 2, (2) if compliance with any of the requirements is unnecessary in their specific circumstances, or (3) if implementation of any of the requirements would cause the Licensee to be in violation of the provisions of any Commission regulation or the facility license. The notification shall also provide justification for seeking relief from or variation of any specific requirement.
- 2. Any Licensee that considers that implementation of any of the requirements described in Attachment 2 to this Order would adversely impact safe operation of the facility must notify the Commission, within **twenty (20) days** of the date of this Order, of the adverse safety impact, the basis for its determination that the requirement has an adverse safety impact, and either a proposal for achieving the same objectives specified in the Attachment 2 requirement in question, or a schedule for modifying the facility to address the adverse safety condition. If neither approach is appropriate, the Licensee must supplement its response to Condition B.1 of this Order to identify the condition as a requirement with which it cannot comply, with attendant justifications as required in Condition B.1.
- C. All Licensees shall report to the Commission when they have achieved full compliance with the requirements described in Attachment B.

PALO VERDE NUCLEAR GENERATING STATION (PVNGS) RESPONSE:

- B. 1. PVNGS will, to the extent permitted under existing Federal and state statutes and laws, and when shipping radioactive material quantities of concern (RAMQC), implement the additional security measures described in attachment B of the NRC order dated July 19, 2005. PVNGS will implement these measures prior to any shipment of RAMQC. If any

shipments are planned prior to full implementation PVNGS will notify the NRC 90 days prior to this shipment.

2. Implementation of the requirements described in Attachment B to the Order would not adversely impact safe operation of PVNGS.
- C. If PVNGS should ship radioactive material quantities of concern, it will be reported to the Commission when full compliance with the requirements in Attachment B to the Order has been achieved.