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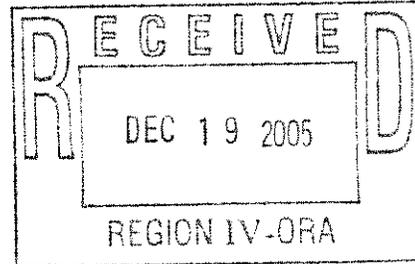


BRIAN C. McNEIL
Executive Director

ARIZONA CORPORATION COMMISSION

December 16, 2005

Mr. William Maier
Regional State Liaison Officer
US Nuclear Regulatory Commission (NRC)
611 Ryan Plaza Drive Suite 400
Arlington, Texas 76011-4005



Dear Mr. Maier,

Please forgive the delay in providing this written follow-up to our recent telephone conversation regarding the planned January 25, 2006 (10:00 a.m.) Special Open Meeting at the main office of the Arizona Corporation Commission (ACC) in Phoenix, Arizona.

As I indicated in previous email to the Washington office, the ACC requests NRC participation during the January 25th meeting. The meeting will be presided over by our five elected Commissioners. It is a public meeting, but it is not being conducted as part of any judicial or formal evidentiary proceeding. There will be no substantive votes taken at the meeting. While Arizona Public Service Company (APS) will likely be asked to make a presentation, the ACC does not have any expectation of the NRC coordinating its presence or presentation with APS.

As we discussed, the Arizona Commissioners are interested in better understanding the NRC's role with APS and the Palo Verde Nuclear Generating Station (PVNGS). In addition to general information/history, they are interested in the NRC's perspective of the current safety status of PVNGS. Further, they are very interested in better understanding the federal regulatory relationship to an outage at PVNGS that took place earlier this year. I believe you have the attachment I provided in my November email to Rosetta Virgilio that provided additional detail on the interests of the ACC. If you need further information, please contact me.

The upcoming meeting is a great opportunity to provide an interface between our organizations. Please let me know as soon as you are able who from the NRC will be able to appear on January 25th. As I mentioned in our phone conversation, I will defer to the NRC's judgment regarding who is best able to engage in this public dialogue and address matters of interest to Arizona and the ACC.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian C. McNeil".

Brian C. McNeil
Executive Director