

December 19, 2006

Mr. James M. Levine
Executive Vice President, Generation
Arizona Public Service Company
P.O. Box 52034
Phoenix, AZ 85072-2034

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
CLOSEOUT OF BULLETIN 2005-02, "EMERGENCY PREPAREDNESS AND
RESPONSE ACTIONS FOR SECURITY-BASED EVENTS" (TAC
NOS. MC7853, MC7854, AND MC7855)

Dear Mr. Levine:

On July 18, 2005, the U.S. Nuclear Regulatory Commission (NRC) issued Bulletin (BL) 2005-02, "Emergency Preparedness and Response Actions for Security-Based Events" (Agencywide Documents Access and Management System (ADAMS) Accession No. ML051740058), to all holders of operating licenses for nuclear power reactors except those who have permanently ceased operation and have certified that fuel has been removed from the reactor vessel.

BL 2005-02 notified licensees of the NRC staff's need for information associated with emergency preparedness for security-based events at nuclear power plants. The purpose of the BL was for the NRC to obtain information regarding changes licensees have made or plan to make concerning security-based emergency preparedness program capabilities and to evaluate how consistently such changes have been implemented. Licensees were requested to respond to questions and provide information in the following areas:

- A. Security-based Emergency Classification Levels and Emergency Action Levels;
- B. NRC Notifications;
- C. Onsite Protective Measures;
- D. Emergency Response Organization Augmentation; and
- E. Drill and Exercise Program.

The Nuclear Energy Institute (NEI) developed a white paper, entitled "Enhancements to Emergency Preparedness Programs for Hostile Action," dated May 2005 (revised November 18, 2005) (ADAMS Accession No. ML053290326) to clarify various options available to licensees to implement the enhancements discussed in BL 2005-02. NEI requested endorsement of these options in a letter dated November 22, 2005. The staff issued Regulatory Issue Summary 2006-12 on July 19, 2006, endorsing this white paper with clarifications.

By letter dated August 17, 2005 (ADAMS Accession No. ML052350265 - Non-Publicly Available), you responded to BL 2005-02. In your response, you indicated that you either had already or would in the future incorporate enhancements consistent with the information provided in either BL 2005-02 or the NEI white paper. With the exception of Drill and Exercise Program Enhancements, all enhancements for all licensees were scheduled to be adopted no later than February 16, 2006. The majority of licensees indicated that they would adopt the Drill and Exercise Program Enhancements contingent on NRC and Department of Homeland Security endorsement of a new evaluated exercise program. Based on the above, your response to BL 2005-02 is considered acceptable and no further action is requested of you at this time.

If you have any questions, please contact me at (301) 415-3062.

Sincerely,

/RA/

Mel B. Fields, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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

cc: See next page

J. M. Levine

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May 2006