



A subsidiary of Pinnacle West Capital Corporation

Palo Verde Nuclear
Generating Station

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

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2, and 3
Docket Nos. STN 50-528, 50-529, 50-530
License Nos. NPF-41, NPF-51, NPF-74,
Radioactive Waste Shipment Delay Special Report 1-SR-2008-001-00**

Attached please find Special Report 1-SR-2008-001-00 prepared and submitted by Arizona Public Service (APS) which reports a radioactive waste shipment for which receipt acknowledgement was not received within 20 days after transfer. The shipment (number 07-RW-027) was delayed during transit by railway car from the PVNGS site to the receiving facility in Clive, Utah. This Special Report is prepared and submitted pursuant to 10 CFR 20, Appendix G, section III.E.2. The Special Report describes specifics of the shipment, causes for the delay, and corrective actions.

By copy of this letter and the enclosure, this report is being provided to the NRC Region IV Administrator and the PVNGS Resident Inspector.

No commitments are being made to the NRC by this letter.

Should you have any questions regarding this submittal, please contact Russell Stroud, Regulatory Affairs – Compliance, at (623) 393-5111.

Sincerely,

DCM/RAS/TPJ/gat

Attachment

cc: (with attachment)
E. E. Collins Jr. NRC Region IV Regional Administrator
M. T. Markley NRC NRR Project Manager
G. G. Warnick NRC Senior Resident Inspector for Palo Verde

IE22
NRR

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Reporting Requirement:

As required by 10 CFR 20, Appendix G (Requirements for Transfers of Low-Level Radioactive Waste Intended for Disposal at Licensed Land Disposal Facilities and Manifests), section III.E.2, any radioactive waste shipment or part of a shipment for which acknowledgement is not received within 20 days after transfer, must be investigated by the shipper and reported. The investigation shall include tracing the shipment and filing a written report with the nearest NRC Regional Office within 2 weeks of completion of the investigation.

Background:

On 12/6/07, a radioactive waste shipment (07-RW-027) was sent from PVNGS to EnergySolutions (receipt and disposal facility) located in Clive, Utah. The shipment included one railway car (MHFX516258), with six containers of concrete waste material from the Retention Basin decommissioning project. The Retention Basins receive oily and non-radioactive waste water and are being decommissioned due to low levels of radioactive material present from past primary to secondary steam generator leakage. The shipped material was identified as a "Radioactive Material, Excepted Package – Limited Quantity of Material, 7, UN2910" with the appropriate documentation and markings. EnergySolutions' radioactive waste acceptance criteria require prior notification and approval of shipments. This was performed prior to release of the shipment from the PVNGS site.

Shipment 07-RW-027 had an estimated arrival dated of 12/15/07. Union Pacific Railway and MHF Logistical Solutions (railway car and container owners) tracked the shipment and provided periodic updates to PVNGS via electronic media. Six other railway cars which departed in conjunction with this shipment with radioactive material from the same project arrived at EnergySolutions on 12/19/07, within the 20 day requirement. Railway car tracking on 12/26/07 indicated that shipment 07-RW-027 was located in Salt Lake City, Utah on a rail siding with an estimated arrival date of 12/29/07 thus exceeding the 20 day receipt acknowledgement notification requirement of 10 CFR 20 Appendix G. The railway car was subsequently delivered and received by EnergySolutions at 09:00 am on 12/29/07. APS completed an investigation of the event on 1/10/08.

Report Detailing Inspection Results:

Investigation into the radioactive waste shipment delay revealed that the railway car was on hold due to a "constructed placement" which is defined as a hold placed on the conveyance by the receiver. This was due to limited available space at the EnergySolutions facility, increased end of year shipped volumes from multiple shipping

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locations, and limited holiday schedule by EnergySolutions staff. The other six railway cars were not placed on this type hold, and proceeded to the receipt and disposal facility within the 20 days. The "constructed placement" practice is common throughout the rail industry due to limitations of receiving facilities and is designed to prevent unsafe conditions.

At no time was the location of the railway car or the contents unknown. The railway car location tracking began at departure from PVNGS with updates received electronically of the railway car movements. The cause for this event is the common practice for a "constructed placement" hold requested by EnergySolutions for railway car MHFX516258. The material condition on receipt at EnergySolutions was acceptable and no discrepancies or violations were identified by EnergySolutions or the state of Utah inspectors.

Corrective Actions:

Site response and actions included placing the issue in the PVNGS corrective action program to document the investigation and to identify the cause and corrective actions. Immediate corrective actions included maintaining direct and daily contact with the railroad and railway car owners during the transit. Prior to exceeding the 20 day shipment time requirement, contact was made with MHF Logistical Solutions. On 12/19/07, the other six railway cars made it to the EnergySolutions facility. APS confirmed this on 12/20/07, and also was informed that the remaining railway car MHFX516258 was on "constructed placement" hold. On 12/25/07 APS checked with MHF Logistical Solutions to verify the exact location of the railway car and to check if the railroad company could move the shipment to the receipt and disposal facility within the 20 day requirement. APS confirmed that railcar MHFX516258 remained on hold, and noted that the delivery would not meet the 20 day requirement. Once it was determined that the "constructed placement" hold would result in the 20 day requirement not to be met, APS confirmed that the final transfer was rescheduled to be completed by 12/29/07. APS continued to maintain daily contact with MHF Logistical Solutions until the delivery was confirmed by EnergySolutions on 12/29/07.

APS provided the onsite NRC Resident Inspector and the NRC Region IV Office courtesy notifications. APS reviewed its radioactive waste shipment training programs and related procedures, and determined they were. However, APS intends to review the practice of shipping radioactive waste during busy holiday periods.