July 8, 2008

Mr. Randall K. Edington
Executive Vice President Nuclear/
Chief Nuclear Officer
Mail Station 7602
Arizona Public Service Company
P. O. Box 52034
Phoenix, AZ 85072-2034

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 – REQUEST FOR ADDITIONAL INFORMATION RELATED TO RESPONSE TO NRC BULLETIN 2007-01, "SECURITY OFFICER ATTENTIVENESS" (TAC NOS. MD7630, MD7631, AND MD7632)

Dear Mr. Edington:

By letter dated February 11, 2008 (102-05812-DCM/DFH), Arizona Public Service Company (APS, the licensee) submitted the required written response to U.S. Nuclear Regulatory Commission (NRC) Bulletin 2007-01, "Security Officer Attentiveness," for the Palo Verde Nuclear Generating Station (Palo Verde), Units 1, 2, and 3. The response was submitted to the NRC in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.54(f) and 10 CFR 70.22(d).

The NRC staff has reviewed 102-05812-DCM/DFH and determined that additional information is required to complete the final staff assessment of the licensee response to NRC Bulletin 2007-01. NRC Bulletin 2007-01 requested licensees to provide information regarding administrative and managerial programs and controls established to prevent, identify, and correct 1) security personnel inattentiveness and complicity, and 2) failures to implement the behavioral observation program for licensee security personnel including security contractors and subcontractors. The staff will use the additional information received to inform the Commission and to determine if further regulatory action is warranted or if additional assessment of licensee program implementation is needed.

The specific information requested is addressed in the enclosure to this letter. Responses are requested within 35 days of the issuance of this letter. Before submitting responses to the NRC, licensees must evaluate them for proprietary, sensitive, safeguards, or classified information and mark such information appropriately.

If you have any questions, please contact me at 301-415-5723.

Sincerely,

/RA/

Michael T. Markley, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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

Enclosure:
Request for Additional Information

cc w/encl: See next page

If you have any questions, please contact me at 301-415-5723.

Sincerely,

/RA/

Michael T. Markley, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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

Enclosure:
Request for Additional Information

cc w/encl: See next page

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REQUEST FOR ADDITIONAL INFORMATION

OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO RESPONSE TO NRC BULLETIN 2007-01,

"SECURITY OFFICER ATTENTIVENESS"

ARIZONA PUBLIC SERVICE COMPANY

PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3

DOCKET NOS. 50-528, 50-529, AND 50-530

In responding to each of the following questions, Arizona Public Service Company (APS, the licensee) is requested to provide information that addresses the measures that are currently in place, and any additional planned actions with expected completion dates:

Related to the APS response to Question 1a., the U.S. Nuclear Regulatory Commission (NRC) requests the following additional information:

1. Please describe the process for security post rotations including the rotation process for isolated positions.

Please include the following information in your response:

A description of the security post rotation process including, but not limited to: (1) a discussion of the types of posts a typical security officer would rotate through during a normal shift; (2) a discussion on whether the type of activity (i.e. roving or foot patrol or stationary in a Bullet Resisting Enclosure [BRE]) performed at each individual post is taken into consideration when a security officer moves from post to post throughout the shift; and (3) the length of time at each post. When responding, particular emphasis should be placed on whether the licensee takes into consideration the activities associated with each post assignment when formulating their post rotation schedules for each shift (i.e., rotating from foot patrol to BRE to Vital Area patrol or rotating from BRE to ready room to BRE etc.).

Related to the APS response to Question 1b., the NRC requests the following additional information:

2. Please describe any licensee processes or programs that are in place to identify problems in climate-controlled security areas. What methods are used to track, inspect, and ensure timely repairs are completed?

Please include the following information in your response:

A description of how the security areas are maintained including, but not limited to: (1) a discussion of the maintenance and/or preventive maintenance process and programs in place for these security areas including an overview and brief discussion on routine inspection schedules by maintenance personnel; (2) a discussion on the process a security officer can

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follow to report concerns with the upkeep and maintenance of his or her post; and (3) a discussion on the timeliness of repairs and any follow-up actions taken by the licensee to ensure the repairs are completed and resolved adequately.

Related to the APS response to Question 2, the NRC requests the following additional information:

3. Please describe the process for employees to file reports through the site corrective action program (CAP). Can employees file CAP reports without prior supervisory/management review or approval?

Please include the following information in your response:

Describe the process for employees to file reports through the CAP. Discuss the supervisor/ management review and/or approval process including, but not limited to: (1) does a supervisor/manager have the authority to reject a report before entering it into the CAP without additional management review and approval; and (2) does a supervisor/manager have the authority to modify the report before such report has been entered into the CAP?

4. Can the employees view the status and disposition of reports directly, or must this information be requested? If yes, please describe the process.

Related to the APS response to Question 4, the NRC requests the following additional information:

5. Are formal assessments of the security program conducted by organizations/ individuals that do not have direct responsibility for the security program? If so, provide information on the process, including, but not limited to, the organizations and levels of management involved, the frequency of such activities, and any tracking of how findings are resolved.

6. How are self-assessment findings and relevant operating experience information communicated to the security force? Please describe those processes including, but not limited to, information such as the criteria by which such information is identified, the frequency of such communications, the responsible department(s) or position(s) for such communications, and the recipients of such communications.

Please include the following information in your response:

Please describe the process including, but not limited to: (1) formal or informal communication methods; (2) procedures that ensure availability of the policy to staff; and (3) training opportunities for staff to read and understand the policy.

Related to the APS response to Question 5, the BRC requests the following additional information:

7. How do you assess the effectiveness of your oversight of contractors and subcontractors?

Please include the following information in your response:

Please describe the licensees' program for oversight of contractors and subcontractors including, but not limited to: (1) a brief overview and description of licensee's procedures that describe the oversight process; (2) a detailed list (bulleted is preferred) of assigned duties for the licensee supervisor(s) or manager(s) responsible for overseeing contractors and subcontractors at the site; (3) a detailed list (bulleted is preferred) of the assigned duties for the contractor and subcontractor supervisor(s) or manager(s) responsible for overseeing the contractor and subcontractor staff at the site; and (4) a brief discussion of the corporate (management) involvement with the oversight of contractors and subcontractors at the site.