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10 CFR 55.11

Palo Verde Nuclear
Generating Station

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102-05954-RSB/DFH
February 06, 2009

Mr. E. E. Collins, Jr.
Regional Administrator, Region IV
U.S. Nuclear Regulatory Commission
612 E. Lamar Blvd., Suite 400
Arlington, TX 76011-4125

Reference: December 10, 2008, Letter to Mr. E. E. Collins, Jr., Regional Administrator, Region IV, from Mr. Robert S. Bement, Vice President, Nuclear Operations, Arizona Public Service Company (APS), Regarding Senior Reactor Operator License Application with Waiver Request

Dear Sir:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2 and 3
Docket Nos. STN 50-528/529/530
Request for Exemption from 10 CFR 55.47 Waiver of Examination
and Test Requirements**

In accordance with 10 CFR 55.11, Arizona Public Service (APS) requests an exemption from the requirements of 10 CFR 55.47(a)(1), Waiver from Examination and Test Requirements, which requires extensive actual operating experience within two years before the date of an application for a waiver of the written examination and operating test requirements.

In the referenced letter, APS submitted a Senior Reactor Operator license application for Mr. Mark A. Sharp based on 10 CFR 55.47(a)(1), however Mr. Sharp was found not eligible for a waiver because Mr. Sharp's last plant manipulation was on November 7, 2006, missing the waiver criteria by 33 days.

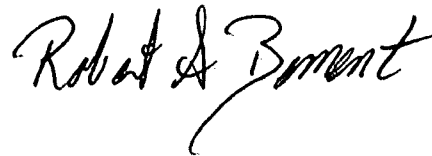
Mr. Sharp has remained current with the requalification program since the submittal of the referenced application and has passed all required tests. The attached enclosure documents the requested exemption and the basis for this exemption.

There are no commitments made to the NRC by this letter.

Mr. E. E. Collins, Jr.
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Requirements
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Please call Mr. James Proctor, Section Leader, Regulatory Affairs, (623)393-5730 if you
have questions or require additional information.

Sincerely,



RSB/TNW/JAP/DFH/gat

Enclosure: Request for Exemption from 10 CFR 55.47 Waiver of Examination and Test
Requirements.

cc: R. E. Lantz NRC Region IV, Chief, Operations Branch
R. Hall NRC NRR Project Manager
R. I. Treadway NRC Senior Resident Inspector for PVNGS
L. A. Hurley NRC Region IV, Licensing Assistant, Operations Branch

ENCLOSURE

Palo Verde Nuclear Generating Station

**Request for Exemption from 10 CFR 55.47
Waiver of Examination and Test Requirements**

Palo Verde Nuclear Generating Station Exemption Request

Requested Exemption and Circumstances Leading to the Request

In accordance with 10 CFR 55.11, Arizona Public Service (APS) requests an exemption from the requirements of 10 CFR 55.47, Waiver of Examination and Test Requirements, for a license applicant who did not meet the two year eligibility requirement. Stated in part, 10 CFR 55.47(a)(1) requires, "...extensive actual operating experience at a comparable facility...within two years before the date of the application".

On December 10, 2008, APS submitted a Senior Reactor Operator license application with a waiver request for Mr. Mark A. Sharp, using the date his previous license was terminated (December 11, 2006) as the basis to meet 10 CFR 55.47(a)(1) instead of when he last manipulated the plant (November 7, 2006). Mr. Sharp's license application missed the waiver criteria by 33 days.

Basis for the Requested Exemption

The criteria for granting specific exemptions from 10 CFR 55 regulations are stated in 10 CFR 55.11. In accordance with 10 CFR 55.11, the NRC is authorized to grant an exemption upon determining that the exemption is authorized by law and will not endanger life or property and is otherwise in the public interest. The information provided below supports these criteria.

Mr. Sharp completed a training process of self-study and one-on-one instruction, which included the licensed operator requalification material for all 5 cycles of 2007, and the material for cycles 1 and 2 of 2008. He then recommenced attending licensed operator requalification for the remainder of 2008 and will continue with the 2009 training cycles.

As part of this additional training, Mr. Sharp spent a total of 104 hours on shift during July and August 2008 with the following breakdown: 1) 20 hours as a non-licensed operator under the direction of the qualified on duty operators performing plant walk downs and familiarization tours; 2) 36 hours of shift functions under the direction of a Reactor Operator in the position of Reactor Operator, and; 3) 48 hours of shift functions under the direction of a Senior Reactor Operator in the position of Control Room Supervisor.

At the completion of this additional training and on-shift time, Mr. Sharp took and passed the scheduled annual licensed operator requalification written and simulator operating exams administered September 17 and 18, 2008, and Job Performance Measure exams administered October 21 and 22, 2008.

Previously, Mr. Sharp held a Senior Reactor Operator license at both the Prairie Island Nuclear Generating Station and the Palo Verde Nuclear Generating Station for a total of approximately eleven years, and held a position of Control Room Supervisor and

Palo Verde Nuclear Generating Station Exemption Request

Assistant Control Room Supervisor at Hanford's N-Reactor (Department of Energy¹) facility for five years. While licensed at Palo Verde, Mr. Sharp performed Reactor Operator/Control Room Supervisor duties for ten years. Mr. Sharp also has ten years of experience as an instructor for both non-licensed operator and licensed operator training at four different facilities and is currently a Senior Reactor Operator certified classroom instructor and simulator instructor for the Palo Verde Nuclear Generating Station.

In NRC Inspection Report 2008-002, the NRC identified and issued a Green Non-Cited Violation (NCV) for excessive use of operator overtime by failing to maintain a sufficient number of licensed operators. APS is diligently pursuing this issue by increasing the number of candidates in its operator license training classes and by seeking licenses for individuals who previously held a license at Palo Verde. This exemption will support easing the overtime and increasing the watch rotation flexibility for the Operations Department as soon as possible. Without the requested exemption Mr. Sharp will have to wait approximately one more year for the next licensed operator examination.

Based on the information provided above, this exemption from the waiver requirements of 10 CFR 55.47(a)(1) will not endanger life or property, is otherwise in the public interest and is authorized by law.

Environmental Assessment

In accordance with 10 CFR Part 51, this action is categorically excluded from the requirements of conducting an environmental assessment or environmental impact statement. Specifically, 10 CFR 51.22(c)(8) categorically exempts issuance, amendment or renewal of an operator license pursuant to 10 CFR Part 55.

¹ Department of Energy does not issue RO or SRO licenses, although the qualification requirements are similar.