

ENCLOSURE CONTAINS  
Security-Related Information – Withhold under 10 CFR 2.390  
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10 CFR 73.5



A subsidiary of Pinnacle West Capital Corporation

Palo Verde Nuclear  
Generating Station

**Dwight C. Mims**  
Vice President  
Regulatory Affairs and Plant Improvement

Tel. 623-393-5403  
Fax 623-393-6077

Mail Station 7605  
P. O. Box 52034  
Phoenix, Arizona 85072-2034

102-06111-DCM/CJS  
December 21, 2009

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

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)  
Units 1, 2, and 3  
Docket Nos. STN 50-528, 50-529, and 50-530  
Exemption Request for 10 CFR 73.55 Implementation**

As permitted by 10 CFR 73.5, Arizona Public Service Company (APS) hereby applies for an exemption from the schedule requirement of 10 CFR Part 73, *Physical Protection of Plants and Materials*, paragraph 73.55(a)(1) for PVNGS Units 1, 2, and 3. The new rule, 10 CFR 73.55, published March 27, 2009, effective May 26, 2009, with a full implementation date of March 31, 2010, requires licensees to protect, with high assurance, against radiological sabotage by designing and implementing comprehensive site security plans.

APS has evaluated these new requirements and determined that most can be implemented by the specified compliance date. APS has determined, however, that implementation of two specific elements of the new requirements require a schedule exemption since they involve significant physical modifications to the PVNGS security systems.

The existing and proposed elements of the PVNGS physical security program for which an exemption is being sought, are described in Enclosure 1 to this document.

APS is requesting an exemption to December 17, 2010. The APS current security program and the new security requirements that will be implemented by March 31, 2010, will provide continued high assurance of public health and safety. Accordingly, the requested exemption is authorized by law and will not endanger life or property or the common defense and security in accordance with 10 CFR 73.5.

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ADD1  
NRK

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APS requests a decision on this matter by February 5, 2010, so that actions can be taken to revise and implement the change in the PVNGS security program.

The site areas physically impacted by the modifications are relatively small, when compared to the overall PVNGS site and the modifications will be implemented in areas previously disturbed by site construction activities. This request is confined to implementation schedules for two provisions of 10 CFR 73.55 and, as such, is an administrative relief. Accordingly, the proposed exemption should result in a finding of no significant impact, pursuant to 10 CFR 51.32. Therefore, no environmental impact statement or environmental assessment should be required in connection with the requested exemption.

Specifically, the proposed action will not significantly increase the probability or consequences of accidents. No changes are being made in the types of effluents that may be released offsite. There is no significant increase in the amount of any effluent released offsite. There is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential non-radiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect non-radiological plant effluents and has no other environmental impact. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

Denial of the application for exemption would result in no change in current environmental impacts. Thus the environmental impacts of the proposed action and the alternative action (i.e., the “no-action” alternative) are similar.

The action does not involve the use of any different resources than those previously considered in the Final Environmental Statement for the Palo Verde Nuclear Generating Station, Units 1, 2, and 3, NUREG-0841, dated February 1982.

The material enclosed herewith contains Security-Related Information as defined by 10 CFR 2.390 and is, therefore, requested to be withheld from public disclosure.

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No commitments are being made by this letter. Should you need further information regarding this exemption request, please contact Russell A. Stroud, Licensing Section Leader, at (623) 393-5111.

Sincerely,



DCM/TNW/CJS/gat

Enclosure: Exemption Request from Physical Security Requirements

cc: cover letter only:

E. E. Collins Jr.	NRC Region IV Regional Administrator
J. R. Hall	NRC NRR Project Manager
K. S. Brooks	Sr. Physical Security Inspector, RIV/DRS/PSB
R. I. Treadway	NRC Senior Resident Inspector for PVNGS

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## Enclosure

# Exemption Request from Physical Security Requirements

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