



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

102-06298-DCM/CJS  
December 20, 2010

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 for 10 CFR 73.55 Implementation - Completion**

By letter number 102-06111, dated December 21, 2009, Arizona Public Service Company (APS) applied 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, pursuant to 10 CFR 73.5. This initial request was further clarified in APS letter numbers 102-06131 and 102-06144, dated February 16, and March 5, 2010, respectively.

By letter dated March 23, 2010, the NRC issued an exemption to extend the deadline for the implementation of two specified requirements in 10 CFR Part 73 from March 31, 2010, to June 30, 2010, for the first item, and to December 17, 2010, for the second item. This letter formally documents that PVNGS is in full compliance with the revised regulation, as of December 17, 2010.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Dwight C. Mims', is written over a horizontal line.

FOR D.C. MIMS

DCM/TNW/CJS/gat

AOD  
LRR

ATTN: Document Control Desk  
U.S. Nuclear Regulatory Commission  
Exemption for 10 CFR 73.55 Implementation - Completion  
Page 2

cc: E. E. Collins Jr. NRC Region IV Regional Administrator  
J. R. Hall NRC NRR Senior Project Manager  
L. K. Gibson NRC NRR Project Manager  
J. H. Bashore NRC Senior Resident Inspector (acting) for PVNGS  
P. F. Frechette Sr. Physical Security Inspector, RIV/DRS/PSB