



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION IV
1600 E. LAMAR BLVD
ARLINGTON, TX 76011-4511

August 10, 2017

Mr. Robert S. Bement
Executive Vice President Nuclear/
Chief Nuclear Officer
Arizona Public Service Company
P.O. Box 52034, MS 7602
Phoenix, AZ 85072-2034

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
NOTIFICATION OF NRC INITIAL OPERATOR LICENSING
EXAMINATION 05000528/2018301; 05000529/2018301; 05000530/2018301

Dear Mr. Bement:

In a conversation on August 3, 2017, between Messrs. J. Rodgers, Lead Examination Developer, and C. Osterholtz, Chief Examiner, arrangements were made for the administration of licensing examinations at Palo Verde Nuclear Generating Station, Units 1, 2, and 3, during the week of April 16, 2018.

As agreed during the telephone conversation, your staff will prepare the examinations based on the guidelines in Revision 11, of NUREG-1021, "Operator Licensing Examination Standards for Power Reactors." The NRC's regional office will discuss with your staff any changes that might be necessary before the examinations are administered.

To meet the above schedule, it will be necessary for your staff to furnish the operating test outlines by November 10, 2017. The written examinations, operating tests, and supporting reference materials identified in Attachment 3 to ES-201 will be due by January 26, 2018. Pursuant to Title 10, Section 55.40(b)(3), of the *Code of Federal Regulations* (10 CFR 55.40(b)(3)), an authorized representative of the facility licensee shall approve the examinations, and tests before they are submitted to the NRC for review and approval. All materials shall be complete and ready to use.

We request that any personal, proprietary, sensitive unclassified, or safeguards information in your response be contained in a separate enclosure and appropriately marked. Delays in receiving the required materials, or the submittal of inadequate or incomplete materials, may cause the examinations to be cancelled or rescheduled. In addition, your support for on-site validation of the examinations is required during the week of March 12, 2018.

To conduct the requested written examinations and operating tests, it will be necessary for your staff to provide adequate space and accommodations in accordance with ES-402, and to make the simulation facility available on the dates noted above. In accordance with ES-302, your staff should retain the original simulator performance data (e.g., system pressures, temperatures,

and levels) generated during the dynamic operating tests along with any video and audio recordings of the dynamic operating tests until the NRC takes its licensing action on all of the applications and any adjudicatory actions on any hearing demands are complete. Appendix E to NUREG-1021 contains a number of NRC policies and guidelines that will be in effect while the written examinations and operating tests are being administered.

To permit timely NRC review and evaluation, your staff should submit preliminary reactor operator and senior reactor operator waiver or excusal requests (if any) (Office of Management and Budget (OMB) approval number 3150-0090) at least 60 days before the first examination date (if able). Mr. Osterholtz should be contacted to determine the method for submission of the waiver and/or excusal requests. Preliminary reactor operator and senior reactor operator license applications (OMB approval number 3150-0090) and, medical certifications (OMB approval number 3150-0024) should be submitted at least 30 days before the first examination date. If the preliminary applications are not received at least 30 days before the examination date, a postponement may be necessary. Final, signed applications certifying that all training has been completed and requesting any waivers or excusals, as applicable, should be submitted at least 14 days before the first examination date.

Although the minimum guidelines for receiving waiver or excusal requests is 30 days before the first examination date (preliminary) and 14 days before the first examination date (final), the requests should be submitted as early in the process as possible (see the 60-day guideline, above). Resolutions resulting from verbal inquiries by the licensee to the NRC are not binding. Submittals addressing waivers and/or excusals should be in writing (i.e., on NRC Form 398, or as directed when Mr. Osterholtz is contacted to determine the method for submission). The NRC's final decision on whether to grant a waiver or excusal will be documented on the final (not preliminary) NRC Form 398 submitted for the applicant and will not be provided until the final application is submitted to the NRC.

Paperwork Reduction Act Statement

This letter contains information collection requirements that are subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). These information collections were approved by the Office of Management and Budget, approval number 3150-0018.

The burden to the public for these voluntary information collections is estimated to average 2,250 hours per examination including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information collection. You may submit comments on any aspect of the information collection, including suggestions for reducing the burden, to the FOIA, Privacy and Information Collections Branch (T-5 F53), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by electronic mail to INFCOLLECTS.Resource@nrc.gov; and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202, (3150-0018), Office of Management and Budget, Washington, DC 20503.

Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to, a request for information or an information collection requirement unless the requesting document displays a currently valid OMB control number.

In accordance with 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be available electronically for public inspection in the NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the Electronic Reading Room page of the NRC's public Web Site at <http://www.nrc.gov/reading-rm/adams.html>.

Thank you for your cooperation in this matter. Mr. Rodgers has been advised of the policies and guidelines referenced in this letter. If you have any questions regarding the NRC's examination procedures and guidelines, please contact Mr. Osterholtz at 817-200-1269 or myself at 817-200-1159.

Sincerely,

/RA Kelly Clayton Acting for/

Vincent G. Gaddy, Chief
Operations Branch
Division of Reactor Safety

Docket Nos. 50-528, 50-529, and 50-530
License Nos. NPF-41, NPF-51, and NPF-74

cc: Electronic Distribution for Palo Verde

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