



A subsidiary of Pinnacle West Capital Corporation

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102-05333-CKS/TNW/CJJ
August 25, 2005

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

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2, & 3
Docket Nos. STN 50-528/529/530
Fitness-For-Duty Program Semiannual Performance Report**

Pursuant to 10 CFR 26.71(d), Arizona Public Service Company hereby provides, as an enclosure to this letter, the Fitness-For-Duty Program Semiannual Performance Report for the reporting period of January 1, 2005 through June 30, 2005.

No commitments are being made to the NRC by this letter. Should you have any questions, please contact Thomas N. Weber at (623) 393-5764.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Scott G. Seaman', is written over a horizontal line.

CKS/TNW/CJJ/ca

cc: B. S. Mallett NRC Region IV Regional Administrator
M. B. Fields NRC NRR Project Manager
G. G. Warnick NRC Senior Resident Inspector for PVNGS

A member of the **STARS** (Strategic Teaming and Resource Sharing) Alliance

Callaway • Comanche Peak • Diablo Canyon • Palo Verde • South Texas Project • Wolf Creek

A handwritten number '1021' in dark ink, located in the bottom right corner of the page.

ENCLOSURE

ARIZONA PUBLIC SERVICE COMPANY

FITNESS-FOR-DUTY PROGRAM

SEMIANNUAL PERFORMANCE REPORT

JANUARY 1, 2005 THROUGH JUNE 30, 2005

SEMIANNUAL PERFORMANCE REPORT

January 1, 2005 – June 30, 2005

PREPARED BY:

William G. Thomack II

William G. Thomack II 7-27-05
Signature Date

APPROVED BY:

Gayle Schiavone

Gayle A. Schiavone 7/28/05
Signature Date

REVIEWED BY:

Harold J. Winter

H. J. Winter 7/27/05
Signature Date

Introduction

The Arizona Public Service Company (APS) Fitness-for-Duty (FFD) Program continues to remain successful in its mission to maintain a drug-free workplace. During this reporting period, APS conducted 1844 tests. Of these, 662 were administered on a random basis. An equivalent annual testing rate of 51.6 percent was achieved during this reporting period.

APS experienced two confirmed positive random drug and alcohol tests during this reporting period. Therefore, the percentage of confirmed positive random drug and alcohol tests for this period is 0.3 percent.

Analysis of Program Results

The confirmed positive drug and alcohol test results for this reporting period by type of test and type of drug are summarized in Table 1 and 2 respectively and are discussed below.

Pre-Access Testing:

Cocaine	1	
Marijuana	4	
Amphetamines	2	
Opiates	1	
Alcohol	1	
Total	9	confirmed positive tests

Comments: APS tested a total of 995 individuals under the Pre-Access Testing category during this reporting period. Seven individuals tested positive. Two of the individuals tested positive for two drugs, amphetamines and marijuana. The seven individuals were contractors. Site access was denied and the individuals were released to their employers.

For Cause Testing:

Amphetamines	1	
Alcohol	1	
Cocaine	1	
Refusal to Test	2	
Total:	5	Confirmed Positive Tests

Comments: APS tested a total of 36 individuals under the For Cause testing category during this reporting period. For cause testing includes; behavior observation, post accident, suspected adulteration of specimens, or an odor of alcohol on an individual. Five individuals tested positive. Four of the individuals testing positive were contractors. Site access was denied and the individuals were released to their employers. One individual was an APS employee. This individual was terminated for reasons other than the positive test result.

Random Testing:

Amphetamines	1	
Alcohol	1	
Total	2	Confirmed Positive Tests

Comments: APS tested a total of 662 individuals under the random testing category during this reporting period. Two individuals tested positive. One individual was an APS employee. The individual completed a mandatory treatment program and was placed in the follow-up program. One individual was a contract employee. Site access was denied and the individual was released to the contract company.

Follow-up Testing:

Total	0	Confirmed Positive Tests
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Comments: APS conducted a total of 69 tests under the Follow-up category during this reporting period. None of the individuals tested were positive.

Other:

Total	0	Confirmed Positive Tests
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Comments: APS tested 82 individuals in the other testing category during this reporting period. This category includes pre-employment testing. There were no positive tests.

Reportable Events:

There were no reportable events during this reporting period.

**Fitness for Duty Program
Performance Data
Personnel Subject to 10 CFR 26**

June 30, 2005																	
Arizona Public Service Company				6 months ending													
Company																	
Palo Verde Nuclear Generating Station (PVNGS)																	
Location																	
Ouida Bland				(623) 393-3228													
Contact Name				Phone(include area code)													
<p>Cutoffs: Screen/Confirmation (ng/ml) Appendix A to 10 CFR 26</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 25%;">Marijuana</td> <td style="width: 15%;">100/15</td> <td style="width: 25%;">Amphetamines</td> <td style="width: 35%;">1000/500</td> </tr> <tr> <td>Cocaine</td> <td>300/150</td> <td>Phencyclidine</td> <td>25/25</td> </tr> <tr> <td>Opiates</td> <td>300/300</td> <td>Alcohol (% BAC)</td> <td>0.04%</td> </tr> </table>						Marijuana	100/15	Amphetamines	1000/500	Cocaine	300/150	Phencyclidine	25/25	Opiates	300/300	Alcohol (% BAC)	0.04%
Marijuana	100/15	Amphetamines	1000/500														
Cocaine	300/150	Phencyclidine	25/25														
Opiates	300/300	Alcohol (% BAC)	0.04%														
PVNGS screening test for Marijuana uses a cut off level of 50 ng/ml																	
Testing Results		Licensee Employees		Long-Term Contractor Personnel		Short-Term Contractor Personnel											
Average Number with Unescorted Access		2035		NA		530											
Categories		# Tested	# Positive	# Tested	# Positive	# Tested	# Positive										
Pre- Access		223	0	NA	NA	772	7										
For Cause	Post accident	6	0	NA	NA	2	0										
	Observed behavior	13	1	NA	NA	15	4										
Random		527	1	NA	NA	135	1										
Follow-Up		53	0	NA	NA	16	0										
Other		82	0	NA	NA	0	0										
Total		904	2	NA	NA	940	12										

Breakdown of Confirmed Positive Tests for Specific Substances

	Marijuana	Cocaine	Opiates	Amphetamine	Phencyclidine	Alcohol	Refusal to Test			Total		
Licensee Employees	0	0	0	0	0	2	0			2		
Long-Term Contractors	NA	NA	NA	NA	NA	NA	NA			NA		
Short-Term Contractors	4	2	1	4	0	1	2			14		
Total	4	2	1	4	0	3	2			16		

Additional Information Required by 10 CFR 26.71 (d)

Specimens screening positive for marijuana at 50 ng/ml: 7

Specimens screening positive for marijuana at 100 ng/ml: 6

These numbers include blind specimens sent to offsite lab for testing.