

September 22, 2000

Mr. Benjamin F. Montoya, Chairman,
President & CEO
Public Service Company of New Mexico
Alvarado Square MS-2824
Albuquerque, NM 87158

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE
(TAC NOS. MA8406, MA8407, AND MA8408)

Dear Mr. Montoya:

By letter from Public Service Company of New Mexico (PNM) dated March 3, 2000, and affidavit dated March 3, 2000, executed by Terry R. Horn, PNM, submitted proprietary information in Attachment B, "Information Submittal in Support of Application for NRC Consent to Proposed Indirect Transfers of Control and Approval of License Amendments To Reflect Name Changes," and requested that Exhibits 4, 5, 6, 7, and 8 be withheld from public disclosure pursuant to 10 CFR 2.790. A nonproprietary copy of this information has been placed in the NRC public document room and added to the Agencywide Documents Access and Management System's Publicly Available Records System (ADAMS PARS) Library.

By letter from Shaw Pittman dated September 7, 2000, the March 3, 2000, affidavit was replaced in its entirety by an affidavit dated September 6, 2000, executed by Terry R. Horn, PNM.

The September 6, 2000, affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

2. Certain of the said Exhibits, specifically Exhibits 4, 5, 6, 7 and 8, contain commercial and financial information relating to the current and estimated future business operations of PNM and its affiliates that is considered confidential by PNM. Other than its disclosure in the cited Exhibits, the information in question is not available from public sources, is held in confidence by PNM, and is generally not disclosed to parties outside PNM. Internal distribution of this information within PNM is limited to essential PNM personnel. Said information is being submitted to the NRC in confidence.
3. Public disclosure of the information contained in the cited Exhibits would be likely to cause substantial harm to PNM's competitive position in the electric power generation market because the information includes PNM's planning estimates of its economic performance, market penetration estimates and other sensitive

business data which could be used by PNM's competitors to the company's detriment and which absent such disclosure could not be properly acquired or duplicated by PNM's competitors.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.790 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the versions of Attachment B Exhibits 4, 5, 6, 7, and 8 marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.790(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-3062.

Sincerely,

/RA/

Mel B. Fields, Project Manager, Section 2
Project Directorate IV & Decommissioning
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. STN 50-528, STN 50-529,
and STN 50-530

cc: See next page

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Palo Verde Generating Station, Units 1, 2, and 3

cc:

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