

March 20, 2001

LICENSEE: Arizona Public Service Company

FACILITIES: Palo Verde Nuclear Generating Station, Unit 2

SUBJECT: MEETING WITH ARIZONA PUBLIC SERVICE COMPANY ON ITS  
PLANS FOR DRY CASK STORAGE AT THE SITE OF PALO VERDE  
NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3

A meeting was held on Wednesday, March 7, 2001, between the Nuclear Regulatory Commission (NRC) staff and the licensee of Palo Verde Nuclear Generating Station, Units 1, 2, and 3 (Palo Verde). The meeting was held at the request of the licensee to provide the NRC with an update of the licensee's plans for dry cask storage of spent fuel assemblies at the Palo Verde site. The notice for the meeting was issued on January 24, 2001.

This meeting is the third presentation by the licensee on the subject. The previous meeting summaries were issued by the staff on May 7, 1998, and April 19, 1999.

Enclosure 1 is the list of attendees, and Enclosure 2 is the handout provided by the licensee at the meeting. The agenda for the meeting is page 2 of Enclosure 2. The NRC staff did not provide a handout at the meeting. There was no discussion of any current licensing actions under NRC staff review for the units. There were no decisions made by the NRC staff.

The presentation by the licensee was on the status of its work to provide dry cask storage at the Palo Verde site for the storage of spent fuel assemblies. The following acronyms are used in the handout: CoC is certificate of compliance, DSQG is Dry Storage Quality Group, ISFSI is independent spent fuel storage installation, NAC is NAC International, NFM is Nuclear Fuel Management within the licensee's organization, OL is operating license, QA is quality assurance, Tech Spec is Technical Specifications, and UMS is universal multipurpose cannister system.

In their presentation, the licensee discussed the following subjects related to a dry cask storage facility on the Palo Verde site (the page numbers listed below are for Enclosure 2):

- Licensee's accomplishments in the year 2000 (page 3)
- Dates for loss of full core offload capacity in the spent fuel pools for the three units (without dry cask storage available) (page 5)
- Current project schedule (pages 6 and 7)
- ISFSI location onsite (ISFSI located in lower middle of page) (page 8)
- ISFSI design and layout (pages 9 and 10)
- Licensing actions (pages 11 through 13)
- Operations preparations (page 14)
- ISFSI QA plan (page 16)
- Fabrication of the UMS system (pages 17 and 18)
- Other issues (page 19)

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Inside NRC has an article discussing the licensee's work to implement dry cask storage at Palo Verde on pages 6 and 7 of its publication dated March 12, 2001.

The licensee stated that ISFSI construction was planned to be completed March 31, 2002, with the first fuel assembly being loaded in November 2002.

**/RA/**

Jack N. Donohew, Senior Project Manager, Section 2  
Project Directorate IV & Decommissioning  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket No. STN 50-528, STN 50-529,  
and STN 50-530

Enclosures: 1. List of Meeting Attendees  
2. Licensees' Handout (ADAMS Accession No. ML010680233)

cc w/encls: See next page

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SMorris, EDO

TMcGinty, NMSS

SO'Connor, NMSS

Package: ML010790056

Meeting Notice: ML010240070

ADAMS ACCESSION NO. ML010790065

OFFICE	PDIV-2/PM	PDIV-2/LA	PDIV-2/SC
NAME	JDonohew:am	MMcAllister	SDembek
DATE	3/19/2001	3/16/01	3/19/01

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

cc:

Mr. Steve Olea  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Douglas Kent Porter  
Senior Counsel  
Southern California Edison Company  
Law Department, Generation Resources  
P.O. Box 800  
Rosemead, CA 91770

Senior Resident Inspector  
U.S. Nuclear Regulatory Commission  
P. O. Box 40  
Buckeye, AZ 85326

Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
Harris Tower & Pavillion  
611 Ryan Plaza Drive, Suite 400  
Arlington, TX 76011-8064

Chairman  
Maricopa County Board of Supervisors  
301 W. Jefferson, 10th Floor  
Phoenix, AZ 85003

Mr. Aubrey V. Godwin, Director  
Arizona Radiation Regulatory Agency  
4814 South 40 Street  
Phoenix, AZ 85040

Mr. Craig K. Seaman, Director  
Regulatory Affairs  
Arizona Public Service Company  
P.O. Box 52034  
Phoenix, AZ 85072-2034

Mr. John C. Horne  
Vice President, Power Generation  
El Paso Electric Company  
2702 N. Third Street, Suite 3040  
Phoenix, AZ 85004

Mr. David Summers  
Public Service Company of New Mexico  
414 Silver SW, #1206  
Albuquerque, NM 87102

Mr. Jarlath Curran  
Southern California Edison Company  
5000 Pacific Coast Hwy Bldg DIN  
San Clemente, CA 92672

Mr. Robert Henry  
Salt River Project  
6504 East Thomas Road  
Scottsdale, AZ 85251

Terry Bassham, Esq.  
General Counsel  
El Paso Electric Company  
123 W. Mills  
El Paso, TX 79901

Mr. John Schumann  
Los Angeles Department of Water & Power  
Southern California Public Power Authority  
P.O. Box 51111, Room 1255-C  
Los Angeles, CA 90051-0100

Mr. Gregg R. Overbeck  
Senior Vice President, Nuclear  
Arizona Public Service Company  
P. O. Box 52034  
Phoenix, AZ 85072-2034

LIST OF ATTENDEES AT MEETING OF MARCH 7, 2001

DRY CASK STORAGE OF SPENT FUEL

FOR PALO VERDE UNIT 2

<u>NAME</u>	<u>AFFILIATION</u>
J. Donohew	NRC/NRR/PDIV-2
S. Dembek	NRC/NRR/PDIV-2
T. McGinty	NRC/NMSS/SFPO
S. O'Connor	NRC/NMSS/SFPO
S. Bauer	APS
R. Bandera	APS
G. Michael	APS
B. Hansen	APS
P. Crawley	APS
E. Hiruo	Platts Nuclear Publications
S. Schulin	The IBEX Group
M.E. Frankle	Constellation Nuclear Services
M. Conley	McGraw-Hill

Where:

NRC	= Nuclear Regulatory Commission
NMSS	= Office of Nuclear Material Safety and Safeguards
NRR	= Office of Nuclear Reactor Regulation
PDIV-2	= Project Directorate IV-2
SFPO	= Spent Fuel Project Office
APS	= Arizona Public Service Company