



10 CFR 50.12

Palo Verde Nuclear
Generating Station

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102-04611-CDM/TNW/JAP
September 25, 2001

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Station P1-37
Washington, DC 20555-0001

- Reference: 1) Letter 102-04540-CDM/SAB/JAP, dated March 2, 2001, "Lead Fuel Assembly – Exemption Request Extension," from D. Mauldin, APS to USNRC
- 2) Letter 102-04600-CDM/TNW/JAP, dated August 28, 2001, "Additional Information for Lead Fuel Assembly – Exemption Request Extension," from D. Mauldin, APS to USNRC

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Unit 3
Docket No. STN 50-530
Lead Fuel Assembly – Inspection Results**

Dear Sir or Madam:

In Reference 1, Arizona Public Service Company (APS) requested an exemption from the requirements of 10 CFR 50.44, 10 CFR 50.46 and 10 CFR 50, Appendix K, for PVNGS Unit 3. This exemption would allow continued testing of a Lead Fuel Assembly (LFA) containing fuel rods fabricated with an advanced zirconium based cladding material.

On July 19, 2001 and August 16, 2001, the NRC staff and APS conducted telephone calls concerning the Reference 1 submittal. Some questions were asked concerning the duty of the lead fuel assembly and other items. APS provided responses to those questions in Reference 2.

An additional discussion was conducted on September 21, 2001, with the NRC staff. Based on this discussion, APS commits to provide to the NRC the Unit 3 Lead Fuel Assembly (LFA) examination results after the third and fourth cycles of operation. These examinations are currently scheduled for October 2001 (Unit 3, Cycle 9 completion) and

2001

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April 2003 (Unit 3, Cycle 10 completion). These examination results will be proprietary to Westinghouse Electric Company LLC and will be sent to the NRC when they are provided to APS.

Should you have any questions, please contact Thomas N. Weber at (623) 393- 5764.

Sincerely,

A handwritten signature in cursive script that reads "David Mauldin". The signature is written in black ink and is positioned below the word "Sincerely,".

CDM/TNW/JAP/kg

cc: E. W. Merschoff
L. R. Wharton
J. H. Moorman