

October 10, 2001

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE -- PNO-IV-01-PN401-046

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by the Region IV staff on this date.

Facility

Arizona Public Service Co.
Palo Verde 2
Wintersburg, Arizona
Docket: 50-529
License: NPF-51

Licensee Emergency Classification

Notification of Unusual Event
 Alert
 Site Area Emergency
 General Emergency
 Not Applicable

SUBJECT: UNIT 2 ENTRY INTO TECHNICAL SPECIFICATION 3.0.3 AND SHUTDOWN FOR POTENTIAL CONTROL ELEMENT ASSEMBLY (CEA) TIP DEGRADATION

DESCRIPTION:

Background

In March 2001, the licensee determined that Palo Verde Unit 1 control element assemblies (CEA) had experienced tip cracking due to expansion of the boron pellets contained in the CEA and embrittlement of the CEA cladding material. The licensee replaced all full length CEAs and verified that CEA guide tubes were not obstructed. The licensee believed that Units 2 and 3 CEAs had additional lifetime due to differences in CEA design, but planned to inspect the CEAs in Unit 3 during the next refueling outage in the Fall of 2001 (Reference Morning Report 4-01-0003).

New Information

Palo Verde Unit 3 shutdown on September 29, 2001, for the ninth refueling outage. All rods inserted normally during the shutdown. On October 10, the licensee began inspection of the Unit 3 CEAs and identified cracking in the first CEA inspected. Since Unit 2 CEAs are similar to those in Unit 3, the licensee has conservatively declared all Unit 2 CEAs inoperable and is conducting an orderly shutdown as required by Technical Specifications. The licensee began the shutdown of Unit 2 at 7:30 a.m. MST (10:30 a.m. EDT) and successfully shutdown the unit with all CEAs inserted. The licensee plans to replace the CEAs in Units 2 and 3.

The state of Arizona will be informed.

The licensee plans to issue a formal press release to notify local media. The Region IV Public Affairs Office is prepared to respond to media inquiries. Region IV received notification of this occurrence by telephone from the resident inspector at 7:45 am on October 10, 2001. Region IV has informed NRR and OEDO.

This information has been discussed with the licensee and is current as of 10:45 am (MST).

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