

April 28, 1982

Docket Nos.: STN 50-528/50-529  
and 50-530



Mr. E. E. Van Brunt, Jr.  
Vice President - Nuclear Projects  
Arizona Public Service Company  
Post Office Box 21666  
Phoenix, Arizona 85036

Dear Mr. Van Brunt:

Subject: Issuance of Amendments to Construction Permits for Palo Verde  
Nuclear Generating Station, Units 1, 2 and 3

By letter dated July 31, 1981, you filed an application for amendments to the Construction Permits (CPR-141, CPR-142 and CPR-143) for the Palo Verde Nuclear Generating Station, Units 1, 2 and 3. The request for amendments was made to add the Los Angeles Department of Water and Power (LADWP) and Southern California Public Power Authority (SCPPA) as co-owners and to transfer 5.70 percent and 5.91 percent undivided ownership interests from the Salt River Project Agricultural Improvement and Power District to LADWP and SCPPA, respectively, as tenants in common with the other participants in the facility.

In connection with your application, we have requested and received advice from the Attorney General of the United States. The Attorney General found that no antitrust hearing was necessary with respect to the transfer of ownership interest. Notice of the receipt of the Attorney General's advice was published in the Federal Register on March 10, 1982 (47 F.R. 10331). No petitions to intervene on this ownership transfer have been received by the Commission.

We have reviewed your application for transfer of ownership interest and have concluded that this action is not inimical to the common defense and security or to the health and safety of the public, and does not involve a significant hazards consideration. The bases for these conclusions are set forth in the enclosed safety evaluation.

We have also concluded that the amendments involve actions which are insignificant from the standpoint of environmental impact and that, pursuant to 10 CFR Section 51.5(b)(4), an environmental impact statement or negative declaration and an environmental impact appraisal need not be prepared in connection with the issuance of the amendments.

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PDR ADOCK 05000528  
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E. E. Van Brunt, Jr.

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Amendment No. 4 to CPPR-141, Amendment No. 4 to CPPR-142, Amendment No. 4 to CPPR-143, and a related notice which has been forwarded to the Office of the Federal Register for publication are enclosed.

Sincerely,

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Original signed by  
Darrell G. Eisenhut, Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

Enclosures:

- 1. Amendment No. 4 to CPPR-141
- 2. Amendment No. 4 to CPPR-142
- 3. Amendment No. 4 to CPPR-143
- 4. Safety Evaluation
- 5. Federal Register Notice

DL:LB#3 JL:ph 4/18/82	DL:LB#3 ELicitra 4/9/82	DE ATAolston 4/9/82	QELD Rutberg 4/19/82	QELD Dene 4/15/82	DL:LB#3 Ragaglia 4/13/82	DL:AD·L RTedesco 4/13/82	DL:DR DEisenhut 4/27/82
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Mr. E. E. Van Brunt,  
Vice President - Nuclear Projects  
Arizona Public Service Company  
P. O. Box 21666  
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PALO VERDE

cc: Arthur C. Gehr, Esq.  
Snell & Wilmer  
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Phoenix, Arizona 85073

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Economic Planning and Development Office  
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Mr. Rand L. Greenfield  
Assistant Attorney General  
Bataan Memorial Building  
Santa Fe, New Mexico 87503

Resident Inspector Palo Verde/NPS  
U.S. Nuclear Regulatory Commission  
P. O. Box 21324  
Phoenix, Arizona 85001

Ms. Patricia Lee Hourihan  
6413 S. 26th Street  
Phoenix, Arizona 85040

Arizona Radiation Regulatory Agency  
ATTN: Mr. Charles F. Tedford, Director  
925 South 52nd Street, Suite No. 2  
Tempe, Arizona 86281

Chairman  
Arizona Public Service Commission  
2222 West Encanto Boulevard  
Phoenix, Arizona 85009

Federal Energy Regulatory Commission  
825 North Capital Street, N.E.  
Washington, D.C. 20426

Chairman  
Maricopa County Board of Supervisors  
111 South Third Avenue  
Phoenix, Arizona 85003

ARIZONA PUBLIC SERVICE COMPANY  
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT  
EL PASO ELECTRIC COMPANY  
SOUTHERN CALIFORNIA EDISON COMPANY  
PUBLIC SERVICE COMPANY OF NEW MEXICO  
M-S-R PUBLIC POWER AGENCY  
LOS ANGELES DEPARTMENT OF WATER AND POWER  
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

DOCKET NO. STN 50-528

PALO VERDE NUCLEAR GENERATING STATION, UNIT 1  
AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 4  
 Construction Permit No.: CPPR-141

1. The Nuclear Regulatory Commission (the Commission) having found that:
  - A. The application for amendment filed by Arizona Public Service Company, on behalf of itself and the other applicants, who presently are Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico, and M-S-R Public Power Agency, in a letter dated July 31, 1981, for the purpose of adding Los Angeles Department of Water and Power and Southern California Public Power Authority as co-owners of the Palo Verde Nuclear Generating Station, Unit 1, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in 10 CFR Chapter I:
  - B. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
  - C. Issuance of this amendment will not result in any environmental impacts not previously considered.
2. Accordingly, Construction Permit No. CPPR-141 is amended to reflect a change in ownership of the facility as follows:

All references to "applicants" shall include Los Angeles Department of Water and Power and Southern California Public Power Authority.

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3. This amendment is effective as of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by  
Darrell G. Eisenhut

Darrell G. Eisenhut, Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

Date of Issuance: April 28, 1982

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ARIZONA PUBLIC SERVICE COMPANY  
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT  
EL PASO ELECTRIC COMPANY  
SOUTHERN CALIFORNIA EDISON COMPANY  
PUBLIC SERVICE COMPANY OF NEW MEXICO  
M-S-R PUBLIC POWER AGENCY  
LOS ANGELES DEPARTMENT OF WATER AND POWER  
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

DOCKET NO. STN 50-529

PALO VERDE NUCLEAR GENERATING STATION, UNIT 2

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 4

Construction Permit No.: CPPR-142

1. The Nuclear Regulatory Commission (the Commission) having found that:
  - A. The application for amendment filed by Arizona Public Service Company, on behalf of itself and the other applicants, who presently are Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico, and M-S-R Public Power Agency, in a letter dated July 31, 1981, for the purpose of adding Los Angeles Department of Water and Power and Southern California Public Power Authority as co-owners of the Palo Verde Nuclear Generating Station, Unit 2, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in 10 CFR Chapter I;
  - B. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
  - C. Issuance of this amendment will not result in any environmental impacts not previously considered.
2. Accordingly, Construction Permit No. CPPR-142 is amended to reflect a change in ownership of the facility as follows:

All references to "applicants" shall include Los Angeles Department of Water and Power and Southern California Public Power Authority.


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3. This amendment is effective as of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by  
Darrell G. Eisenhut

Darrell G. Eisenhut, Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

Date of Issuance: April 28, 1982

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ARIZONA PUBLIC SERVICE COMPANY  
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT  
EL PASO ELECTRIC COMPANY  
SOUTHERN CALIFORNIA EDISON COMPANY  
PUBLIC SERVICE COMPANY OF NEW MEXICO  
M-S-R PUBLIC POWER AGENCY  
LOS ANGELES DEPARTMENT OF WATER AND POWER  
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

DOCKET NO. STN 50-528

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 4

Construction Permit No.: CPPR-143

1. The Nuclear Regulatory Commission (the Commission) having found that:
  - A. The application for amendment filed by Arizona Public Service Company, on behalf of itself and the other applicants, who presently are Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico, and M-S-R Public Power Agency, in a letter dated July 31, 1981, for the purpose of adding Los Angeles Department of Water and Power and Southern California Public Power Authority as co-owners of the Palo Verde Nuclear Generating Station, Unit 3, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in 10 CFR Chapter I:
  - B. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
  - C. Issuance of this amendment will not result in any environmental impacts not previously considered.
2. Accordingly, Construction Permit No. CPPR-143 is amended to reflect a change in ownership of the facility as follows:

All references to "applicants" shall include Los Angeles Department of Water and Power and Southern California Public Power Authority.

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3. This amendment is effective as of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by  
Darrell G. Eisenhut

Darrell G. Eisenhut, Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

Date of Issuance: April 28, 1982

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SAFETY EVALUATION

PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2 AND 3

INTRODUCTION

By letter dated July 31, 1981, Arizona Public Service Company (APS), as Project Manager and Operating Agent of the Palo Verde Nuclear Generating Station, Units 1, 2 and 3 (PVNGS), submitted a request for amendments to the Construction Permits (CPR-141, CPR-142, and CPR-143) for PVNGS, to add two additional co-owners and to secure approval of a transfer in ownership percentages to the proposed co-owners. This request involves a transfer of 5.70 percent and 5.91 percent undivided ownership shares in PVNGS, from the Salt River Project Agricultural Improvement and Power District's 29.10 percent ownership interest, to the Los Angeles Department of Water and Power (LADWP) and Southern California Public Power Authority (SCPPA), respectively, as tenants in common with the other PVNGS participants (includes the El Paso Electric Company, M-S-R Public Power Agency, Southern California Edison Company and Public Service Company of New Mexico). In support of the request, APS had submitted financial information about the proposed transferees.

The purpose of this Safety Evaluation is to present the results of the staff's analysis of the proposed addition of LADWP and SCPPA as co-owners to PVNGS.

ANALYSIS

APS, as Project Manager and Operating Agent, has exclusive responsibility for the design and construction of PVNGS. Since APS will retain exclusive responsibility for the design and construction of PVNGS with the proposed addition of LADWP and SCPPA as co-owners, the only issue which required an evaluation is the proposed co-owner's financial qualifications to assume their respective shares of PVNGS.

The NRC regulations relating to the determination of an applicant's financial qualifications are in Section 50.33(f) of 10 CFR Part 50. These regulations, as amended on March 31, 1982, state that a financial review of an applicant to construct a production facility (commercial nuclear power plant) shall not be conducted if the applicant is an electric utility. Since PVNGS is a production facility and since LADWP and SCPPA are electric utilities, a financial review of the proposed transfer of ownership shares in PVNGS to LADWP and SCPPA is not required.\*

\*The request for CP Amendment was filed prior to the change in Section 50.33(f) of 10 CFR Part 50 which deleted the requirements for the review of financial qualifications for electric utility applicants. At the time that Section 50.33(f) was amended on March 31, 1982, the staff's review of the financial information filed with the request for CP amendment had reached the point where the staff could

conclude that LADWP and SCPPA are financially qualified to assume their proposed respective ownership shares in PVNGS.

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CONCLUSIONS

On the basis of the above evaluation, the staff finds that the issuance of the requested amendments, transferring ownership of 5.70 percent and 5.91 percent ownership percentages from the Salt River Project Agricultural Improvement and Power District to the Los Angeles Department of Water and Power and Southern California Public Power Authority, respectively, will not be inimical to the common defense and security or to the health and safety of the public. The staff finds that the requested amendments do not involve a significant hazards consideration because this action will not involve any significant increase in the probability or consequences of any accident, and this action will not involve any significant decrease in safety margin.

Date Issued: April 28, 1982

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UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NOS. STN 50-528, STN 50-529, AND STN 50-530

ARIZONA PUBLIC SERVICE COMPANY, ET.AL.

PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3

NOTICE OF ISSUANCE OF AMENDMENTS TO CONSTRUCTION PERMITS

Notice is hereby given that the U. S. Nuclear Regulatory Commission (the Commission) has issued Amendments No. 4 to Construction Permit Nos. CPPR-141, CPPR-142, and CPPR-143. The amendments add Los Angeles Department of Water and Power (LADWP) and Southern California Public Power Authority (SCPPA) as co-owners and reflect a transfer of a 5.70% and 5.91% undivided ownership interests from Salt River Agricultural Improvement and Power District to LADWP and SCPPA, respectively, for the Palo Verde Nuclear Generating Station, Units 1, 2, and 3 (the facilities), located in Maricopa County, Arizona. The amendments are effective as of their date of issuance. The present applicants for Palo Verde are Arizona Public Service Company, Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico and M-S-R Public Power Agency.

The application for the amendments complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations. The Commission has made appropriate findings as required by the Act and the Commission's regulations in 10 CFR Chapter I, which are set forth in the amendments. The Commission has also concluded that the amendments involve actions which are insignificant from the standpoint of environmental impact and that, pursuant to 10 CFR Section 51.5(d)(4),

and environmental impact statement or negative declaration and an environmental

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impact appraisal need not be prepared in connection with the issuance of the amendments. Prior public notice of the amendments was not required since the amendments do not involve a significant hazards consideration.

For further details with respect to this action, see (1) the application for amendments, dated July 31, 1981; (2) Amendments No. 4 to Construction Permit Nos. CPPR-141, CPPR-142, and CPPR-143 and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection in the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C., and at the Phoenix Public Library, Science and Industry Section, 12 East McDowell Road, Phoenix, Arizona 85004. Items 2 and 3 may be requested by writing to the U. S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Technical Information and Document Control.

Dated at Bethesda, Maryland, this 28th day of April, 1982.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by  
Frank J. Miraglia

Frank J. Miraglia, Chief  
Licensing Branch No. 3  
Division of Licensing

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SURNAME ▶	J Lee:ph	ELicitra	RM Miraglia	B. VOGLER			
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