

March 26, 1982

Docket Nos.: 50-528/529/530



Mr. E. E. Van Brunt, Jr.
Vice President - Nuclear Projects
Arizona Public Service Company
P. O. 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 November 6, 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, to add the M-S-R Public Power Agency (M-S-R) as a co-owner and to transfer a 3.95% undivided ownership interest from El Paso Electric Company to M-S-R as a tenant in common with the other participants in the facility. In support of this request, the application included information regarding the financial qualifications of M-S-R to assume its proposed ownership interest.

We have reviewed your application and have concluded that M-S-R is financially qualified to participate in the ownership of the Palo Verde facility to the extent of 3.95% undivided ownership interest. Further, we conclude 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(d)(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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Amendment No. 3 to CPPR-141, Amendment No. 3 to CPPR-142, Amendment No. 3 to CPPR-143, and a related notice which has been forwarded to the Office of the Federal Register for publication are enclosed.

Sincerely,

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

Enclosures:

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

DISTRIBUTION:

Docket File 50-528/529/530

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OFFICE	DL:LB#3	DL:LB#3	OELD	DL:ADTL	DL:DIR	DSP	DE:AEAR
SURNAME	Lee/ELicitra	ELicitra	ED	RTedesco	DEisenhut	JSaltzman	ATOalston
DATE	3/9/82	3/9/82	3/16/82	3/16/82	3/16/82	3/9/82	3/17/82



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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

DOCKET NO. STN 50-528

PALO VERDE NUCLEAR GENERATING STATION, UNIT 1

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 3

Construction Permit No.: CPPR-141

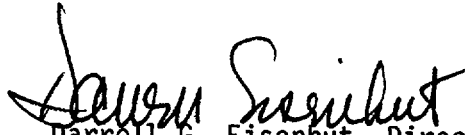
1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for amendment filed by Arizona Public Service Company, on behalf of itself and the Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, and Public Service Company of New Mexico, in a letter dated November 6, 1981, for the purpose of adding M-S-R Public Power Agency as a co-owner 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. M-S-R Public Power Agency is qualified to finance its proposed 3.95 percent undivided ownership interest in the facility.
 - C. 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
 - D. 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 M-S-R Public Power Agency.

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

FOR THE NUCLEAR REGULATORY COMMISSION



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

Date of Issuance: March 26, 1982

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

DOCKET NO. STN 50-528

PALO VERDE NUCLEAR GENERATING STATION, UNIT 1

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 3

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 Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, and Public Service Company of New Mexico, in a letter dated November 6, 1981, for the purpose of adding M-S-R Public Power Agency as a co-owner 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. M-S-R Public Power Agency is qualified to finance its proposed 3.95 percent undivided ownership interest in the facility.
 - C. 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
 - D. 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 M-S-R Public Power Agency.

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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: March 26, 1982

DL DIR
NG Eisenhut
3/25/82

OFFICE	DL:LB#3	DL:LB#3	DSP	DE:AEPAK	OELD	OELD	DL:AD/L
SURNAME	Stee/Electrica	Maglia	JDSaltzman	ATalston	JRutberg	LQ	HTedesco
DATE	3/9/82	3/9/82	3/9/82	3/17/82	3/15/82	3/12/82	3/24/82



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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

DOCKET NO. STN 50-529

PALO VERDE NUCLEAR GENERATING STATION, UNIT 2

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 3

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 Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, and Public Service Company of New Mexico, in a letter dated November 6, 1981, for the purpose of adding M-S-R Public Power Agency as a co-owner 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. M-S-R Public Power Agency is qualified to finance its proposed 3.95 percent undivided ownership interest in the facility.
 - C. 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
 - D. 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 M-S-R Public Power Agency.

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

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Darrell G. Eisenhut". The signature is written in a cursive style with a large initial "D".

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

Date of Issuance: March 26, 1982

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

DOCKET NO. STN 50-529

PALO VERDE NUCLEAR GENERATING STATION, UNIT 2

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 3

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 Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, and Public Service Company of New Mexico, in a letter dated November 5, 1981, for the purpose of adding M-S-R Public Power Agency as a co-owner 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. M-S-R Public Power Agency is qualified to finance its proposed 3.95 percent undivided ownership interest in the facility.
 - C. 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
 - D. 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 M-S-R Public Power Agency.

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

FOR THE NUCLEAR REGULATORY COMMISSION

Darrell G. Eisenhower
Darrell G. Eisenhower

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

Date of Issuance: March 26, 1982

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DGEisenhut
3/ /82

OFFICE	DL:IB#3	DL:IB#3	DSP	DE:AEAB	OEELD	OEELD	DL:AD/L
SURNAME	JLee/Eisenhut	Meglia	JSalzman	ATOakston	JRutberg	LH	Rfedesco
DATE	3/9/82	3/1/82	3/6/82	3/14/82	3/16/82	3/16/82	3/21/82



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

ARIZONA PUBLIC SERVICE COMPANY
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EL PASO ELECTRIC COMPANY
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PUBLIC SERVICE COMPANY OF NEW MEXICO
M-S-R PUBLIC POWER AGENCY

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 3

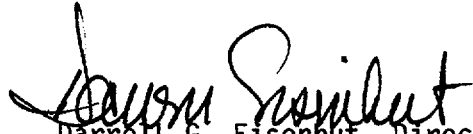
Construction Permit No.: CPPR-143

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 Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, and Public Service Company of New Mexico, in a letter dated November 6, 1981, for the purpose of adding M-S-R Public Power Agency as a co-owner 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. M-S-R Public Power Agency is qualified to finance its proposed 3.95 percent undivided ownership interest in the facility.
 - C. 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
 - D. 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 M-S-R Public Power Agency.

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

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Darrell G. Eisenhut". The signature is written in a cursive style with a large initial "D".

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

Date of Issuance: March 26, 1982

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

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 3

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 Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, and Public Service Company of New Mexico, in a letter dated November 6, 1981, for the purpose of adding M-S-R Public Power Agency as a co-owner 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. M-S-R Public Power Agency is qualified to finance its proposed 3.95 percent undivided ownership interest in the facility.
 - C. 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
 - D. 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 M-S-R Public Power Agency.

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: March 26, 1982

DL:L
DGEisenhut
3/ / 82

OFFICE	DL:LB#3	DL:LB#3	DSP	DE:AEAB	OELD	OELD	DL:AD/L
SURNAME	JLee/ELicitra	FMraglia	JDSaltzman	AToalston	JRutberg	LL	RTadesco
DATE	3/9/82	3/11/82	3/ / 82	3/ / 82	3/18/82	3/16/82	3/21/82

Safety Evaluation

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

INTRODUCTION

By letter dated November 6, 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 (CPPR-141, CPPR-142 and CPPR-143) for PVNGS, to add a co-owner and to secure approval of a transfer in ownership percentages to the proposed co-owner. This request involves a transfer of a 3.95 percent undivided ownership share in PVNGS from the Palo Verde Electric Company's 15.80 percent ownership interest to the M-S-R Power Agency (M-S-R) as a tenant in common with the other PVNGS participants (includes the Salt River Project Agricultural Improvement and Power District, Southern California Edison Company and Public Service of New Jersey). In support of the request, APS submitted financial information about M-S-R, the proposed transferee.

The purpose of this Safety Evaluation is to present the results of the staff's analysis of the proposed addition of M-S-R as a co-owner to PVNGS. Since the members of M-S-R own in total less than 200 MWe in electrical generating capacity, an antitrust review was not performed nor required, as permitted by 10 CFR Part 50.33a. Also, since APS, as Project Manager and Operating Agent, will retain exclusive responsibility for the design and construction of PVNGS, the only issue which required an evaluation is the proposed co-owner's (M-S-R) financial qualifications to assume a 3.95 percent share of PVNGS.

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ANALYSIS

Financial Qualification Regulations and Analysis Assumptions

The NRC regulations relating to the determination of an applicant's financial qualifications are Section 50.33(f) and Appendix C to 10 CFR Part 50. These regulations state that there must be reasonable assurance that an applicant can obtain the necessary funds to cover the estimated construction cost of a proposed nuclear plant and its related fuel cycle costs. Ultimately, this means that an applicant must demonstrate a reasonable financing plan in light of relevant circumstances. This standard of reasonable assurance, however, must be viewed in light of the period of time from the purchase of ownership interest to the date of commercial operation. The estimated date for completion of PVNGS is 1983 for Unit 1, 1984 for Unit 2, and 1986 for Unit 3. Consequently, the staff must make certain basic assumptions in its financial analysis about future conditions. The analysis of the proposed transferee's financial qualifications requires the staff to validly assume that there will be rational regulatory policies with respect to the setting of rates and that viable capital markets will exist. The former assumption implies that rates will be set to at least cover the cost of service, including the cost of capital necessary for purchase of M-S-R's proposed 3.95 percent undivided ownership interest in PVNGS. The latter assumption implies that capital will be available to M-S-R at some price. Given these fundamental assumptions, the evaluation is then focused on the reasonableness of the proposed transferee's financial plans, in light of relevant circumstances, to participate in its proposed share of the estimated construction costs of the facility.

The following analysis summarizes the review of the information submitted by the applicant and addresses the financial qualifications of M-S-R to finance its proposed proportionate share of the costs associated with the design and construction of PVNGS.

Cost Estimates and Amount of Ownership Interests Proposed for Transfer

The most recent cost information for the proposed ownership transfers of PVNGS is stated in the financial information submitted by APS's letter of application dated November 6, 1981. These costs and their timing are summarized as follows:

The amount of M-S-R will pay to El Paso Electric Company at the closing under the Assignment Agreement is estimated to be \$165 million.

Table 1 lists the amounts expected to be advanced by M-S-R to APS for construction cost progress payments after the close of the sale.

Table 1

ESTIMATE OF M-S-R EXPENDITURES TO
ARIZONA PUBLIC SERVICE COMPANY
(DOLLARS IN MILLIONS)

YEAR (July 1 - June 30)

	May & June 1982	1982-83	1983-84	1984-85	1985-86	1986-87
Acquisition of 3.95% Own- ership of PVNGS	\$3.121	\$15.200	\$ 8.844	\$ 6.162	\$2.337	\$0.537
Sewage Effluent Payments	0.004	0.011	0.009	0.006	0.005	-
Preoperation Staffing and Training	0.096	0.509	-	-	-	-
3.95% Share of PVNGS Startup Costs	0.091	2.012	1.610	1.069	1.486	-
3.95% Share of Uranium Oxide Procurement, Conversion, Enrichment and Fabrication for PVNGS	<u>0.578</u>	<u>3.998</u>	<u>1.513</u>	<u>3.554</u>	<u>1.417</u>	<u>-</u>
Total	\$3.890	\$21.730	\$11.976	\$10.791	\$5.245	\$0.537

Description of Business of Proposed Transferee

M-S-R is a public entity created pursuant to Section 6500 et seq. of the California Government Code and the Joint Powers Agreement among its members dated as of April 29, 1980. The members of M-S-R and the percentage participation in M-S-R of each member are as follows:

Modesto Irrigation District - 83.33 percent, and City of Redding - 16.67 percent.

The Joint Exercise of Powers Act (California Government Code Section 6500 et seq.) provides that public agencies may enter into joint exercise of powers agreements to exercise any power which is common to the contracting parties. The Joint Powers Agreement which creates M-S-R authorizes it to finance, acquire, construct, maintain and operate one or more generation or transmission projects. In that connection, M-S-R may acquire an interest in real and personal property, including generation plants or transmission systems, for the purpose of delivering electrical power and energy. M-S-R is also specifically authorized to sell and deliver bonds in accordance with the provisions of the Joint Exercise of Powers Act for the purpose of acquiring or constructing one or more projects and to issue notes for such purposes. M-S-R was created to finance various generation and transmission projects on behalf of its members. It is not necessary that all the members participate in each project. However, each member that desires to participate in a generation or transmission project to be undertaken by M-S-R will have the opportunity to participate in such project.

Financing Plan - Source of Funds

It is expected that all necessary funds for the acquisition by M-S-R of a 3.95 percent undivided interest in PVNGS will be obtained from revenue bonds. The following was assumed for calculating the costs to M-S-R:

Buy-in Date:	5/1/82
Bond Coupon Rate:	12% Average
Bond Discount:	3%
Reinvestment Rate:	12% Average
Projected PVNGS Commercial Operation Dates:	Unit 1 - 5/1/83 Unit 2 - 5/1/84 Unit 3 - 5/1/86

Utilizing the above assumptions and "buy-in" costs as provided for the "Arizona Nuclear Power Project Assignment Agreement between El Paso Electric Company and M-S-R Public Power Agency," the total multiple bond issue amount is estimated to be \$300 million. M-S-R currently contemplates financing this amount by issuing two separate series of bonds. The bond issues are currently estimated to be sized and timed as follows: (1) \$200 million at or around May 1, 1982; and (2) \$100 million around early 1983.

The security for such revenue bonds is provided by a Power Sales Contract between M-S-R and those of its members who enter into the Power Sales Contracts with M-S-R to acquire the right or entitlement to participate in the capacity and energy output associated with M-S-R's ownership interest in PVNGS. Accordingly, M-S-R will enter into the Power Sales Contracts with the Modesto Irrigation District and the City of Redding and will sell 100 percent of the capacity and energy output associated with its ownership interest in PVNGS. The total amounts payable by the M-S-R members participating in PVNGS will be equivalent to M-S-R's debt service requirements and its share of PVNGS's operating and maintenance costs. Pursuant to the Power Sales Contract, the source of payments which would be utilized by the M-S-R member in paying its obligations to M-S-R would be limited to revenues which such member derives from the operation of its electric system.

M-S-R is not aware of any legal restrictions on project or total financing ability at the present time.

Each member of M-S-R which enters into the Power Sales Contract would be obligated to share in the payment of M-S-R's debt service requirements and operating and maintenance costs in proportion to such member's entitlement of use in the electrical capacity and energy output of PVNGS. The City Council or Board of Directors of each member city either establishes or approves the electrical rates which are charged to customers of the city's electrical utility. In general, the cities are

required by applicable charter provisions, bond covenants or policies of their city councils or boards to establish rates sufficient to recover revenues to pay for the costs of service of providing electrical service to their customers.

CONCLUSION

Based upon the above analysis, the staff concludes that M-S-R has a financing plan that provides a reasonable assurance that funds can be obtained to finance its proposed 3.95 percent undivided ownership interest share in PVNGS. As a result, the staff has determined that M-S-R is financially qualified to participate in the design and construction of PVNGS to the extent of a 3.95 percent undivided ownership interest as a tenant in common with the other participants. This conclusion is based upon the staff's determination that M-S-R's proposed plan to fund its 3.95 percent ownership interest in PVNGS from proceeds derived from the issuance of its revenue bonds constitutes a reasonable financing plan in light of relevant circumstances.

Accordingly, the staff has determined the M-S-R has met the reasonable assurance requirement for obtaining the required capital funding. Consistent with this, M-S-R possesses authority that permits it to set rates at such levels with its member municipality participants that will enable it to repay its obligations. As a condition subsequent to these amendments, however, the staff will require executed final copies of the Joint Participation and Ownership Agreement and the Assignment Agreement for

PVNGS. These must necessarily be in substantial conformity with the provisional agreement heretofore supplied. As a further condition subsequent to these amendments, the staff will also require copies of M-S-R's official statement issued in conjunction with the first issuance of its bonds to finance the construction of its share of PVNGS.

On the basis of the above conclusion, the staff finds that the issuance of the requested amendments transferring ownership percentages from El Paso Electric Company to M-S-R 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: March 26, 1982

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. 3 to Construction Permit Nos. CPPR-141, CPPR-142, and CPPR-143. The amendments add M-S-R Public Power Agency as a co-owner and reflect a transfer of a 3.95% undivided ownership interest from El Paso Electric Company to M-S-R Public Power Agency 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 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 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.

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PDR ADOCK 05000528
A PDR

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For further details with respect to this action, see (1) the application for amendments, dated November 6, 1981; (2) Amendments No. 3 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 26th day of March, 1982.

FOR THE NUCLEAR REGULATORY COMMISSION

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

OFFICE	DL:LB#3	DL:LB#3	OELD	DL:LB#3	OELD	
SURNAME	IJL:jb	EAL:cy	RP	F. Miraglia	J. RETBERG	
DATE	3/9/82	3/10/82	3/16/82	3/9/82	3/18/82	