



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

APR 19 1978

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

Arizona Public Service Company
ATTN: Mr. E. E. Van Brunt, Jr.
Vice President, Construction
Projects

P. O. Box 21666
Phoenix, Arizona 85036

Gentlemen:

SUBJECT: ISSUANCE OF AMENDMENT NO. 1 TO CONSTRUCTION PERMIT NOS.
CPPR-141, CPPR-142 AND CPPR-143 FOR PALO VERDE NUCLEAR
GENERATING STATION, UNITS 1, 2 and 3

By letter dated July 8, 1977, Arizona Public Service Company forwarded to the Commission, application for amendment to Construction Permit Nos. CPPR-141, CPPR-142 and CPPR-143 for the Palo Verde Nuclear Generating Station, Units 1, 2 and 3. The purpose of this amendment is to delete Arizona Electric Power Cooperative, Incorporated as a co-owner of Units 1, 2 and 3, and to reflect the transfer of 1% of ownership interest to Arizona Public Service Company, 1% ownership interest to Salt River Project Agricultural Improvement and Power District and 0.4% of ownership interest to Southern California Edison Company, all presently co-owners, of the 2.4% ownership interest held by Arizona Electric Power Cooperative, Incorporated.

We have reviewed your request for an amendment to the above mentioned construction permits and have concluded that the deletion of Arizona Electric Power Cooperative, Incorporated as a co-owner and the transfer of the ownership interests to the above mentioned companies does not affect our previous conclusion that the applicants are financially qualified to design and construct the Palo Verde Nuclear Generating Station, Units 1, 2 and 3. The basis for our conclusion is set forth in the enclosed safety evaluation.

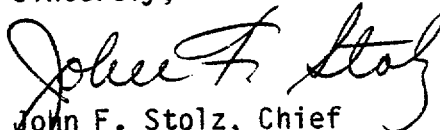
We have further concluded that the activities authorized by this amendment can be conducted without endangering the health and safety of the public and that authorization of this amendment to the construction permits does not involve a significant hazards consideration inasmuch as it involves no significant increase in the probability of an accident, no significant increase in the consequences of an accident, nor does it involve a significant decrease in the safety margin. We have also

APR 19 1978

concluded that the amendment involves an action which is insignificant from the standpoint of environmental impact and pursuant to 10 CFR 51.5(d)(4) that an environmental impact appraisal need not be prepared in connection with the issuance of this amendment.

Enclosed is Amendment No. 1 to CPPR-141, CPPR-142 and CPPR-143 for the Palo Verde Nuclear Generating Station, Units 1, 2 and 3 which modify the constuction permits to reflect the changes stated above. Also enclosed is a copy of a related notice which has been forwarded to the Office of the Federal Register for publication.

Sincerely,



John F. Stolz, Chief
Light Water Reactors Branch No. 1
Division of Project Management

Enclosures:

1. Amendment No. 1 to
Construction Permit
Nos. CPPR-141, CPPR-142
and CPPR-143
2. Federal Register Notice
3. Safety Evaluation

cc w/enclosures: See page 3

APR 19 1978

cc: Arthur C. Gehr, Esq.
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DISTRIBUTION FOR AMENDMENT NO. 1 TO CONSTRUCTION PERMIT NOS.
CPPR-141, CPPR-142 and CPPR-143 - APR 19 1978

Docket File

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LWR 1 File

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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

DOCKET NO. STN 50-528

PALO VERDE NUCLEAR GENERATING STATION, UNIT 1

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 1

Construction Permit No. CPPR-141

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for amendment contained in a letter dated July 8, 1977, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter 1;
 - 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.
2. Accordingly, Construction Permit No. CPPR-141 is hereby amended to delete Arizona Electric Power Cooperative, Incorporated as a co-owner. All references to applicants include the following:

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

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

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by

John F. Stolz, Chief
Light Water Reactors Branch No. 1
Division of Project Management

Date of Issuance: **APR 19 1978**



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

DOCKET NO. STN 50-529

PALO VERDE NUCLEAR GENERATING STATION, UNIT 2

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 1

Construction Permit No. CPPR-142

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for amendment contained in a letter dated July 8, 1977, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter 1;
 - 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.

2. Accordingly, Construction Permit No. CPPR-142 is hereby amended to delete Arizona Electric Power Cooperative, Incorporated as a co-owner. All references to applicants include the following:

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

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

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by

John F. Stolz, Chief
Light Water Reactors Branch No. 1
Division of Project Management

Date of Issuance: **APR 19 1978**



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

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

AMENDMENT TO CONSTRUCTION PERMIT

Amendment No. 1
Construction Permit No. CPPR-143

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for amendment contained in a letter dated July 8, 1977, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter 1;
 - 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.
2. Accordingly, Construction Permit No. CPPR-143 is hereby amended to delete Arizona Electric Power Cooperative, Incorporated as a co-owner. All references to applicants include the following:

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

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

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by

John F. Stolz, Chief
Light Water Reactors Branch No. 1
Division of Project Management

Date of Issuance: **APR 19 1978**

UNITED STATES NUCLEAR REGULATORY COMMISSION

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

ARIZONA PUBLIC SERVICE COMPANY, ET AL

NOTICE OF ISSUANCE OF AMENDMENT TO CONSTRUCTION PERMITS

Notice is hereby given that the U. S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 1 to Construction Permit Nos. CPPR-141, CPPR-142 and CPPR-143 issued to the Arizona Public Service Company, Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company and the Public Service Company of New Mexico. The amendment reflects a change in the ownership of the Palo Verde Nuclear Generating Station, Units 1, 2 and 3 (the facilities) located in Maricopa County, Arizona. The amendment is effective as of its date of issuance.

The amendment provides for the deletion of Arizona Electric Power Cooperative, Incorporated, as an applicant for all licenses previously requested for the facilities and the transfer of 1.0% ownership interest to Arizona Public Service Company, 1.0% ownership interest to Salt River Project Agricultural Improvement and Power District, and 0.4% ownership interest to Southern California Edison Company, of the 2.4% ownership interest held by Arizona Electric Power Cooperative, Incorporated in the facilities.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate

findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the amendment.

For further details with respect to this action, see (1) the application for amendment contained in a letter dated July 8, 1977, (2) Amendment No. 1 to Construction Permit Nos. CPPR-141, CPPR-142 and CPPR-143, and (3) the Commission's related Safety Evaluation supporting Amendment No. 1 to the above construction permits. All of these items and other related material are available for public inspection at the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C., and at the local Public Document Room located in the Phoenix Public Library, Science and Industry Section, 12 East McDowell Road, Phoenix, Arizona.

A copy of items (2) and (3) may be obtained upon written request addressed to the U. S. Nuclear Regulatory Commission, Washington, D. C., 20555, ATTN: Director, Division of Project Management.

Dated at Bethesda, Maryland this 19 day of April 1978.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by

John F. Stolz, Chief
Light Water Reactors Branch No. 1
Division of Project Management

SAFETY EVALUATION

BY THE

OFFICE OF NUCLEAR REACTOR REGULATION

SUPPORTING AMENDMENT NO. 1 TO CONSTRUCTION PERMIT

NOS. CPPR-141, CPPR-142 AND CPPR-143

ARIZONA PUBLIC SERVICE COMPANY, ET AL

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

Introduction

On May 25, 1976 construction permits were issued to Arizona Public Service Company, Salt River Project Agricultural Improvement and Power District, Southern California Edison Company, El Paso Electric Company, Public Service Company of New Mexico, and Arizona Electric Power Cooperative, Inc., as co-owners having an undivided interest in Palo Verde Nuclear Generating Station, Units 1, 2 and 3. Each co-owner's proportion of ownership, costs and output of the net energy generation and available generating capability of Palo Verde Nuclear Generating Station, Units 1, 2 and 3 is as follows:

<u>Co-Owner</u>	<u>Percent Share</u>
Arizona Public Service Company	28.1
Salt River Project Agricultural Improvement and Power District	28.1
Southern California Edison Company	15.4
El Paso Electric Company	15.8
Public Service Company of New Mexico	10.2
Arizona Electric Power Cooperative, Inc.	<u>2.4</u>
TOTAL	100.0

Our original evaluation of the financial qualifications of each of the co-owners listed above is presented in Supplement No. 1 to our Safety Evaluation Report (NUREG-75/098) issued on February 11, 1976. That report is available for public inspection at the U. S. Nuclear

Regulatory Commission Public Document Room, 1717 H Street, N. W., Washington, D. C. and at the Local Public Document Room located in the Phoenix Public Library, Science and Industry Section, 12 East McDowell Road, Phoenix, Arizona.

On July 21, 1976, Arizona Electric Power Cooperative, Inc. exercised an option, previously granted by the other co-owners, to withdraw from co-ownership in the facilities. Pursuant to the terms of the option, the undivided 2.4 percent interest previously held by Arizona Electric Power Cooperative, Inc. would be transferred and assigned to other existing co-owners of the facilities, increasing their prior co-ownership interest as follows:

<u>Co-Owner</u>	<u>Additional Percent Interest to be Acquired</u>
Arizona Public Service Company	1.0
Salt River Project Agricultural Improvement	1.0
Southern California Edison Company	<u>.4</u>
TOTAL	2.4

The transfer and assignment of the above shares will result in the following co-ownership shares:

<u>Co-Owner</u>	<u>Percent Interest</u>
Arizona Public Service Company	29.1
Salt River Project Agricultural Improvement and Power District	29.1
Southern California Edison Company	15.8

The undivided interests and generation entitlement shares of El Paso Electric Company, and Public Service Company of New Mexico, 15.8 and 10.2 percent respectively, remain unchanged and unaffected by the above transaction. On July 8, 1977 the applicants requested that their

construction permits be amended to delete Arizona Electric Power Cooperative, Inc. as an applicant. The Nuclear Regulatory Commission's regulations relating to the determination of an applicant's financial qualifications are 10 CFR 50.33(f) and Appendix C to 10 CFR Part 50.

Conclusion

Arizona Public Service Company and Southern California Edison Company are both investor owned utilities. Salt River Project Agricultural Improvement and Power District is a publicly owned entity organized under the laws of the State of Arizona, and is vested with independent rate setting authority. Based upon review of this application, and in consideration of NRC staff requested financial statements and information previously filed in conjunction with the original construction permit application, the analysis of these changes lead us to conclude that each of the above co-owners can obtain with reasonable assurance the necessary funds to support their respective increase in ownership. This analysis has been made in light of the effect of the above changes in ownership upon the total projected capital requirements and financing plans of each of the above applicants. Accordingly, the above applicants are found to be financially qualified. Additionally, this determination does not affect the previous findings with respect to the financial qualifications of either El Paso Electric Company or Public Service Company of New Mexico.

Dated: **APR 19 1978**