APR 1 9 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

1		
OFFICE≯	**************************************	
SURNAME ➤		
DATE>		

- 2 -

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,

Original Signed by

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

Orrichts.	LWR 1	LWR 1	OELD S	LWR 10	
SURNAME	EHodicon	JAnge Io	SSAHMKI	JStolz J	
DATE	3/ 3 /8/78 —	3/ 29 /78	41 1/170	\$1/9/78	***************************************

cc: Arthur C. Gehr, Esq. Snell & Wilmer 3100 Valley Center Phoenix, Arizona 85073

> Charles S. Pierson Assistant Attorney General 200 State Capitol 1700 West Washington Phoenix, Arizona 85007

David N. Barry, Esq., Senior Counsel Charles R. Kocher, Esq., Assistant Counsel Southern California Edison Company P. O. Box 800 Rosemead, California 91770

			1	
OFFICE →	 ************************************	 		
SURNAME >	 	 		
DATE →		 		

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 Muclear 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

office→	LWR]	CWR 1	0ELD	Sms	LWRC	Δ	
SURNAME >	Elby ton/red	Ange lo	1 -	HIMKI	JSto1		***************************************
DATE≯	3/28/78	3/29/78	4/14/	78	\$/10	78	

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.
- 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

office>	LWR 1	LWR 1	OELD Son	LWR 1	
GIIDNAME >	Ellyaton	Jange 10	S. SOMNRI	JSto12-	
DATE	3/)9/78 (3 249 /78	4/14/78	4//9/78	

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

. OFFICE →	LWR]	LWR 1	OELD MY	LWR_1	
SURNAME >	EHolden	JAMe 10	SSOHINKI	JSto 2	
DATE →	3/29/78 (3129178	98/14/78	# 1 /9 /78	····
	<u> </u>	· · · · · · · · · · · · · · · · · · ·			

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. I 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

					1	
OFFICE →						ļ
		***************************************	***************************************			
SURNAME ➤	·	***************************************			ſ	
		**		***************************************		
DATE	***************************************	***************************************	***************************************			
					.,.,	****************

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 constuction 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

office →	LWR]	CHUR 1	OELD Sms	LWR-L	,	
SURNAME	EH924Con/red	Angelo	SSOFINKI	JSto 1	***************************************	
DATE	3/1/28	3/29/78	4/14/78	4/19/78		

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:

Co-Owner	Precent Share
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.	2.4
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

OFFICE➤	 		<u>.</u>	
SURNAME →	 	 		
DATE→	 	 		

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:

Co-Owner		dditional Percenterest to be Acqu	
Arizona Public Service Company		1.0	
Salt River Project Agricultural Improvement		1.0	
Southern California Edison Company		4	
	TOTAL	2.4	

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

- <u>Co-Owner</u>	Percent Interest
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

office >	 	 	 ***************************************
SURNAME			
DATE	 •	 	

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 1 9 1978

SEE PREVIOUS YELLOW FOR PREVIOUS CONCURRENCES_CHANGED PER OELD

;	OFFICE≯	LWR 1	LWR 1	OELD*	LWR]	
ຣບ	PNAME -		prielo	\\nninui	1C+^1146 }	
	DATE	4/19/78	4/19/78	4/ /78	4/ / 4/78	

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:

Correction motivated

OFFICE→	LWR 1	FAR 1	OELD Smo	LWR 1	
SURNAME→	EHydlyton/red		S. SOHIWKI	JSto1z	
DATE→	3/29/78 (3/29/78	4/14/78	3/ /78	
	<u> </u>	<u>. </u>	: <i>t</i>		

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</u>	-Owner		<u>P</u>	recent Share		
Ariz	Arizona Public Service Company				28.1		
	Salt River Project Agricultural Improvement and Power District				28.1		
Sout	Southern California Edison Company				15.4		
E1 P	El Paso Electric Company				15.8		
Publ	Public Service Company of New Mexico				10.2		
Ariz	ona Electric	Power Coopera	tive, Inc.		2.4		
			1	TOTAL	100.0		
OFFICE →							
SURNAME →							
DATE→							

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:

Co-Owner		dditional Percent erest to be Acquir	<u>ed</u>
Arizona Public Service Company		1.0	
Salt River Project Agricultural Improvement		1.0	
Southern California Edison Company		.4	
	TOTAL	2.4	

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

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

office →	 	 	-14	***************************************
SURNAME >	 	 		
DATE	 	 		

-

The undivided interests and generation entitlement shares of E1 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 ncessary 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

					
			٩		
office →	,	***************************************		***************************************	
SURNAME					 >
DATE					



Distribution:
Dockets
LWR #1 Rdg
EGHylton

April 25, 1978

Docket No. STN 50-528

STN 50-529

STN 50-530

Docketing and Service Section

Office of the Secretary of the Commission

SUBJECT:

NOTICE OF ISSUANCE OF AMENDMENT TO CONSTRUCTION PERMITS - Palo

Verde Nuclear Generating Station, Units 1, 2 & 3

	to the Office of the Federal Register for publication. Additional conformed copies (15) of the Notice are enclosed for your use.
	☐ Notice of Receipt of Application for Construction Permit(s) and Operating License(s).
	□ Notice of Receipt of Partial Application for Construction Permit(s) and Facility License(s): Time for Submission of Views on Antitrust Matters.
	☐ Notice of Availability of Applicant's Environmental Report.
	☐ Notice of Proposed Issuance of Amendment to Facility Operating License.
	□ Notice of Receipt of Application for Facility License(s); Notice of Availability of Applicant's Environmental Report; and Notice of Consideration of Issuance of Facility License(s) and Notice of Opportunity for Hearing.
	☐ Notice of Availability of NRC Draft/Final Environmental Statement.
	☐ Notice of Limited Work Authorization.
	☐ Notice of Availability of Safety Evaluation Report.
	☐ Notice of Issuance of Construction Permit(s).
	Notice of Issuance of Facility Operating kicense (s) xxx Amendment(s). to Construction Permits
	☐ Other:
P.S.	Extra Copy attached for NRC PDR.
	*
	Enclosure: As Stated Office of Nuclear Reactor Regulation
OFFIC	E→ LWR #1
SURNAM	EGHylton
DAT	E→ 5/25/78

DISTRIBUTION FOR AMENDMENT NO. 1 TO CONSTRUCTION PERMIT NOS. CPPR-141 CPPR-142 and CPPR-143 - APR 1 9 1978

Docket File € NRC PDR Local PDR LWR 1 File Attorney, ELD J. Rutberg, ELD R. S. Boyd R. C. DeYoung D. B. Vassallo J. Stolz R. Martin E. Hylton F. J. Williams H. Smith B. Scott IE (3) N. Dube M. Jinks (w/4 encls per docket) W. Miller I. Dinitz H. Denton V. A. Moore R. H. Vollmer M. L. Ernst W. P. Gammill R. J. Mattson J. P. Knight D. F. Ross R. L. Tedesco B. Scharf (15 copies) D. Skovholt Lana A. Cobb EP Project Manager EP Licensing Assistant

A. Toalston W. Haass

bcc: J. R. Buchanan, NSIC T. B. Abernathy, TIC A. Rosenthal, ASLAB J. Yore, ASLBP ACRS (16)

> 528 519

> > ma's

DISTRIBUTION FOR AMENDMENT NO. 1 TO CONSTRUCTION PERMIT NOS. CPPR-141, CPPR-142 and CPPR-143 - APR 1 9 1978

Docket File
NRC PDR
Local PDR
LWR 1 File
Attorney, ELD
J. Rutberg, ELD
R. S. Boyd
R. C. DeYoung

R. C. DeYoung
D. B. Vassallo

J. Stolz R. Martin E. Hylton

F. J. Williams

H. Smith B. Scott IE (3) N. Dube

M. Jinks (w/4 encls per docket)

W. Miller
I. Dinitz
H. Denton
V. A. Moore
R. H. Vollmer
M. L. Ernst

W. P. Gammill R. J. Mattson J. P. Knight

D. F. Ross R. L. Tedesco

B. Scharf (15 copies)

D. Skovholt
Lana A. Cobb
EP Project Manager
EP Licensing Assistant
A. Toalston

W. Haass

bcc: J. R. Buchanan, NSIC T. B. Abernathy, TIC A. Rosenthal, ASLAB J. Yore, ASLBP ACRS (16)

1630



APR 1 9 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

concluded that the amendment involves an action which is insignificant from the standpoint of environmental impact and pursuant to $10 \, \text{CFR}$ 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

Ight 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

cc: Arthur C. Gehr, Esq.
Snell & Wilmer
3100 Valley Center
Phoenix, Arizona 85073

Charles S. Pierson Assistant Attorney General 200 State Capitol 1700 West Washington Phoenix, Arizona 85007

David N. Barry, Esq., Senior Counsel Charles R. Kocher, Esq., Assistant Counsel Southern California Edison Company P. O. Box 800 Rosemead, California 91770

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

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

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 Tetter 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.
- 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 1 9 1978

WOLLEAR REGULA,

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.
- 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

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 constuction 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:

Co-Owner	Precent Share
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.	2.4
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>		ional Percent t to be Acquired
Arizona Public Service Company		1.0
Salt River Project Agricultural Improvement		1.0
Southern California Edison Company		4
	TOTAL	2.4

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

<u>Co-Owner</u>	Percent Interest
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 1 9 1978



WASHINGTON, D.C. 20555

April 25, 1978

Two signed originals of the Federal Register Notice identified below are enclosed for your transmittal

Distribution: Dockets LWR #1 Rdg EGHylton

Docket No. STN 50-528

STN 50-529

STM 50-530

Docketing and Service Section

Office of the Secretary of the Commission

SUBJECT:

NOTICE OF ISSUANCE OF AMENDMENT TO CONSTRUCTION PERMITS - Palo Verde Nuclear Generating Station, Units 1, 2 & 3

to the Office of the Federal Register for publication. Additional conformed copies (1 5) of the Notice are enclosed for your use. □ Notice of Receipt of Application for Construction Permit(s) and Operating License(s). ☐ Notice of Receipt of Partial Application for Construction Permit(s) and Facility License(s): Time for Submission of Views on Antitrust Matters. ☐ Notice of Availability of Applicant's Environmental Report. ☐ Notice of Proposed Issuance of Amendment to Facility Operating License. ☐ Notice of Receipt of Application for Facility License(s); Notice of Availability of Applicant's Environmental Report; and Notice of Consideration of Issuance of Facility License(s) and Notice of Opportunity for Hearing. ☐ Notice of Availability of NRC Draft/Final Environmental Statement. ☐ Notice of Limited Work Authorization. ☐ Notice of Availability of Safety Evaluation Report. ☐ Notice of Issuance of Construction Permit(s). ▼ Notice of Issuance of Facility Operating kinessa(s): or Amendment(s). to Construction Permits ☐ Other:_ Extra Copy attached for NRC PDR.

Enclosure: As Stated Office of Nuclear Reactor Regulation

LWR #1

EGHy1ton

NRC FORM 102 (1-76)