

June 11, 1990

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

Mr. William F. Conway
Executive Vice President
Arizona Public Service Company
Post Office Box 52034
Phoenix, Arizona 85072-2034

Dear Mr. Conway:

SUBJECT: ISSUANCE OF AMENDMENT NO. 49 TO FACILITY OPERATING LICENSE
NO. NPF-41, AMENDMENT NO. 35 TO FACILITY OPERATING LICENSE
NO. NPF-51 AND AMENDMENT NO. 22 TO FACILITY OPERATING
LICENSE NO. NPF-74 FOR THE PALO VERDE NUCLEAR GENERATING
STATION, UNITS 1, 2, AND 3 (TAC NOS. 76169, 76170 AND 76171)

The Commission has issued the subject amendments, which are enclosed, to the Facility Operating Licenses for Palo Verde Nuclear Generating Station, Units 1, 2, and 3. The amendments consist of changes to the Technical Specifications (Appendix A to each license) in response to your application transmitted by letter dated March 8, 1990.

These amendments remove the provision of Specification 4.0.2 that limits the combined time interval for three consecutive surveillances to less than 3.25 times the specified interval. The associated Bases are also updated to reflect this change. The amendments conform to the guidance given in Generic Letter 89-14 issued August 21, 1989.

A copy of the related Safety Evaluation is also enclosed. A Notice of Issuance will be included in the Commission's next regular biweekly Federal Register notice.

Sincerely,

/s/

Sheri Peterson, Project Manager
Project Directorate V
Division of Reactor Projects III,
IV, V and Special Projects
Office of Nuclear Reactor Regulation

9006200294 900611
PDR ADOCK 05000528
P PNU

Enclosures:

1. Amendment No. 49 to NPF-41
2. Amendment No. 35 to NPF-51
3. Amendment No. 22 to NPF-74
4. Safety Evaluation

cc: See next page

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

June 11, 1990

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and 50-530

Mr. William F. Conway
Executive Vice President
Arizona Public Service Company
Post Office Box 52034
Phoenix, Arizona 85072-2034

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SUBJECT: ISSUANCE OF AMENDMENT NO. 49 TO FACILITY OPERATING LICENSE
NO. NPF-41, AMENDMENT NO. 35 TO FACILITY OPERATING LICENSE
NO. NPF-51 AND AMENDMENT NO. 22 TO FACILITY OPERATING
LICENSE NO. NPF-74 FOR THE PALO VERDE NUCLEAR GENERATING
STATION, UNITS 1, 2, AND 3 (TAC NOS. 76169, 76170 AND 76171)

The Commission has issued the subject amendments, which are enclosed, to the Facility Operating Licenses for Palo Verde Nuclear Generating Station, Units 1, 2, and 3. The amendments consist of changes to the Technical Specifications (Appendix A to each license) in response to your application transmitted by letter dated March 8, 1990.

These amendments remove the provision of Specification 4.0.2 that limits the combined time interval for three consecutive surveillances to less than 3.25 times the specified interval. The associated Bases are also updated to reflect this change. The amendments conform to the guidance given in Generic Letter 89-14 issued August 21, 1989.

A copy of the related Safety Evaluation is also enclosed. A Notice of Issuance will be included in the Commission's next regular biweekly Federal Register notice.

Sincerely,

A handwritten signature in cursive script that reads "Sheri Peterson".

Sheri Peterson, Project Manager
Project Directorate V
Division of Reactor Projects III,
IV, V and Special Projects
Office of Nuclear Reactor Regulation

Enclosures:

1. Amendment No. 49 to NPF-41
2. Amendment No. 35 to NPF-51
3. Amendment No. 22 to NPF-74
4. Safety Evaluation

cc: See next page

Mr. William F. Conway
Arizona Public Service Company

Palo Verde

cc:

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

(10)



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

ARIZONA PUBLIC SERVICE COMPANY, ET AL.

DOCKET NO. STN 50-528

PALO VERDE NUCLEAR GENERATING STATION, UNIT NO. 1

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 49
License No. NPF-41

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment, dated March 8, 1990, by the Arizona Public Service Company (APS) on behalf of itself and the Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico, Los Angeles Department of Water and Power, and Southern California Public Power Authority (licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of Act, and the regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public;
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the enclosure to this license amendment, and paragraph 2.C(2) of Facility Operating License No. NPF-41 is hereby amended to read as follows:

9006200298 900611
PDR ADOCK 05000528
P PNU

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A, as revised through Amendment No. 49, and the Environmental Protection Plan contained in Appendix B, are hereby incorporated into this license. APS shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

3. This license amendment is effective 45 days from the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION



For John T. Larkins, Acting Director
Project Directorate V
Division of Reactor Projects III,
IV, V and Special Projects
Office of Nuclear Reactor Regulation

Enclosure:
Changes to the Technical
Specifications

Date of Issuance: June 11, 1990

ATTACHMENT TO LICENSE AMENDMENT NO. 49
TO FACILITY OPERATING LICENSE NO. NPF-41
DOCKET NO. STN 50-528

Replace the following pages of the Appendix A Technical Specifications with the enclosed pages. The revised pages are identified by amendment number and contain vertical lines indicating the areas of change.

Remove Pages

3/4 0-2

B 3/4 0-2

Insert Pages

3/4 0-2

B 3/4 0-2

APPLICABILITY

SURVEILLANCE REQUIREMENTS

4.0.1 Surveillance Requirements shall be applicable during the OPERATIONAL MODES or other conditions specified for individual Limiting Conditions for Operation unless otherwise stated in an individual Surveillance Requirement.

4.0.2 Each Surveillance Requirement shall be performed within the specified surveillance interval with a maximum allowable extension not to exceed 25 percent of the specified surveillance interval.

4.0.3 Failure to perform a Surveillance Requirement within the specified time interval shall constitute a failure to meet the OPERABILITY requirements for a Limiting Condition for Operation. Exceptions to these requirements are stated in the individual specifications. Surveillance Requirements do not have to be performed on inoperable equipment.

4.0.4 Entry into an OPERATIONAL MODE or other specified condition shall not be made unless the Surveillance Requirement(s) associated with the Limiting Condition for Operation have been performed within the stated surveillance interval or as otherwise specified.

4.0.5 Surveillance Requirements for inservice inspection and testing of ASME Code Class 1, 2, and 3 components shall be applicable as follows:

- a. Inservice inspection of ASME Code Class 1, 2, and 3 components and inservice testing ASME Code Class 1, 2, and 3 pumps and valves shall be performed in accordance with Section XI of the ASME Boiler and Pressure Vessel Code and applicable Addenda as required by 10 CFR 50, Section 50.55a(g), except where specific written relief has been granted by the Commission pursuant to 10 CFR 50, Section 50.55a(g)(6)(i).
- b. Surveillance intervals specified in Section XI of the ASME Boiler and Pressure Vessel Code and applicable Addenda for the inservice inspection and testing activities required by the ASME Boiler and Pressure Vessel Code and applicable Addenda shall be applicable as follows in these Technical Specifications:

4.0.1 This specification provides that surveillance activities necessary to ensure the Limiting Conditions for Operation are met and will be performed during the OPERATIONAL MODES or other conditions for which the Limiting Conditions for Operation are applicable. Provisions for additional surveillance activities to be performed without regard to the applicable OPERATIONAL MODES or other conditions are provided in the individual surveillance requirements. Surveillance requirements for Special Test Exceptions need only be performed when the Special Test Exception is being utilized as an exception to an individual specification.

4.0.2 This specification establishes the limit for which the specified time interval for Surveillance Requirements may be extended. It permits an allowable extension of the normal surveillance interval to facilitate surveillance scheduling and consideration of plant operating conditions that may not be suitable for conducting the surveillance; e.g., transient conditions or other ongoing surveillance or maintenance activities. It also provides flexibility to accommodate the length of a fuel cycle for surveillances that are performed at each refueling outage and are specified with a 18-month surveillance interval. It is not intended that this provision be used repeatedly as a convenience to extend surveillance intervals beyond that specified for surveillances that are not performed during refueling outages. The limitation for Specification 4.0.2 is based on engineering judgment and the recognition that the most probable result of any particular surveillance being performed is the verification of conformance with the Surveillance Requirements. This provision is sufficient to ensure that the reliability ensured through the surveillance activities is not significantly degraded beyond that obtained from the specified surveillance interval.

4.0.3 The provisions of this specification set forth the criteria for determination of compliance with the OPERABILITY requirements of the Limiting Conditions for Operation. Under these criteria, equipment, systems, or components are assumed to be OPERABLE if the associated surveillance activities have been satisfactorily performed within the specified time interval. Nothing in this provision is to be construed as defining equipment, systems, or components OPERABLE, when such items are found or known to be inoperable although still meeting the surveillance requirements.



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

ARIZONA PUBLIC SERVICE COMPANY, ET AL.

DOCKET NO. STN 50-529

PALO VERDE NUCLEAR GENERATING STATION, UNIT NO. 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 35
License No. NPF-51

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment, dated March 8, 1990, by the Arizona Public Service Company (APS) on behalf of itself and the Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico, Los Angeles Department of Water and Power, and Southern California Public Power Authority (licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations set forth in 10 CFR Part I;
 - B. The facility will operate in conformity with the application, the provisions of Act, and the regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public;
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the enclosure to this license amendment, and paragraph 2.C(2) of Facility Operating License No. NPF-51 is hereby amended to read as follows:

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A, as revised through Amendment No. 35, and the Environmental Protection Plan contained in Appendix B, are hereby incorporated into this license. APS shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

3. This license amendment is effective 45 days from the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION



For

John T. Larkins, Acting Director
Project Directorate V
Division of Reactor Projects III,
IV, V and Special Projects
Office of Nuclear Reactor Regulation

Enclosure:
Changes to the Technical
Specifications

Date of Issuance: June 11, 1990

ATTACHMENT TO LICENSE AMENDMENT NO. 35
TO FACILITY OPERATING LICENSE NO. NPF-51
DOCKET NO. STN 50-529

Replace the following pages of the Appendix A Technical Specifications with the enclosed pages. The revised pages are identified by amendment number and contain vertical lines indicating the areas of change.

Remove Pages

3/4 0-2

B 3/4 0-2

Insert Pages

3/4 0-2

B 3/4 0-2

APPLICABILITY

SURVEILLANCE REQUIREMENTS

4.0.1 Surveillance Requirements shall be applicable during the OPERATIONAL MODES or other conditions specified for individual Limiting Conditions for Operation unless otherwise stated in an individual Surveillance Requirement.

4.0.2 Each Surveillance Requirement shall be performed within the specified surveillance interval with a maximum allowable extension not to exceed 25 percent of the specified surveillance interval.

4.0.3 Failure to perform a Surveillance Requirement within the specified time interval shall constitute a failure to meet the OPERABILITY requirements for a Limiting Condition for Operation. Exceptions to these requirements are stated in the individual specifications. Surveillance Requirements do not have to be performed on inoperable equipment.

4.0.4 Entry into an OPERATIONAL MODE or other specified condition shall not be made unless the Surveillance Requirement(s) associated with the Limiting Condition for Operation have been performed within the stated surveillance interval or as otherwise specified.

4.0.5 Surveillance Requirements for inservice inspection and testing of ASME Code Class 1, 2, and 3 components shall be applicable as follows:

- a. Inservice inspection of ASME Code Class 1, 2, and 3 components and inservice testing ASME Code Class 1, 2, and 3 pumps and valves shall be performed in accordance with Section XI of the ASME Boiler and Pressure Vessel Code and applicable Addenda as required by 10 CFR 50, Section 50.55a(g), except where specific written relief has been granted by the Commission pursuant to 10 CFR 50, Section 50.55a(g)(6)(i).
- b. Surveillance intervals specified in Section XI of the ASME Boiler and Pressure Vessel Code and applicable Addenda for the inservice inspection and testing activities required by the ASME Boiler and Pressure Vessel Code and applicable Addenda shall be applicable as follows in these Technical Specifications:

4.0.1 This specification provides that surveillance activities necessary to ensure the Limiting Conditions for Operation are met and will be performed during the OPERATIONAL MODES or other conditions for which the Limiting Conditions for Operation are applicable. Provisions for additional surveillance activities to be performed without regard to the applicable OPERATIONAL MODES or other conditions are provided in the individual surveillance requirements. Surveillance requirements for Special Test Exceptions need only be performed when the Special Test Exception is being utilized as an exception to an individual specification.

4.0.2 This specification establishes the limit for which the specified time interval for Surveillance Requirements may be extended. It permits an allowable extension of the normal surveillance interval to facilitate surveillance scheduling and consideration of plant operating conditions that may not be suitable for conducting the surveillance; e.g., transient conditions or other ongoing surveillance or maintenance activities. It also provides flexibility to accommodate the length of a fuel cycle for surveillances that are performed at each refueling outage and are specified with a 18-month surveillance interval. It is not intended that this provision be used repeatedly as a convenience to extend surveillance intervals beyond that specified for surveillances that are not performed during refueling outages. The limitation for Specification 4.0.2 is based on engineering judgment and the recognition that the most probable result of any particular surveillance being performed is the verification of conformance with the Surveillance Requirements. This provision is sufficient to ensure that the reliability ensured through the surveillance activities is not significantly degraded beyond that obtained from the specified surveillance interval.

4.0.3 The provisions of this specification set forth the criteria for determination of compliance with the OPERABILITY requirements of the Limiting Conditions for Operation. Under these criteria, equipment, systems, or components are assumed to be OPERABLE if the associated surveillance activities have been satisfactorily performed within the specified time interval. Nothing in this provision is to be construed as defining equipment, systems, or components OPERABLE, when such items are found or known to be inoperable although still meeting the surveillance requirements.



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

ARIZONA PUBLIC SERVICE COMPANY, ET AL.

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT NO. 3

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 22
License No. NPF-74

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment, dated March 8, 1990, by the Arizona Public Service Company (APS) on behalf of itself and the Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of New Mexico, Los Angeles Department of Water and Power, and Southern California Public Power Authority (licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act) and the Commission's regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of Act, and the regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public;
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the enclosure to this license amendment, and paragraph 2.C(2) of Facility Operating License No. NPF-74 is hereby amended to read as follows:

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A, as revised through Amendment No. 22, and the Environmental Protection Plan contained in Appendix B, are hereby incorporated into this license. APS shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

3. This license amendment is effective 45 days from the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION



John T. Larkins, Acting Director
Project Directorate V
Division of Reactor Projects III,
IV, V and Special Projects
Office of Nuclear Reactor Regulation

Enclosure:
Changes to the Technical
Specifications

Date of Issuance: June 11, 1990

ATTACHMENT TO LICENSE AMENDMENT NO. 22
TO FACILITY OPERATING LICENSE NO. NPF-74
DOCKET NO. STN 50-530

Replace the following pages of the Appendix A Technical Specifications with the enclosed pages. The revised pages are identified by amendment number and contain vertical lines indicating the areas of change.

Remove Pages

3/4 0-2

B 3/4 0-2

Insert Pages

3/4 0-2

B 3/4 0-2

APPLICABILITY

SURVEILLANCE REQUIREMENTS

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4.0.2 Each Surveillance Requirement shall be performed within the specified surveillance interval with a maximum allowable extension not to exceed 25 percent of the specified surveillance interval.

4.0.3 Failure to perform a Surveillance Requirement within the specified time interval shall constitute a failure to meet the OPERABILITY requirements for a Limiting Condition for Operation. Exceptions to these requirements are stated in the individual specifications. Surveillance Requirements do not have to be performed on inoperable equipment.

4.0.4 Entry into an OPERATIONAL MODE or other specified condition shall not be made unless the Surveillance Requirement(s) associated with the Limiting Condition for Operation have been performed within the stated surveillance interval or as otherwise specified.

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- b. Surveillance intervals specified in Section XI of the ASME Boiler and Pressure Vessel Code and applicable Addenda for the inservice inspection and testing activities required by the ASME Boiler and Pressure Vessel Code and applicable Addenda shall be applicable as follows in these Technical Specifications:

4.0.1 This specification provides that surveillance activities necessary to ensure the Limiting Conditions for Operation are met and will be performed during the OPERATIONAL MODES or other conditions for which the Limiting Conditions for Operation are applicable. Provisions for additional surveillance activities to be performed without regard to the applicable OPERATIONAL MODES or other conditions are provided in the individual surveillance requirements. Surveillance requirements for Special Test Exceptions need only be performed when the Special Test Exception is being utilized as an exception to an individual specification.

4.0.2 This specification establishes the limit for which the specified time interval for Surveillance Requirements may be extended. It permits an allowable extension of the normal surveillance interval to facilitate surveillance scheduling and consideration of plant operating conditions that may not be suitable for conducting the surveillance; e.g., transient conditions or other ongoing surveillance or maintenance activities. It also provides flexibility to accommodate the length of a fuel cycle for surveillances that are performed at each refueling outage and are specified with a 18-month surveillance interval. It is not intended that this provision be used repeatedly as a convenience to extend surveillance intervals beyond that specified for surveillances that are not performed during refueling outages. The limitation for Specification 4.0.2 is based on engineering judgment and the recognition that the most probable result of any particular surveillance being performed is the verification of conformance with the Surveillance Requirements. This provision is sufficient to ensure that the reliability ensured through the surveillance activities is not significantly degraded beyond that obtained from the specified surveillance interval.

4.0.3 The provisions of this specification set forth the criteria for determination of compliance with the OPERABILITY requirements of the Limiting Conditions for Operation. Under these criteria, equipment, systems, or components are assumed to be OPERABLE if the associated surveillance activities have been satisfactorily performed within the specified time interval. Nothing in this provision is to be construed as defining equipment, systems, or components OPERABLE, when such items are found or known to be inoperable although still meeting the surveillance requirements.



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

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
RELATED TO AMENDMENT NO. 49 TO FACILITY OPERATING LICENSE NO. NPF-41
AMENDMENT NO. 35 TO FACILITY OPERATING LICENSE NO. NPF-51
AND AMENDMENT NO. 22 TO FACILITY OPERATING LICENSE NO. NPF-74
ARIZONA PUBLIC SERVICE COMPANY, ET AL.
PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3
DOCKET NOS. STN 50-528, STN 50-529, AND STN 50-530

1.0 INTRODUCTION

By letter dated March 8, 1990, the Arizona Public Service Company (APS) on behalf of itself, the Salt River Project Agricultural Improvement and Power District, Southern California Edison Company, El Paso Electric Company, Public Service Company of New Mexico, Los Angeles Department of Water and Power, and Southern California Public Power Authority (licensees), requested changes to the Technical Specifications (TS) for the Palo Verde Nuclear Generating Station, Units 1, 2, and 3 (Appendix A to Facility Operating License Nos. NPF-41, NPF-51, and NPF-74, respectively). The proposed changes would remove the provision of Specification 4.0.2.b that limits the combined time interval for three consecutive surveillances to less than 3.25 times the specified interval. Guidance on this proposed change to TS was provided to all power reactor licensees and applicants by Generic Letter 89-14, dated August 21, 1989.

2.0 DISCUSSION

Specification 4.0.2 includes the provision that allows a surveillance interval to be extended by 25 percent of the specified time interval. This extension provides flexibility for scheduling the performance of surveillances and to permit consideration of plant operating conditions that may not be suitable for conducting a surveillance at the specified time interval. Such operating conditions included transient plant operation or ongoing surveillance or maintenance activities. Specification 4.0.2 further limits the allowance for extending surveillance intervals by requiring that the combined time interval for any three consecutive surveillances not exceed 3.25 times the specified time interval. The purpose of this provision is to assure that surveillances are not extended repeatedly as an operational convenience to provide an overall increase in the surveillance interval.

Experience has shown that the 18-month surveillance interval, with the provision to extend it by 25 percent, is usually sufficient to accommodate normal variations in the length of a fuel cycle. However, the NRC staff

has routinely granted requests for one-time exceptions to the 3.25 limit on extending refueling surveillances because the risk to safety is low in contrast to the alternative of a forced shutdown to perform these surveillances. Therefore, the 3.25 limitation on extending surveillances has not been a practical limit on the use of the 25-percent allowance for extending surveillances that are performed on a refueling outage basis.

Extending surveillance intervals during plant operation can also result in a benefit to safety when a scheduled surveillance is due at a time that is not suitable for conducting the surveillance. This may occur when transient plant operating conditions exist or when safety systems are out of service for maintenance or other surveillance activities. In such cases, the benefit to safety of extending a surveillance interval would exceed any safety benefit derived by limiting the use of the 25-percent allowance to extend a surveillance. Furthermore, there is the administrative burden associated with tracking the use of the 25-percent allowance to ensure compliance with the 3.25 limit.

In view of these findings, the staff concluded the Specification 4.0.2 should be changed to remove the 3.25 limit for all surveillances because its removal will have an overall positive effect on safety. The guidance provided in Generic Letter 89-14 included the following change to this specification and removes the 3.25 limit on three consecutive surveillance with the following statement:

"4.0.2 Each Surveillance Requirement shall be performed within the specified surveillance interval with a maximum allowable extension not to exceed 25 percent of the specified surveillance interval."

In addition, the Bases of this specification were updated to reflect this change and noted that it is not the intent of the allowance for extending surveillance intervals that it be used repeatedly merely as an operational convenience to extend surveillance intervals beyond that specified.

The licensee has proposed changes to Specification 4.0.2 that are consistent with the guidance provided in Generic Letter 89-14, as noted above. On the basis of its review of this matter, the staff finds that the above change to the TS for Palo Verde Nuclear Generating Station, Units 1, 2 and 3, is acceptable.

3.0 CONTACT WITH STATE OFFICIAL

The Arizona Radiation Regulatory Agency has been advised of the proposed determination of no significant hazards consideration with regard to these changes. No comments were received.

4.0 ENVIRONMENTAL CONSIDERATION

The amendments involve a change to a requirement in the installation or use of facility components located within the restricted area as defined in 10 CFR Part 20 or a change to a surveillance requirement. The staff has determined that the amendments involve no significant increase in the

amount, and no significant change in the type, of any effluent that may be released offsite and that there is no significant increase in individual or cumulative occupational radiation exposure. The Commission has previously issued proposed findings that the amendments involve no significant hazards consideration, and there has been no public comment on such finding. Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Pursuant to 10 CFR 51.22(b) no environmental impact statement or environmental assessment need to be prepared in connection with the issuance of the amendments.

5.0 CONCLUSION

The staff has concluded, based on the considerations discussed above, that (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendments will not be inimical to the common defense and security or to the health and safety of the public. We, therefore, conclude that the proposed changes are acceptable.

Principal contributors: Sheri R. Peterson
Thomas G. Dunning

Dated: June 11, 1990