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

> Mr. William F. Conway Executive Vice President, Nuclear Arizona Public Service Company P. O. Box 53999 Phoenix, Arizona 85072-3999

Dear Mr. Conway:

ENVIRONMENTAL ASSESSMENT - PALO VERDE NUCLEAR GENERATING STATION, SUBJECT: UNIT NOS. 1, 2, AND 3 (TAC NOS. M79616, M79617, AND M79618)

Enclosed for your information is a copy of an "Environmental Assessment and Finding of No Significant Impact." The Environmental Assessment relates to your request dated January 25, 1991, for an exemption from the filing requirements of 10 CFR 55.45(b)(2)(iii) to allow for the submittal of Form NRC-474, "Simulation Facility Certification," after the March 26, 1991 deadline, provided in the role, but no later than May 24, 1991.

The Environmental Assessment has been sent to the Office of the Federal Register for publication.

Sincerely.

Catherine M. Thompson, Project Manager

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Project Directorate V Division of Reactor Projects III/IV/V Office of Nuclear Reactor Regulation

Enclosure:

Environmental Assessment

cc w/enclosure: See next page

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ARIZONA PUBLIC SERVICE COMPANY, ET AL. DOCKET NOS. 50-528, 50-529, AND 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT NOS. 1, 2, AND 3
ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an exemption from the filing requirements of 10 CFR 55.45(b)(2)(iii) issued to 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, Los Angeles Department of Water and Power and Southern California Public Power Authority (licensees), for the Palo Verde Nuclear Generating Station, Unit Nos. 1, 2, and 3, located in Maricopa County, Arizona.

ENVIRONMENTAL ASSESSMENT

Identification of Proposed Action

The exemption would grant relief from the filing requirements of 10 CFR 55.45(b)(2)(iii) to allow for an extension for the submittal of Form NRC-474, "Simulation Facility Certification," from March 26, 1991 to May 24, 1991.

The proposed exemption is responsive to the licensee's application for exemption dated January 25, 1991.

The Need for the Proposed Action

On September 28, 1989, APS awarded a contract to upgrade the PVNGS simulator with an original scheduled certification date of March 21, 1991.

However, the vendor has experienced unexpected problems such as obtaining experienced staff, resignation of key engineers and computer system problems. APS is concerned that additional problems may arise during the remainder of the acceptance testing of the upgraded PVNGS simulator which may require correction before certification.

The proposed exemption is needed in order to ensure that the required modifications and performance testing are completed in time to support submittal of the certification.

Environmental Impact of the Proposed Action

The proposed exemption will ensure that the required modifications and performance testing are completed in time to support submittal of the certification and will have no incremental environmental impact relative to current practices. Accordingly, the Commission concludes that there are no significant radiological environmental impacts associated with the proposed exemption.

with regard to potential nonradiclogical impacts, the proposed expemption involves the completion of required modifications and performance testing. They do not affect nonradiological plant effluents and have no other environmental impact. Therefore, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed exemption.

Alternatives to the Proposed Action

Since the Commission has concluded that there is no measurable impact associated with the proposed exemption, any alternatives to the exemption will have either no environmental impact or greater environmental impact.

Alternative Use of Resources

This action does not involve the use of resources not previously considered in the Final Environmental Statement related to operation of the Palo Verde Nuclear Generating Station, Unit Nos. 1, 2, and 3 dated February 1982.

Agencies and Persons Consulted

The NRC staff reviewed the licensee's request and did not consult other agencies or persons.

FINDING OF NO SIGNIFICANT IMPACT

The Commission has determined not to prepare an environmental impact statement for the proposed exemption.

Based upon the foregoing environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment.

For further details with respect to this action, see the licensee's application dated January 25, 1991, which is available for public inspection at the Commission's Public Document Room, Gelman Building, 2120 L Street, N.W., Washington, D.C. 20555 and at the local public document room at the Phoenix Public Library, 12 East McDowell Road, Phoenix, Arizona 85004.

Dated at Rockville, Maryland, this 18 day of March, 1991.

FOR THE NUCLEAR REGULATORY COMMISSION

Charles M. Tranmell, Acting Director

Project Directorate V

Division of Reactor Projects III/IV/V Office of Nuclear Reactor Regulation