

Docket Nos. 50-5 50-529  
and 50-530

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

Dear Mr. Conway:

SUBJECT: NOTICE OF CONSIDERATION OF TRANSFER OF CONTROL OF OWNERSHIP OF  
LICENSEE AND OPPORTUNITY FOR PUBLIC COMMENT ON ANTITRUST ISSUES  
(TAC NOS. M88572, M88571, AND M88570)

Enclosed is a copy of the Federal Register notice "Consideration of Transfer of Control of Ownership of Licensee and Opportunity for Public Comment on Antitrust Issues" for your information. This notice related to your application dated January 13, 1994, which requests indirect transfer of control of El Paso Electric Company's (El Paso) interest in Palo Verde Nuclear Generating Station (PVNGS) Units 1, 2, and 3, that will occur as a result of the merger of a special-purpose subsidiary of the Central and South West Corporation (CSW) with and into El Paso. The same letter also requests deletion of provisions for El Paso's existing sale-leaseback arrangements for PVNGS Units 2 and 3.

This notice has been forwarded to the Office of the Federal Register for publication.

Sincerely,

Original signed by:  
Timothy J. Polich, Acting Project Manager  
Project Directorate V  
Division of Reactor Projects III/IV/V  
Office of Nuclear Reactor Regulation

Enclosures:  
Notice

080042

cc w/enclosures:  
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Docket Nos. 50-51 50-529  
and 50-530

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

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Timothy J. Polich, Acting Project Manager  
Project Directorate V  
Division of Reactor Projects III/IV/V  
Office of Nuclear Reactor Regulation

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NAME	DFoster Curseen	LTran	TPolich	WLambe	JRutberg	TQuay
DATE	2/23/94	2/23/94	2/23/94	2/23/94	3/1/94	3/17/94

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DOCUMENT NAME: PV88573.FRN



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

March 7, 1994

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

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

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This notice has been forwarded to the Office of the Federal Register for publication.

Sincerely,

A handwritten signature in cursive script that reads "Timothy J. Polich".

Timothy J. Polich, Acting Project Manager  
Project Directorate V  
Division of Reactor Projects III/IV/V  
Office of Nuclear Reactor Regulation

Enclosures:  
Notice

cc w/enclosures:  
See next page

Mr. William F. Conway  
Arizona Public Service Company

Palo Verde

cc:

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Arizona Corporation Commission  
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Phoenix, Arizona 85007

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U. S. Nuclear Regulatory Commission  
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Nuclear Reg. & Industrial Affairs  
Arizona Public Service Company  
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Phoenix, Arizona 85072-2034

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Mr. Aubrey V. Godwin, Director  
Arizona Radiation Regulatory Agency  
4814 South 40 Street  
Phoenix, Arizona 85040

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

UNITED STATES NUCLEAR REGULATORY COMMISSIONDOCKET NOS. STN 50-528, 50-529, AND 50-530ARIZONA PUBLIC SERVICE COMPANYCONSIDERATION OF TRANSFER OF CONTROL OF OWNERSHIP OF LICENSEE AND  
OPPORTUNITY FOR PUBLIC COMMENT ON ANTITRUST ISSUES

Notice is hereby given that the United States Nuclear Regulatory Commission (Commission) is considering approval under 10 CFR 50.80 of the indirect transfer of control of El Paso Electric Company's (El Paso) interest in Palo Verde Nuclear Generating Station (PVNGS) Units 1, 2, and 3, (Operating License Nos. NPF-41, NPF-51, and NPF-74) to a subsidiary of the Central and South West Corporation (CSW). By letter dated January 13, 1994, Arizona Public Service Company (APS), partial owner and operator and operating agent for PVNGS submitted its request for indirect transfer and deletion of sale-leaseback provisions, pursuant to 10 CFR 50.80. The request for license amendments to delete the provisions of certain previous sale-leaseback arrangements relating to Operating License Nos. NPF-51 and NPF-74 will be the subject of a separate FEDERAL REGISTER notice.

Pursuant to 10 CFR 50.80 the Commission may approve the transfer of control of a licensee, after notice to interested persons, upon the Commission's determination that the new owner is qualified to have control of the license and the transfer of control is otherwise consistent with applicable provisions of law, regulations and orders of the Commission.

By this notice the Commission is seeking public comment on this proposed transfer of control of ownership. Written comments may be submitted by mail to the Regulatory Publications Branch, Division of Freedom of Information and Publication Services, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555 and should site the publication date and page number of this FEDERAL REGISTER notice. Written comments may also be delivered to Room P-223, Phillips Building, 7920 Norfolk Avenue, Bethesda, Maryland between 7:30 a.m. and 4:15 p.m. Copies of written comments may be examined at the NRC Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555.

#### Antitrust Issues

Pursuant to 10 CFR 2.101 of the Commission's regulations, the staff is publishing receipt of APS' request to transfer the above described control of ownership of PVNGS.

Any person who wishes to submit comments or information relating to antitrust issues believed to be raised by this transfer request should submit said comments or information within 30 days of the initial publication of this notice in the FEDERAL REGISTER to the U.S. Nuclear Regulatory Commission, Washington, DC 20555, Attention: Chief, Inspection and Licensing Policy Branch, Office of Nuclear Reactor Regulation. The Director of the Office of Nuclear Reactor Regulation will issue a finding whether significant changes in the licensees' activities have occurred since the completion of the previous antitrust review.

Although the staff is providing the opportunity for comments concerning the competitive aspects of the proposed transfer, the staff notes that it is aware of and is closely following a proceeding at the

Federal Energy Regulatory Commission (FERC) involving CSW's proposed acquisition of El Paso. The NRC will consider the FERC proceeding to the maximum extent possible in resolving issues brought before the NRC.

For further details with respect to the subject transfer, see the request for transfer of control dated January 13, 1994, which is available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555 and at the local public document room located at the Phoenix Public Library, 12 East McDowell Road, Phoenix, Arizona 85004.

Dated at Rockville, Maryland the 7th day of March , 1994.

FOR THE NUCLEAR REGULATORY COMMISSION



Theodore R. Quay, Director  
Project Directorate V  
Division of Reactor Projects III/IV/V  
Office of Nuclear Reactor Regulation