

March 11, 1996

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

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNIT NO. 1 (TAC NO. M94541),
UNIT NO. 2 (TAC NO. M94542), AND UNIT NO. 3 (TAC NO. M94543)

Dear Mr. Stewart:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application for amendment dated January 5, 1996. The proposed amendment would revise the Palo Verde Nuclear Generating Station (PVNGS) operating licenses and technical specifications to increase the rated core power level from 3800 megawatts thermal (Mwt) to 3876 Mwt.

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

Original Signed By

Charles R. Thomas, Project Manager
Project Directorate IV-2
Division of Reactor Projects -
Office of Nuclear Reactor Regulation

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

Enclosure: Environmental Assessment

cc w/encl: See next page

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Mr. William L. Stewart

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March 11, 1996

cc w/encl:

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UNITED STATES NUCLEAR REGULATORY COMMISSIONARIZONA PUBLIC SERVICE COMPANYPALO VERDE NUCLEAR GENERATING STATION, UNIT NOS. 1, 2, AND 3DOCKET NOS. STN 50-528, 50-529, AND 50-530ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. NPF-41, NPF-51, and NPF-74 issued to Arizona Public Service Company, (the licensee), for operation of the Palo Verde Nuclear Generating Station, Units 1, 2, and 3, respectively, located in Maricopa County, Arizona.

ENVIRONMENTAL ASSESSMENTIdentification of the Proposed Action:

The Environmental Assessment is written in connection with the proposed core uprate for the Palo Verde Nuclear Generating Station in response to the licensee's application dated January 5, 1996. The proposed action would increase the rated thermal power (RTP) for Palo Verde from the current level of 3800 megawatts thermal (Mwt) to 3876 Mwt, an increase of 2 percent over the current RTP. To support the increased power operation, the licensee has also proposed amendment changes that would lower the allowable reactor coolant system cold-leg temperature limits for all three PVNGS Units and lower the pressurizer safety valve setpoints for Units 1 and 3. The PVNGS Unit 2 safety valve setpoints were revised by Amendment 78, approved March 28, 1995, to the same values being requested for Units 1 and 3. The proposed action is in accordance with the licensee's application for amendment dated January 5, 1996.

The Need for the Proposed Action:

The proposed action is needed to increase the electrical output by up to approximately 26 megawatts electric (MWe) and thus provide additional electrical power to the grids which service the commercial and residential areas of the owner utilities (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).

Environmental Impacts of the Proposed Action:

A 2-percent increase in rated thermal power (RTP) is not a significant increase in power level. The Final Environmental Statement (FES) (NUREG-0841) recognized in the Summary and Conclusions Section that the maximum design thermal output for each unit is 4100 Mwt. The proposed increase is less than maximum design thermal output evaluated during the FES construction permit stage (FES-CP). Thus the environmental effects previously evaluated for land and water usage are bounded by those previously evaluated. The increase in RTP does not change any of the conclusions of NUREG-0841.

The 2-percent RTP increase does not change the method of operation or modify the plant configuration, apart from minor changes in equipment setpoints. Thus no increase in the probability or consequences of an accident is created by the proposed amendment. System and programmatic reviews have been done of the nuclear steam supply system (NSSS) controls, the reactor coolant system, the steam generators, balance-of-plant systems, and the fire protection, equipment qualification, and probability risk assessment programs. The reviews concluded that operation in accordance with the changes proposed in this amendment was acceptable and posed no significant risk to the health

and safety of the public. The analysis supporting this amendment demonstrates that the consequences of events under the increased-RTP conditions are within the criteria of the current licensing basis for the PVNGS units. Therefore the amendment, as proposed, does not involve a significant increase in the probability or consequences of an accident previously evaluated.

The increase in RTP does not authorize construction, change the processes, plant equipment, or type of effluents, or significantly affect operation of the units. The proposed amendment will not significantly change the types or amount of radiological effluents from the facility. The changes are within the design basis of the balance-of-plant systems, and reviews of the NSSS have demonstrated the acceptability of operation at the increased-RTP conditions. Safety analyses of design basis events affected by the increase have been reviewed or reanalyzed and the consequences found to be bounded by current updated final safety analysis report (UFSAR) consequences or within regulatory requirements. In addition, no significant increases in individual or cumulative occupational radiation exposure would result from the proposed changes in operating conditions. Also, the proposed increase in the NSSS power involves no significant change in the amount of any nonradiological impacts associated with operation of the facility, i.e., those previously evaluated and approved in the FES. The Final Environmental Assessment evaluated the environmental impact, assuming the maximum design thermal output of the PVNGS units to be 4100 Mwt. Thus, the proposed increase in power level is within the scope of the previous reviews performed for the environmental impact of operation of the units. Accordingly, the Commission concludes that there are no significant environmental impacts associated with the proposed action.

Alternatives to the Proposed Action:

Since the Commission has concluded that there is no measurable environmental impact associated with the proposed action, any alternatives with equal or greater environmental impacts need not be evaluated. The principal alternative to the proposed action would be to deny the requested amendment. Denial would not significantly reduce the environmental impact of plant operation and would restrict operation of the PVNGS units to the currently licensed power level, thereby reducing operational flexibility.

Alternative Use of Resources:

This action does not involve the use of any resources not previously considered in the Final Environmental Statement for the Palo Verde Nuclear Generating Station.

Agencies and Persons Consulted:

In accordance with NRC policy, on February 28, 1996, the staff consulted with the Arizona State official, Mr. William Wright of the Arizona Radiation Regulatory Agency, regarding the environmental impact of the proposed action. The State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated January 5, 1996, which is available for public

inspection at the Commission's Public Document Room, The Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Phoenix Public Library, 1221 N. Central Avenue, Phoenix, Arizona 85004.

Dated at Rockville, Maryland, this 11th day of March 1996.

FOR THE NUCLEAR REGULATORY COMMISSION



Charles R. Thomas, Project Manager
Project Directorate IV-2
Division of Reactor Projects III/IV
Office of Nuclear Reactor Regulation