

DEC 10 1984

Docket No.: 50-529

Mr. E. E. Van Brunt, Jr.
Vice President - Nuclear Projects
Arizona Public Service Company
Post Office Box 21666
Phoenix, Arizona 85036

Dear Mr. Van Brunt:

Subject: Order Extending Construction Completion Date - Palo Verde Nuclear
Generating Station, Unit 2

In response to your request of October 25, 1984, as amended on November 13, 1984, the Nuclear Regulatory Commission has issued an Order extending the construction completion date for the Palo Verde Nuclear Generating Station, Unit 2. The referenced Order extends the latest construction completion date specified in CPPR-142 to December 31, 1985.

Copies of the Order and the staff's evaluation are enclosed for your information. The Order has been transmitted to the Office of the Federal Register for publication.

Sincerely,

Original signed by
Darrell G. Eisenhut

Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation

Enclosures:
As stated

cc: See next page

Previous concurred on by*

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Palo Verde

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DEC 10 1984

ORDERING EXTENDING CONSTRUCTION COMPLETION DATE

PALO VERDE NUCLEAR GENERATING STATION UNIT 2

Distribution

Docket File 50-529

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

ARIZONA PUBLIC SERVICE COMPANY, ET AL
PALO VERDE NUCLEAR GENERATING STATION, UNIT 2
DOCKET NO. STN 50-529
ORDER EXTENDING CONSTRUCTION COMPLETION DATE

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, Los Angeles Department of Water and Power and Southern California Public Power Authority are the holders of Construction Permit No. CPPR-142 issued by the Nuclear Regulatory Commission on May 25, 1976 for the Palo Verde Nuclear Generating Station, Unit 2. This facility is presently under construction at the applicants' site in Maricopa County, Arizona.

By letter dated October 25, 1984, as amended by letter dated November 13, 1984, the Arizona Public Service Company filed a request for extension of the latest construction completion date for the facility. This request is to extend the latest completion date from November 1, 1984 to December 31, 1985.

Arizona Public Service Company states that this extension is requested because construction has been delayed due to the following:

- (1) Palo Verde Unit 2 is being constructed sequentially with Palo Verde Unit 1 (CPPR-141) and Palo Verde Unit 3 (CPPR-143) and, therefore, the completion of Unit 2 is largely dependent on the progress of Unit 1.

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- (2) At the current time, basic construction of Palo Verde Units 1 and 2 is substantially complete, and preoperational testing is at an advanced stage for Unit 1 and has been initiated for Unit 2.
- (3) On November 4, 1982 and December 29, 1983, the Commission issued Orders extending the construction completion date for Palo Verde Unit 1, in response to previous requests by the Arizona Public Service Company dated October 12, 1982, May 12, 1983 and September 9, 1983. In its current request, the Arizona Public Service Company states that the factors impacting the completion of construction of Unit 1 cited in its previous requests and in the Commission Orders also impacted the completion of construction of Unit 2.
- (4) Based upon the current status of construction and current schedules for remaining work and preoperational testing for Palo Verde Unit 1, it is expected that the construction of Unit 1 will be completed to permit the loading of fuel into its reactor on or before March 31, 1985.
- (5) Prudence requires that (a) the sequential construction of Palo Verde Units 1, 2 and 3 should be maintained and (b) the sequential interval between the fuel load dates for Units 1 and 2 should not be scheduled at less than nine months. Acceleration of the construction and preoperational testing of Palo Verde Unit 2 to reduce the scheduled interval between the fuel load dates for Palo Verde Units 1 and 2 to less than a nine-month period would overtax the resources readily available to the Arizona Public Service Company.

The staff has performed an evaluation of the request for extension. Based on this review, the staff has determined that the above factors have resulted in significant delays in construction completion and that the request is for a reasonable period of time when considering the nature of the delays. In addition, the extension of the latest completion date in the construction permit does not involve any significant hazards consideration since the extension will not allow any work to be performed that is not already allowed by the existing construction permit.

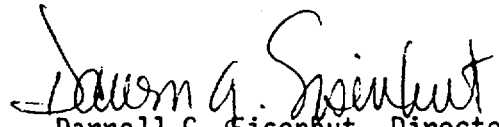
Prior public notice of this extension was not required since the Commission has determined that this action involves no significant hazards consideration; good cause has been shown for the delays; and the requested extension is for a reasonable period of time.

The Commission has determined that this action will not result in any significant environmental impact and, pursuant to 10 CFR 51.5(d)(4), an environmental impact statement, or negative declaration and environmental impact appraisal, need not be prepared in connection with this action.

The NRC staff's evaluation of the request for extension of the construction permit is available for public inspection at the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C. 20555, and at the Phoenix Public Library, Business, Science and Technology Department, 12 East McDowell Road, Phoenix, Arizona 85004.

IT IS HEREBY ORDERED THAT the latest completion date for CPPR-142 is extended from November 1, 1984 to December 31, 1985.

FOR THE NUCLEAR REGULATORY COMMISSION


Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation

Date of Issuance: **DEC 10 1984**



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

EVALUATION OF A REQUEST FOR EXTENSION OF
CONSTRUCTION PERMIT NO. CPPR-142
FOR THE PALO VERDE NUCLEAR GENERATING STATION, UNIT 2
DOCKET NO. STN 50-529

Introduction

Construction Permit No. CPPR-142 for Palo Verde Nuclear Generating Station, Unit 2 was issued on May 25, 1976 to the 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. The Construction Permit was subsequently amended to delete the Arizona Electric Power Cooperative as a co-owner and to include as co-owners the Los Angeles Department of Water and Power, and Southern California Public Power Authority. The latest date for completion of construction of this facility, as stated in the permit, is November 1, 1984. By letter dated October 25, 1984, as amended by letter dated November 13, 1984, the Arizona Public Service Company filed a request for extension of the latest construction completion date for Palo Verde Unit 2 to December 31, 1985.

Discussion

In its application for extension of the construction completion date, the Arizona Public Service Company indicated that the following factors are responsible for the delay in completion of the construction activities:

- (1) Palo Verde Unit 2 is being constructed sequentially with Palo Verde Unit 1 (CPPR-141) and Palo Verde Unit 3 (CPPR-143) and, therefore, the completion of Unit 2 is largely dependent on the progress of Unit 1.
- (2) At the current time, basic construction of Palo Verde Units 1 and 2 is substantially complete, and preoperational testing is at an advanced stage for Unit 1 and has been initiated for Unit 2.
- (3) On November 4, 1982 and December 29, 1983, the Commission issued Orders extending the construction completion date for Palo Verde Unit 1, in response to previous requests by the Arizona Public Service Company dated October 12, 1982, May 12, 1983 and September 9, 1983. In its current request, the Arizona Public Service Company states that the factors impacting the completion of construction of Unit 1 cited in its previous requests and in the Commission Orders also impacted the completion of construction of Unit 2.

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- (4) Based upon the current status of construction and current schedules for remaining work and preoperational testing for Palo Verde Unit 1, it is expected that the construction of Unit 1 will be completed to permit the loading of fuel into its reactor on or before March 31, 1985.
- (5) Prudence requires that (a) the sequential construction of Palo Verde Units 1, 2 and 3 should be maintained and (b) the sequential interval between the fuel load dates for Units 1 and 2 should not be scheduled at less than nine months. Acceleration of the construction and preoperational testing of Palo Verde Unit 2 to reduce the scheduled interval between the fuel load dates for Palo Verde Units 1 and 2 to less than a nine-month period would overtax the resources readily available to the Arizona Public Service Company.

Collectively, these factors have led the Arizona Public Service Company to conclude that construction of Palo Verde Unit 2 would not be completed by November 1, 1984 and the Arizona Public Service Company has requested a 14-month extension of the latest completion date to December 31, 1985.

The NRC staff has reviewed the information provided in the Arizona Public Service Company's submittal. Based on that review, the staff concurs with the permittees as to the reasonableness of time estimated for the delay. Therefore, the staff concludes that the factors discussed above constitute good cause for granting the requested extension.

As a result of the staff's review of the Final Safety Analysis Report to date, and considering the nature of the delays, the staff has identified no areas of significant safety consideration in connection with the extension of the construction completion date for the Palo Verde Nuclear Generating Station, Unit 2. The only change proposed by the permittees to the existing construction permit is an extension of the latest construction completion date. This extension will not allow any work to be performed involving new safety information of a type that was not considered by previous Commission safety reviews of the facility and that is not already allowed by the existing construction permit. Therefore, the staff finds that (1) the extension of the latest completion date in the construction permit does not involve a significant hazards consideration, (2) prior public notice of this action is not required, (3) there is reasonable assurance that the health and safety of the public will not be endangered by the requested extension of the construction completion date, and (4) good cause exists for issuance of an order extending the construction completion date.

The staff has determined that this Order does not authorize a change in effluent types or total amount nor an increase in power level and will not result in any significant environmental impact. Having made this determination, the staff concludes that this Order involves action which is insignificant from the standpoint of environmental impact, and that pursuant to 10 CFR Section 51.5 (d)(4), an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with the issuance of this Order.

Conclusion

For the reasons stated above, the staff concludes that issuance of an Order extending the latest construction completion date for the Palo Verde Nuclear Generating Station, Unit 2, as set forth in CPPR-142, to December 31, 1985 is reasonable and should be authorized.

Dated: DEC 10 1984