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

March 25, 1987

Docket No.: 50-530

Mr. E. E. Van Brunt, Jr.
Executive Vice President
Arizona Nuclear Power Project
Post Office Box 52034
Phoenix, Arizona 85072-2034

Dear Mr. Van Brunt:

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNIT 3 - ISSUANCE OF FACILITY OPERATING LICENSE NO. NPF-65

The U. S. Nuclear Regulatory Commission has issued the enclosed Facility Operating License No. NPF-65 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 for the Palo Verde Nuclear Generating Station, Unit 3 located in Maricopa County, Arizona.

License No. NPF-65 authorizes operation of the Palo Verde Nuclear Generating Station, Unit 3 up to five percent of full power (190 megawatts thermal), and is issued without prejudice to future consideration by the Commission for a full power license. Although it is restricted to five percent power, this license contains conditions that will be included in the full power license. In addition it contains an exemption for operation no higher than Mode 5 until operability of two emergency diesel generators is established in accordance with 10 CFR 50, Appendix A, General Design Criterion 17.

A copy of a related Federal Register Notice, the original of which has been forwarded to the Office of the Federal Register for publication, is enclosed, as well as an assessment of the effect of 40-year license duration from the license issuance date with respect to environmental matters and the Environmental Assessments related to the exemptions authorized by this license concerning 10 CFR Part 50, Appendix J and 10 CFR Part 50, Appendix A, General Design Criterion 17.

The Commission has also issued Supplement No. 11 to the Safety Evaluation Report related to operation of the Palo Verde Nuclear Generating Station. This supplement supports the issuance of Facility Operating License No. NPF-65. Two copies of Supplement No. 11 are enclosed. Additional copies will be sent to you.

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Eight signed copies of Amendment No. 8 to Indemnity Agreement No. B-95, which covers the activities authorized under License No. NPF-65, are also enclosed. Please have each licensee sign all copies and return one copy of the amendment to this office.

Sincerely,

/s

Frank J. Miraglia, Director
Division of PWR Licensing-B

Enclosures:
1. Facility Operating License No. NPF-65
2. Federal Register Notice
3. Assessment of the Effect of 40-Year License Duration
4. Environmental Assessment - App. J
5. Environmental Assessment - App. A
6. Supplement No. 11 to SER
7. Amendment No. 8 to Indemnity Agreement No. B-95

cc: See next page

PD7	PD7	PD7	PPAS	SP	OGC
MDavis/yt	EALicitra	JLee	JFunches		M. Karman
3/9/87	3/9/87	3/9/87	3/10/87	3/10/87	3/13/87
OGC	DIR PD7	DIR DPLB	NRR	NRR	
JRutberg	GWKnighton	FMiraglia	JShiezek	HRDenton	
3/18/87	3/19/87	3/25/87	3/25/87	3/ /87	

Mr. E. E. Van Brunt, Jr.
Arizona Nuclear Power Project

Palo Verde

cc:
Arthur C. Gehr, Esq.
Snell & Wilmer
3100 Valley Center
Phoenix, Arizona 85073

Mr. James M. Flenner, Chief Counsel
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Charles R. Kocher, Esq. Assistant
Council
James A. Boeletto, Esq.
Southern California Edison Company
P. O. Box 800
Rosemead, California 91770

Mr. Mark Ginsberg
Energy Director
Office of Economic Planning
and Development
1700 West Washington - 5th Floor
Phoenix, Arizona 85007

Mr. Wayne Shirley
Assistant Attorney General
Bataan Memorial Building
Santa Fe, New Mexico 87503

Mr. Roy Zimmerman
U.S. Nuclear Regulatory Commission
P. O. Box 239
Arlington, Arizona 85322

Ms. Patricia Lee Hourihan
6413 S. 26th Street
Phoenix, Arizona 85040

Regional Administrator, Region V
U. S. Nuclear Regulatory Commission
1450 Maria Lane
Suite 210
Walnut Creek, California 94596

Kenneth Berlin, Esq.
Winston & Strawn
Suite 500
2550 M Street, NW
Washington, DC 20037

Ms. Lynne Bernabei
Government Accountability Project
of the Institute for Policy Studies
1901 Oue Street, NW
Washington, DC 20009

Mr. Ron Rayner
P. O. Box 1509
Goodyear, AZ 85338

Mr. Charles B. Brinkman, Manager
Washington Nuclear Operations
Combustion Engineering, Inc.
7910 Woodmont Avenue Suite 1310
Bethesda, Maryland 20814

Mr. Bruce Blanchard
Environmental Projects Review
U.S. Department of the Interior
18th & C Streets, N.W. - Room 4256
Washington, D.C. 20240

Chairman
Arizona Corporation Commission
Post Office Box 6019
Phoenix, Arizona 85003

Arizona Radiation Regulatory Agency
ATTN: Ms. Clara Palovic, Librarian
4814 South 40 Street
Tempe, Arizona 85040

Defense Mapping Agency Aerospace
Center (ADL)
St. Louis Air Force Station, Missouri 63116

Regional Radiation Representative
U.S. Environmental Protection Agency
Region IX
215 Fremont Street
San Francisco, California 94105

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

Mr. Charles Tedford, Director
Arizona Radiation Regulatory Agency
4814 South 40 Street
Phoenix, Arizona 85040

MARCH 25, 1987

ISSUANCE OF FACILITY OPERATING LICENSE FOR PALO VERDE, UNIT 3

DISTRIBUTION:
Docket File 50-530
NRC PDR
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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

FACILITY OPERATING LICENSE

License No. NPF-65

1. The Nuclear Regulatory Commission (the Commission or the NRC) has found that:

   A. The application for license filed by Arizona Public Service Company, 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, and the Commission's regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;

   B. Construction of the Palo Verde Nuclear Generating Station, Unit 3 (facility) has been substantially completed in conformity with Construction Permit No. CPPR-143 and the application, as amended, the provisions of the Act and the regulations of the Commission;

   C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D below);

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D. There is reasonable assurance: (i) that the activities authorized by this operating license 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 set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D below);

E. Arizona Public Service Company* is technically qualified to engage in the activities authorized by this operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;

F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements", of the Commission's regulations;

G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;

H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs, and after considering available alternatives, the issuance of this Facility Operating License No. NPF-65, subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and

I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70.

2. Based on the foregoing findings, the Initial Decision and the Order Dismissing Proceeding issued by the Atomic Safety and Licensing Board dated December 30, 1982, and July 22, 1985, respectively, and the Decision issued by the Atomic Safety and Licensing Appeal Board dated February 15, 1983 (ALAB-713), regarding this facility, Facility Operating License No. NPF-65 is hereby issued to the 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) to read as follows:

*Arizona Public Service Company is authorized to act as agent for 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 and has exclusive responsibility and control over the physical construction, operation and maintenance of the facility.

A. This license applies to the Palo Verde Nuclear Generating Station, Unit 3, a pressurized water reactor and associated equipment (facility) owned by the licensees. The facility is located on the licensees' site in Maricopa County, Arizona and is described in the licensees' Final Safety Analysis Report, as supplemented and amended; in the related CESSAR Final Safety Analysis Report, as supplemented and amended through Amendment No. 8; and in their Environmental Report, as supplemented and amended.

B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

(1) Pursuant to Section 103 of the Act and 10 CFR Part 50, 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 to possess, and Arizona Public Service Company (APS) to use and operate the facility at the designated location in Maricopa County, Arizona, in accordance with the procedures and limitations set forth in this license;

(2) Pursuant to the Act and 10 CFR Part 70, APS to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the licensees' Final Safety Analysis Report, as supplemented and amended, and the CESSAR Final Safety Analysis Report as supplemented and amended through Amendment No. 8;

(3) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, APS to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

(4) Pursuant to the Act and 10 CFR Part 30, 40 and 70, APS to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and

(5) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, APS to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter 1 and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

Arizona Public Service Company (APS) is authorized to operate the facility at reactor core power levels not in excess of 3800 megawatts thermal (100% power) in accordance with the conditions specified herein and in Attachment 1 to this license. The items identified in Attachment 1 to this license shall be completed as specified. Attachment 1 is hereby incorporated into this license. Pending Commission approval, this license is restricted to power levels not to exceed 5 percent of full power (190 megawatts thermal). In addition operation above Mode 5 shall not proceed until successful testing and operability of Emergency Diesel Generators in accordance with 10 CFR 50, Appendix A, General Design Criterion 17, is achieved.

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, both of which are attached hereto, are hereby incorporated into this license. APS shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) Antitrust Conditions

This license is subject to the antitrust conditions delineated in Appendix C to this license.

(4) Initial Test Program (Section 14, SER and SSER 2)

Any changes in the initial test program described in Section 14 of the FSARs (Palo Verde and CESSAR), made in accordance with the provisions of 10 CFR 50.59 shall be reported in accordance with 50.59(b) within one month of such change.

(5) Supplement No. 1 to NUREG-0737 Requirements

APS shall complete the requirements of Supplement No. 1

to NUREG-0737 in accordance with the schedule specified in ANPP letter 40173 dated February 20, 1987.

D. (1) The facility requires an exemption from Paragraph III.D.2(b)(ii) of Appendix J to 10 CFR Part 50, the testing of containment air locks at times when containment integrity is not required (Section 6.2.6, SSER 7). This exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. The Commission further determines that special circumstances, as provided in 10 CFR 50.12(a)(2) (ii), are present justifying the exemption.

(2) The facility requires a schedular exemption from 10 CFR 50, Appendix A, General Design Criterion 17 (GDC-17) to allow fuel load and operation up to Mode 5 with one Emergency Diesel Generator inoperable during repair and testing. Prior to exceeding Mode 5 both emergency diesel generators are to be operable in accordance with GDC 17. This exemption is authorized by law and will not present an undue risk to the public health and safety, and is consistent with the common defense and security. The Commission further determines that special circumstances, as provided in 10 CFR 50.12 (a)(2)(v), are present justifying the exemption (Section 8.3.1, SSER 11).

With the granting of these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.

E. APS shall fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans previously approved by the Commission and all amendments and revisions to such plans made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). By letter dated December 26, 1986, APS has incorporated Palo Verde Unit 3 into the previously approved plans. The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Palo Verde Nuclear Generating Station Security Plan," with revisions submitted through September 25, 1986, including a Chapter 8 Contingency Plan and "Palo Verde Nuclear Generating Station Guard Training and Qualification Plan," with revisions submitted through December 7, 1984.

F. APS shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report for the facility, as supplemented and amended, and as approved in the SER through Supplement 11, subject to the following provision:

APS may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

G. Except as otherwise provided in the Technical Specifications or the Environmental Protection Plan, APS shall report any violations of the requirements contained in Section 2.C of this license in the following manner: Initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written follow-up within 30 days in accordance with the procedures described in 10 CFR 50.73(b), (c) and (e);

H. The licensees shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims; and

I. This license is effective as of the date of issuance and shall expire at midnight on March 25, 2027.

FOR THE NUCLEAR REGULATORY COMMISSION

James H. Sniezek

James H. Sniezek, Deputy Director
Office of Nuclear Reactor Regulation

Attachments:
1. Attachment 1
2. Appendix A -
   Technical Specifications
3. Appendix B -
   Environmental Protection Plan
4. Appendix C -
   Antitrust Conditions

Date of Issuance: March 25, 1987

ATTACHMENT 1

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3
OPERATING LICENSE NPF-65

This attachment identifies items which must be completed to the NRC staff's satisfaction in accordance with the schedule identified below.

1. Prior to entering any operational mode for the first time, including initial fuel loading, APS shall:

   a. Have completed a review of the surveillance procedures applicable to the change of mode, and determined that the procedures demonstrate the operability of the required systems with respect to all acceptance criteria defined in the Technical Specifications.

   b. Have dispatched written notification to the NRC Regional Administrator, Region V, that the action defined in (a), above, has been completed for the mode or modes to be entered.

2. Prior to initial criticality APS shall make operable all portions of the radiation monitoring system in accordance with APS letter 161-00062 dated March 11, 1987.

3. The post accident sampling system shall be operable prior to exceeding 5% power.

4. Prior to loading fuel, APS shall have in place a technical specification numbering cross reference system, which shall identify those technical specifications which are incorrectly referenced in Unit 3 procedures due to the deletion of fire protection requirements from the technical specifications. All Unit 3 procedures shall be revised within 30 days of issuance of the operating license to correctly reference the applicable technical specifications.

5. Masonry wall modifications shall be completed prior to initial criticality in accordance with conditions specified in NRR letter of December 19, 1986.

UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

ARIZONA PUBLIC SERVICE COMPANY, ET AL.

NOTICE OF ISSUANCE OF FACILITY OPERATING LICENSE

Notice is hereby given that the U.S. Nuclear Regulatory Commission (the Commission), has issued Facility Operating License No. NPF-65, (License) 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. This License authorizes operation of the Palo Verde Nuclear Generating Station, Unit 3 (facility) at reactor core power levels not in excess of 3800 megawatts thermal in accordance with the provisions of the License, the Technical Specifications and the Environmental Protection Plan. However, the License contains one condition which currently limits operation to five percent of full power (190 megawatts thermal). Authorization to operate at greater than five percent will require specific Commission approval. In addition, operation above Mode 5 is restricted until successful testing and operability of Emergency Diesel Generators in accordance with 10 CFR 50, Appendix A, General Design Criterion 17, is achieved.

Palo Verde Nuclear Generating Station, Unit 3 is a pressurized water reactor which utilizes a CESSAR standard plant design and is located at the licensees' site in Maricopa County, Arizona approximately 36 miles west of the city of Phoenix.

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The application for the license, as amended, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations. The Commission has made appropriate findings as required by the Act and the Commission's regulations in 10 CFR Chapter I, which are set forth in the License. Prior public notice of the overall action involving the proposed issuance of an operating license was published in the FEDERAL REGISTER on July 11, 1980 (45 F.R. 46941) as clarified in a notice published July 25, 1980 (45 F.R. 49732).

The Commission has determined that the issuance of this License will not result in any environmental impacts other than those evaluated in the Final Environmental Statement since the activity authorized by the License is encompassed by the overall action evaluated in the Final Environmental Statement.

For further details with respect to this action, see (1) Facility Operating License No. NPF-65, with Technical Specifications (NUREG-1248) and Environmental Protection Plan; (2) the report of the Advisory Committee on Reactor Safeguards dated December 15, 1981; (3) the Commission's Safety Evaluation Report on Palo Verde dated November 1981; Supplement Nos. 1 through 11, dated February 1982, May 1982, September 1982, March 1983, November 1983, October 1984, December 1984, May 1985, December 1985, April 1986 and March 1987, respectively; (4) the Commission's related Safety Evaluation Report on CESSAR dated November 1981; Supplement No. 1 dated March 1983; Supplement No. 2 dated September 1983;

(5) the Final Safety Analysis Report and amendments thereto; (6) the Environmental Report and supplements thereto; (7) the Draft Environmental Statement dated October 1981, (8) the Final Environmental Statement dated March 1982; and (9) the Initial Decision and Order Dismissing Proceeding issued by the Atomic Safety and Licensing Board, dated December 30, 1982, and July 22, 1985, respectively and the Decision issued by the Atomic Safety and Licensing Appeal Board, dated February 15, 1983.

These documents are available for public inspection at the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C., and the Phoenix Public Library, Business, Science and Technology Department, 12 East McDowell Road, Phoenix, Arizona 85004. A copy of Facility Operating License No. NPF-65 may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D. C. 20555, Attention: Director, Division of PWR Licensing-B. Copies of the Safety Evaluation Report and its Supplements 1 through 11 (NUREG-0857), the Final Environmental Statement (NUREG-0841) and the Technical Specifications (NUREG-1248) may be purchased by calling (202) 275-2060 or (202) 275-2171 or by writing to the Superintendent of Documents, U.S. Government Printing Office, Post Office Box 37082, Washington, D.C. 20013-7082. NUREG-0857 may also be purchased from the National Technical Information Service, Department of Commerce, 5285 Port Royal Road, Springfield, Virginia 22161.

Dated at Bethesda, Maryland, the 25th day of March, 1987.

FOR THE NUCLEAR REGULATORY COMMISSION

George W. Knighton

George W. Knighton, Director
PWR Project Directorate No. 7
Division of PWR Licensing-B

March 1987

ASSESSMENT OF THE EFFECT OF LICENSE DURATION ON THE MATTERS DISCUSSED IN THE FINAL ENVIRONMENTAL STATEMENT FOR THE PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2 AND 3

INTRODUCTION

The Final Environmental Statement (FES) for the operation of the Palo Verde Nuclear Generating Station, Units 1, 2 and 3 (PVNGS 1-3) was published in February 1982. At that time it was staff practice to issue operating licenses for a period of 40 years from the date of issuance of the construction permit. This was approximately 30 years of operating life.

However, since the applicants have requested in their application that the operating licenses (OL) for PVNGS 1-3 then under consideration by the staff, have a duration of 40 years from the date of OL issuance, an assessment contained herein is made for those issues affected by the 40-year duration.

DISCUSSION

The staff reviewed the PVNGS 1-3 FES to determine which aspects condidered in the FES are affected by the duration of the operating license. In general, the FES assesses various impacts associated with operation of the facility in terms of annual impacts and balances these against the anticipated annual energy production benefits. Thus, the overall assessment and conclusions would not be dependent on specific operating life. There are, however, two areas in which a specific operating life was assumed. These are as follows:

1. Radiological assessment are based on a 15-year plant midlife.

2. Uranium fuel cycle impacts are based on 30 years of operation.

EVALUATION

The staff's appraisal of the significance of the use of 40 years of operations rather than 30 as it affects the two areas above is presented in the following discussions:

1. Radiological Assessment - The NRC staff calculated dose comitments to the human population residing around nuclear power reactors to assess the impact on people from radioactive material released from these reactors. The annual dose commitment is calculated to be the dose that would be received over a 50-year period following the intake of radioactivity for one year under the conditions that would exist 15 years after the plant began operation.

   The 15-year period is chosen as representing the midpoint of plant operation and is incorporated into the dose models by allowing for buildup of long life radionuclides in the soil. It affects the estimated doses only for radionuclides ingested by humans that have half-lives greater than a few years. For a plant licensed for 40 years, increasing the buildup period

from 15 to 20 years would increase the dose from long life radionuclides via the ingestion pathways by 10% at most. It would have much less effect on dose from shorter life radionuclides. Table C-4 of the PVNGS 1-3 FES indicates that the estimated doses via the ingestion pathways are well below the regulatory design objectives. For example, the ingestion dose to the thyroid from PVNGS Unit 1 is 1.8 mrem/yr compared to an Appendix I design objective of 15 mrem/yr. Thus, an increase of even as much as 10% in these pathways would remain well below the Appendix I guidelines and would not be significant.

2. Uranium Fuel Cycle Impacts - The impacts of the uranium fuel cycle are based on 30 years of operation of a model LWR. The fuel requirements for the model LWR are assumed to be one initial core load and 29 annual refuelings (approximately 1/3 core). The annual fuel requirement for the model LWR averaged out over a 40-year operating life (1 initial core and 39 refuelings of approximately 1.3 core) would be reduced slightly as compared to the annual fuel requirement averaged for a 30-year operating life.

   The net result would be approximately 1.5% reduction in the annual fuel requirement for the model LWR. This small reduction in fuel requirements would not lead to significant changes in the impacts of the uranium fuel cycle. The staff judges that there would not be any changes to PVNGS 1-3 FES Table 5.16 (S-3) that would be necessary in order to consider 40 years of operation. If anything, the value in Table 5.16 become more conservative when a 40-year period of operation is considered.

CONCLUSIONS

The staff has reviewed the PVNGS 1-3 FES and determined that only two of the areas related to its NEPA analysis discussed in the statement were tied directly to a 30-year operating period. Based on the reasons discussed in the sections above, the staff has concluded that the impacts associated with a 40-year license duration are not significantly different from those associated with a 30-year license duration and are not significantly different from those assessed in the PVNGS 1-3 FES.

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UNITED STATES NUCLEAR REGULATORY COMMISSION

ARIZONA PUBLIC SERVICE COMPANY, ET. AL.

DOCKET NO.: STN 50-529 AND STN 50-530

ENVIRONMENTAL ASSESSMENT AND

FINDING OF NO SIGNIFICANT IMPACT

The U. S. Nuclear Regulatory Commission (the Commission) is considering issuance of a partial exemption from the requirements of Appendix J to 10 CFR Part 50 to the Arizona Public Service Company, Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Southern California Edison Company, Public Service Company of Mexico, Los Angeles Department of Water and Power, and Southern California Public Power Authority (the applicants) for the Palo Verde Nuclear Generating Station, Units 2 and 3 located at the applicant's site in Maricopa County, Arizona.

ENVIRONMENTAL ASSESSMENT:

Identification of Proposed Action: The exemption from Appendix J of 10 CFR Part 50 would eliminate the full pressure test required by paragraph III.D.2(b)(ii) and substitute a seal leakage test to be conducted at a pressure specified in the Technical Specifications. The proposed exemption is in accordance with the applicants' letter dated October 7, 1985.

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The Need for the Proposed Action: The proposed Appendix J exemption is required to provide the applicant with greater plant availability over the lifetime of the plant. Without the proposed exemption, the applicant would be required to perform a full pressure test of air locks each time the plant enters the cold shutdown mode, thereby extending each outage.

Environmental Impacts of the Proposed Action: With respect to the proposed exemption from Appendix J, the increment of environmental impact is related solely to the potential increased probability of containment leakage during an accident. This would lead to higher offsite and control room doses. However, this potential increase is very small, due to the added seal leakage tests and the protection against excessive leakage afforded by the other tests required by Appendix J.

Alternative to the Proposed Action: Because the staff has concluded that there is no measurable environmental impact associated with the proposed exemption, any alternative to this exemption will have either no environmental impact or greater environmental impact.

The principal alternative would be to deny the requested exemption. This would not reduce environmental impacts of plant operations and would result in reduced operational flexibility and unwarranted delays in power ascension.

Alternative Use of Resources: This action does not involve the use of resources not previously considered in connection with the "FES Related to the Operation of Palo Verde Nuclear Generating Station, Units 1, 2 and 3, " dated February 1982.

Agencies and Persons Consulted: The NRC staff reviewed the applicant's request that supports the proposed exemption. The NRC staff 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, we conclude 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 letter dated October 7, 1985, which is available for public inspection at the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C., and at the Phoenix Public Library, Business, Science and Technology Department, 12 East McDowell Road, Phoenix, Arizona 85004.

Dated at Bethesda, Maryland, this 22 day of November, 1985.

FOR THE NULEAR REGULATORY COMMISSION

Thomas M. Novak, Assistant Director
for Licensing
Division of Licensing
Office of Nuclear Reactor Regulation

U.S. NUCLEAR REGULATORY COMMISSION

ARIZONA PUBLIC SERVICE COMPANY, ET AL.

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

DOCKET NO. STN 50-530

ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

The U. S. Nuclear Regulatory Commission (the Commission) is considering issuance of a partial exemption from the requirements of 10 CFR 50, Appendix A, General Design Criterion 17, "Electric Power Systems" (GDC-17), during initial plant Modes 5 and 6, to the 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 (the applicants) for the Palo Verde Nuclear Generating Station, Unit 3 located at the applicants' site in Maricopa County, Arizona.

Environmental Assessment

Identification of Proposed Action

The schedular exemption from Appendix A of 10 CFR Part 50 for Unit 3 would allow low power licensing and initial operation in Modes 5 (cold shutdown) and 6 (refueling) with one emergency diesel generator inoperable while undergoing repair, and completion of appropriate diesel and associated system retesting. The proposed exemption is in accordance with the applicants' letter dated February 3, 1987.

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The Need for the Proposed Action

The proposed Appendix A exemption is required due to the catastrophic failure, on December 23, 1986, of the Unit 3 Train B emergency diesel generator during preoperational testing. Without the proposed exemption, the applicants would have to delay fuel loading, and Unit 3 commercial operation would be subsequently delayed.

Environmental Impacts of the Proposed Action

The safety analysis events which require use of emergency diesel power are those events which assume significant reactor decay heat and a loss of offsite power. Each of the limiting loss of offsite power events are initiated from operational modes other than 5 and 6. The Unit 3 fuel has yet to be irradiated; therefore, there would be no fission products in the core and no decay heat requiring core cooling. Since core cooling is not required, emergency diesel power would not be needed.

Operation in Modes 5 and 6 with only one of two redundant emergency diesel systems available would not exceed the present safety analysis.

In summary, it would not be possible to have an accident or event of worse consequences or probability than those events previously evaluated in safety reviews and there would be no change in the environmental impacts of plant operation resulting from the proposed action.

Alternative to the Proposed Action

Because the staff has concluded that there is no measurable environmental impact associated with the proposed exemption, any alternative to this exemption will have either no environmental impact or greater environmental impact.

The principal alternative would be to deny the requested exemption. This would not reduce environmental impacts of plant operation but would result in reduced operational flexibility and unwarranted delays in power ascension.

Alternative Use of Resources

This action does not involve the use of resources not previously considered in connection with the "FES Related to the Operation of Palo Verde Nuclear Generating Station, Units 1, 2 and 3, "dated February 1982.

Agencies and Persons Contacted

The NRC staff reviewed the applicants' request and applicable documents referenced therein that support this proposed exemption. The NRC 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, we conclude that the proposed action will not have a significant effect on the quality of the human environment.

For details with respect to this action, see the letter dated February 3, 1987, which is available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. and at the Local Public Document Room in the Phoenix Public Library, Business, Science, and Technology Department, 12 East McDowell Road, Phoenix, Arizona 85004.

Dated at Bethesda, Maryland this 24th day of February 1987.

FOR THE NUCLEAR REGULATORY COMMISSION

s/

George W. Knighton, Director
PWR Project Directorate No. 7
Division of PWR Licensing-B

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2/17/87

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

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

AMENDMENT TO INDEMNITY AGREEMENT NO. B-95
AMENDMENT NO. 8

Effective MAR 25 1987, Indemnity Agreement No. B-95, between Arizona Public Service Company, Southern California Edison Company, Salt River Project Agricultural Improvement and Power District, Public Service Company of New Mexico, El Paso Electric Company, Southern California Public Power Authority, Los Angeles Department of Water and Power and the Nuclear Regulatory Commission, dated January 26, 1983, as amended, is hereby further amended as follows:

Item 3 of the Attachment to the indemnity agreement is deleted in its entirety and the following substituted therefor:

Item 3 - License number or numbers

SNM-1887	(From 12:01 a.m., January 26, 1983 to 12 midnight, December 30, 1984 inclusive)
SNM-1922	(From 12:01 a.m., December 19, 1983 to 12 midnight, December 8, 1985 inclusive)
SNM-1956	(From 12:01 a.m., January 22, 1986, to 12 midnight, MAR 24 1987 inclusive)
NPF-34	(From 12:01 a.m., December 31, 1984, to 12 midnight, May 31, 1985, inclusive)
NPF-41	(From 12:01 a.m., June 1, 1985)
NPF-46	(From 12:01 a.m., December 9, 1985, to 12 midnight, April 23, 1986 inclusive)
NPF-51	(From 12:01 a.m., April 24, 1986)
NPF-65	(From 12:01 a.m., MAR 25 1987)

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FOR THE U. S. NUCLEAR REGULATORY COMMISSION

Darrel A. Nash, Acting Assistant Director
State and Licensee Relations
Office of State Programs

Accepted _____, 1987

By _____
ARIZONA PUBLIC SERVICE COMPANY

Accepted _____, 1987

By _____
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT

Accepted _____, 1987

By _____
EL PASO ELECTRIC COMPANY

Accepted _____, 1987

By _____
LOS ANGELES DEPARTMENT OF WATER AND POWER

Accepted _____, 1987

By _____
SOUTHERN CALIFORNIA EDISON COMPANY

Accepted _____, 1987

By _____
PUBLIC SERVICE COMPANY OF NEW MEXICO

Accepted _____, 1987

By _____
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

APPENDIX B

TO FACILITY OPERATNG LICENSES NO. NPF-41, NPF-51 AND NPF-65
PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3

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

ENVIRONMENTAL PROTECTION PLAN
(NON-RADIOLOGICAL)

MARCH 1987

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PALO VERDE NUCLEAR GENERATING STATION, UNITS, 1, 2 AND 3

ENVIRONMENTAL PROTECTION PLAN
(NON-RADIOLOGICAL)

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1.0 Objectives of the Environmental Protection Plan

The Environmental Protection Plan (EPP) is to provide for protection of environmental values during construction and operation of the nuclear facility. The principal objectives of the EPP are as follows:

(1) Verify that the station is operated in an environmentally acceptable manner, as established by the FES and other NRC environmental impact assessments.

(2) Coordinate NRC requirements and maintain consistency with other Federal, State and local requirements for environmental protection.

(3) Keep NRC informed of the environmental effects of facility construction and operation and of actions taken to control those effects.

2.0 Environmental Protection Issues

In the FES-OL dated February 1982, the staff considered the environmental impacts associated with the operation of the Palo Verde Nuclear Generating Station. Certain environmental issues were identified which required study or license conditions to resolve environmental concerns and to assure adequate protection of the environment.

2.1 Aquatic Issues

Because there will be no station effluents discharged to natural surface water bodies, station operation will have no direct adverse impacts on the quality of surface water. Therefore, there are no aquatic issues raised by the staff in the FES-OL.

2.2 Terrestrial Issues

No new terrestrial issues requiring environmental monitoring programs were identified in the FES-OL. The FES-CP did identify a program for monitoring the effects of salt deposition due to cooling tower drift. The requirements for this program specified in Subsection 4.2.2 of this EPP.

2.3 Cultural Resources Issues

Upon resolution of the final alignment of the PVNGS-to-Saguaro transmission line, the applicant will conduct an appropriate cultural resource survey relative to the corridor for NRC review and evaluation pursuant to condition 7.f. of the construction permit (FES-CP, p. iii). There is a need to protect any cultural resources sites identified in the survey which may be eligible for or which are included in the National Register of Historic Places. NRC requirements with regard to the cultural resources issues are specified in Subsection 4.2.1 of this EPP.

3.0 Consistency Requirements

3.1 Plant Design and Operation

The licensees may make changes in station design or operation or perform tests or experiments affecting the environment provided such changes, tests or experiments do not involve an unreviewed environmental question, and do not involve a change in the Environmental Protection Plan. Changes in plant design or operation or performance of tests or experiments which do not affect the environment are not subject to the requirements of this EPP. Activities governed by Subsection 3.2 of this EPP are not subject to the requirements of this subsection.

Before engaging in additional construction or operational activities which may affect the environment, the licensees shall prepare and record an environmental evaluation of such activity*. When the evaluation indicates that such activity involves an unreviewed environmental question, the licensees shall provide a written evaluation of such activities and obtain prior approval from the NRC. When such activity involves a change in the Environmental Protection Plan, such activity and change to the Environmental Protection Plan may be implemented only in accordance with an appropriate license amendment as set forth in Subsection 5.3 of this EPP.

A proposed change, test or experiment shall be deemed to involve an unreviewed environmental question if it concerns (1) a matter which may result in a significant increase in any adverse environmental impact previously evaluated in the Final Environmental Statement (FES) as modified by staff's testimony to the Atomic Safety and Licensing Board, supplements to the FES, environmental impact appraisals, or in any decisions of the Atomic Safety and Licensing Board; or (2) a significant change in effluents or power level or (3) a matter not previously reviewed and evaluated in the documents specified in (1) of this subsection, which may have a significant adverse environmental impact.

The licensees shall maintain records of changes in facility design or operation and of tests and experiments carried out pursuant to this subsection. These records shall include a written evaluation which provide bases for the determination that the change, test, or experiment does not involve an unreviewed environmental question nor constitute a decrease in the effectiveness of this EPP to meet the objectives specified in Section 1.0. The licensees shall include as part of their Annual Environmental Operating Report (per Subsection 5.4.1 of this EPP) brief descriptions, analyses, interpretations, and evaluations of such changes, tests and experiments.

*Activities are excluded from this requirement if all measurable nonradiological effects are confined to the on-site areas previously disturbed during site preparation and plant construction.

3.2 Changes Required for Compliance with Other Environmental Regulations

Changes in plant design or operation and performance of tests or experiments which are required to achieve compliance with other Federal, State, or local environmental regulations are not subject to the requirements of Subsection 3.1 of this EPP.

4.0 Environmental Conditions

4.1 Unusual or Important Environmental Events

Any occurrence of an unusual or important event that indicates, or could result in, significant environmental impact causally related to plant operation shall be recorded and promptly reported to the NRC within 24 hours by telephone, telegraph, or facsimile transmissions followed by a written report per Subsection 5.4.2 of this EPP. The following are examples: excessive bird impaction events, onsite plant or animal disease outbreaks, mortality or unusual occurrence of any species protected by the Endangered Species Act of 1973, fish kills, and an increase in nuisance organisms or conditions.

No routine monitoring programs are required to implement this condition.

4.2 Environmental Monitoring

4.2.1 Cultural Resources

Section 4.3.6 of the FES-OL states, "No Archeological surveys have been undertaken in the PVNGS-to-Saguaro corridor because the construction of this line is not scheduled until 1984-1986. When a final alignment for the Saguaro transmission line is selected, appropriate archeological surveys will be undertaken and submitted for staff review and evaluation pursuant to condition 7.f. of the construction permit (FES-CP, p. iii)." The licensees should consult with the State Historic Preservation Office (SHPO) and the NRC in developing an appropriate cultural resource survey. A survey report will be submitted to NRC for review. Should the survey identify significant sites which may be eligible for the National Register of Historic Places, the licensees shall be required to provide the NRC with the information necessary to initiate a determination of eligibility request to the Keeper of the National Register. The U.S. Department of Interior form entitled, "National Register of Historic Places Inventory-Nomination Form," should be filled out in detail with appropriate maps and other materials for each such site and returned to the NRC. Item 12 of the form need not be filled out. The licensees should refer to the Federal Register, September 21, 1977, Part 11, for detailed guidance. The NRC requests the licensees to take appropriate measures to protect such sites during the determination of eligibility process. Upon receipt and review of the information, the NRC will forward the materials to the Keeper for action. If the Keeper rules the sites are not eligible, the finding will be filed and this subsection of the EPP is fully satisfied with no further action required.

If the Keeper rules that any of the sites are eligible for the National Register, the licensees are required to provide the NRC with the information with regard to completing a determination of effect which the operation and maintenance activities of the plant may have on the eligible sites. The licensees should follow the steps presented in 36 CFR 800.3 and 36 CFR 800.4 in developing the information. Upon receipt of the information, the NRC, in consultation with the SHPO, will complete the determination of effect process. If the determination results in a no effect determination as provided in 36 CFR 800.4(4)(B)(1), the documentation will be filed and this subsection of the EPP is fully satisfied with no further action required.

If the determination results in an effect determination, the licensees will be required to provide the NRC with information adequate to document the effect determination and an appropriate action program which the licensees have developed in consultation with the SHPO and concurred in by the SHPO. Upon review of the program, the NRC will forward the documentation to the Advisory Council on Historic Preservation (ACHP) for comment.

After ACHP comment is received by NRC, the program will be revised, if necessary, to incorporate any comments provided by the ACHP. The licensees shall then proceed, in consultation with the SHPO, to implement the proposed program. Upon completion of the program, a report shall be submitted to the NRC which will include a description of the results of the program and the disposition of data recovered (if applicable). Upon submittal of this report, this subsection of the EPP is fully satisfied with no further action required.

4.2.2 Terrestrial Ecology Monitoring

The licensees will implement the Salt Deposition and Impact Monitoring Plan provided to NRC by letter dated May 17, 1985 from E. E. Van Brunt, Jr., Arizona Nuclear Power Project, to G. W. Knighton, U. S. Nuclear Regulatory Commission. The purpose of the Plan is to assess the impacts of cooling tower salt drift on soils, native vegetation and agricultural crops in the PVNGS vicinity.

The monitoring program shall commence by the onset of commercial operation of the first unit and continue for a minimum of three full years after the onset of operation of all three PVNGS Units or until such time that the licensees can demonstrate to the satisfication of the NRC that the objectives of the study have been fulfilled. Annual monitoring reports shall be submitted to the NRC for review.

The licensees may not make changes in the procedures described in the document without prior NRC approval unless the proposed changes do not affect the program objectives described in the introduction to the Monitoring Plan. For example, changes in the procedures, which affect sampling frequency, location, gear, or replication, can be made without prior NRC approval, but shall be reported to the NRC within 30 days after their implementation. These reports shall describe the changes made, the reasons for making the changes, and a statement showing how continuity of the study will be affected. Any modifications or changes of the initially approved program shall be governed by the need to maintain consistency with previously used procedures so that direct comparisons of data are technically valid. Such modifications or changes shall be justified and supported by adequate comparative sampling programs or studies demonstrating the comparability of results or which provide a basis for making adjustments that would permit direct comparisons. The licensees shall maintain at the site, available for inspection, a copy of the Monitoring Plan with all revisions.

5.0 Administrative Procedures

5.1 Review and Audit

The licensees shall provide for review and audit of compliance with the Environmental Protection Plan. The audits shall be conducted independently of the individuals or groups responsible for performing the specific activity. A description of the organizational structure utilized to achieve the independent review and audit function and the results of the audit activities shall be maintained and made available for inspection.

5.2 Records Retention

Records and logs relative to the environmental aspects of plant operation shall be made and retained in a manner convenient for review and inspection. These records and logs shall be made available to NRC on request.

Records of modifications to plant structures, systems and components determined to potentially affect the continued protection of the environment shall be retained for the life of the plant. All other records, data and logs relating to this EPP shall be retained for five years or, where applicable, in accordance with the requirements of other agencies.

5.3 Changes in Environmental Protection Plan

Request for change in the Environmental Protection Plan shall include an assessment of the environmental impact of the proposed change and a supporting justification. Implementation of such changes in the EPP shall not commence prior to NRC approval of the proposed changes in the form of a license amendment incorporating the appropriate revision to the Environmental Protection Plan.

5.4 Plant Reporting Requirements

5.4.1 Routine Reports

An Annual Environmental Operating Report describing implementation of this EPP for the previous year shall be submitted to the NRC prior to May 1 of each year. The initial report shall be submitted prior to May 1 of the year following issuance of the operating license. The period of the first report shall begin with the date of issuance of the operating license for the first operational unit.

The report shall include summaries and analyses of the results of the environmental protection activities required by Subsection 4.2 of this Environmental Protection Plan for the report period, including a comparison with preoperational studies, operational controls, and an assessment of the observed impacts of the plant operation on the environment (as appropriate). If harmful effects or evidence of trends towards irreversible damage to the environment are observed, the licensees shall provide a detailed analysis of the data and a proposed course of action to alleviate the problem.

The Annual Environmental Operating Report shall also include:

(a) A list of EPP noncompliances and the corrective actions taken to remedy them.

(b) A list of all changes in station design or operation, tests, and experiments made in accordance with Subsection 3.1 of this EPP which involved a potentially significant unreviewed environmental issue.

(c) A list of nonroutine reports submitted in accordance with Subsection 5.4.2 of this EPP.

In the event that some results are not available by the report due date, the report shall be submitted noting and explaining the missing results. The missing data shall be submitted as soon as possible in a supplementary report.

5.4.2 Nonroutine Reports

A written report shall be submitted to the NRC within 30 days of occurrence of nonroutine event. The report shall (a) describe, analyze, and evaluate the event, including the extent and magnitude of the impact and plant operating characteristics, (b) describe the probable cause of the event, (c) indicate the action taken to correct the reported event, (d) indicate the corrective action taken to preclude repetition of the event and to prevent similar occurrences involving similar components or systems, and (e) indicate the agencies notified and their preliminary responses.

Events reportable under this subsection which also require reports to other Federal, State or local agencies shall be reported in accordance with those reporting requirements in lieu of the requirements of this subsection. The NRC shall be provided a copy of such report at the same time it is submitted to the other agency.

APPENDIX C

ANTITRUST CONDITIONS
LICENSE NO. NPF-65

Arizona Public Service Company and the Salt River Project Agricultural Improvement and Power District shall comply with the following antitrust conditions:

1. In connection with the antitrust conditions, the following definitions are used herein:

   A. "Bulk Power" means the electric power, and any attendant energy, supplied or made available at transmission or subtransmission voltage by one entity to another.

   B. "Entity" means a person, private or public corporation, a municipality, a cooperative, an association, a joint stock association or business trust owning, operating or proposing in good faith to own or operate equipment or facilities for the generation, transmission or distribution of electricity to or for the public as a utility.

   C. "Joint Applicant(s)" means the Arizona Public Service Company and the Salt River Project Agricultural Improvement and Power District.

2. A. Each Joint Applicant will transmit Bulk Power over its transmission system, between or among two or more Entities with which it is interconnected, or will be interconnected in the future, without restrictions on use or resale of the power so transmitted, provided that such services can reasonably be accommodated from a technical standpoint without impairing each Joint Applicant's reliability or its own use of its facilities.

   B. Each Joint Applicant is obligated under this condition to transmit Bulk Power on the terms stated above, and in connection with each joint applicant's plan to construct new transmission facilities for its own use, to include in its planning and construction program sufficient transmission capacity for such Bulk Power transactions, provided that such Applicant has received sufficient advance notice as may be necessary from a technical standpoint to accommodate the requirements of any requesting entity, and further provided that such entity(ies) are obligated as may be agreed (i) to share the capital, operating and maintenance costs of such new transmission facilities to the extent that additional cost burdens would be imposed on such Joint Applicant or (ii) to compensate the Joint Applicant fully for the use of its system.

3. The foregoing shall be implemented in a manner consistent with the provisions of the Federal Power Act as applicable and all rates, charges or practices in connection herewith are to be subject to the approval of regulatory agencies having jurisdiction over them.

UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NO. STN 50-530

PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

ARIZONA PUBLIC SERVICE COMPANY, ET AL.

NOTICE OF ISSUANCE OF FACILITY OPERATING LICENSE

Notice is hereby given that the U.S. Nuclear Regulatory Commission (the Commission), has issued Facility Operating License No. NPF-65, (License) 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. This License authorizes operation of the Palo Verde Nuclear Generating Station, Unit 3 (facility) at reactor core power levels not in excess of 3800 megawatts thermal in accordance with the provisions of the License, the Technical Specifications and the Environmental Protection Plan. However, the License contains one condition which currently limits operation to five percent of full power (190 megawatts thermal). Authorization to operate at greater than five percent will require specific Commission approval. In addition, operation above Mode 5 is restricted until successful testing and operability of Emergency Diesel Generators in accordance with 10 CFR 50, Appendix A, General Design Criterion 17, is achieved.

Palo Verde Nuclear Generating Station, Unit 3 is a pressurized water reactor which utilizes a CESSAR standard plant design and is located at the licensees' site in Maricopa County, Arizona approximately 36 miles west of the city of Phoenix.

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The application for the license, as amended, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations. The Commission has made appropriate findings as required by the Act and the Commission's regulations in 10 CFR Chapter I, which are set forth in the License. Prior public notice of the overall action involving the proposed issuance of an operating license was published in the FEDERAL REGISTER on July 11, 1980 (45 F.R. 46941) as clarified in a notice published July 25, 1980 (45 F.R. 49732).

The Commission has determined that the issuance of this License will not result in any environmental impacts other than those evaluated in the Final Environmental Statement since the activity authorized by the License is encompassed by the overall action evaluated in the Final Environmental Statement.

For further details with respect to this action, see (1) Facility Operating License No. NPF-65, with Technical Specifications (NUREG-1248) and Environmental Protection Plan; (2) the report of the Advisory Committee on Reactor Safeguards dated December 15, 1981; (3) the Commission's Safety Evaluation Report on Palo Verde dated November 1981; Supplement Nos. 1 through 11, dated February 1982, May 1982, September 1982, March 1983, November 1983, October 1984, December 1984, May 1985, December 1985, April 1986 and March 1987, respectively; (4) the Commission's related Safety Evaluation Report on CESSAR dated November 1981; Supplement No. 1 dated March 1983; Supplement No. 2 dated September 1983;

(5) the Final Safety Analysis Report and amendments thereto; (6) the Environmental Report and supplements thereto; (7) the Draft Environmental Statement dated October 1981, (8) the Final Environmental Statement dated March 1982; and (9) the Initial Decision and Order Dismissing Proceeding issued by the Atomic Safety and Licensing Board, dated December 30, 1982, and July 22, 1985, respectively and the Decision issued by the Atomic Safety and Licensing Appeal Board, dated February 15, 1983.

These documents are available for public inspection at the Commission's Public Document Room, 1717 H Street, N. W., Washington, D. C., and the Phoenix Public Library, Business, Science and Technology Department, 12 East McDowell Road, Phoenix, Arizona 85004. A copy of Facility Operating License No. NPF-65 may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D. C. 20555, Attention: Director, Division of PWR Licensing-B. Copies of the Safety Evaluation Report and its Supplements 1 through 11 (NUREG-0857), the Final Environmental Statement (NUREG-0841) and the Technical Specifications (NUREG-1248) may be purchased by calling (202) 275-2060 or (202) 275-2171 or by writing to the Superintendent of Documents, U.S. Government Printing Office, Post Office Box 37082, Washington, D.C. 20013-7082. NUREG-0857 may also be purchased from the National Technical Information Service, Department of Commerce, 5285 Port Royal Road, Springfield, Virginia 22161.

Dated at Bethesda, Maryland, the 25th day of March, 1987.

FOR THE NUCLEAR REGULATORY COMMISSION

George W. Knighton

George W. Knighton, Director
PWR Project Directorate No. 7
Division of PWR Licensing-B

March 26, 1987

DOCKET NO. STN 50-530

MEMORANDUM FOR: Rules and Procedures Branch
Division of Rules and Records
Office of Administration

FROM: Office of Nuclear Reactor Regulation

SUBJECT: ARIZONA PUBLIC SERVICE COMPANY, ET AL
PALO VERDE NUCLEAR GENERATING STATION, UNIT 3

One signed original of the *Federal Register* Notice identified below is enclosed for your transmittal to the Office of the Federal Register for publication. Additional conformed copies (5) of the Notice are enclosed for your use.

- [ ] Notice of Receipt of Application for Construction Permit(s) and Operating License(s).
- [ ] Notice of Receipt of Partial Application for Construction Permit(s) and Facility License(s): Time for Submission of Views on Antitrust Matters.
- [ ] Notice of Consideration of Issuance of Amendment to Facility Operating License.
- [ ] Notice of Receipt of Application for Facility License(s); Notice of Availability of Applicant's Environmental Report; and Notice of Consideration of Issuance of Facility License(s) and Notice of Opportunity for Hearing.
- [ ] Notice of Availability of NRC Draft/Final Environmental Statement.
- [ ] Notice of Limited Work Authorization.
- [ ] Notice of Availability of Safety Evaluation Report.
- [ ] Notice of Issuance of Construction Permit(s).
- [x] Notice of Issuance of Facility Operating License(s) ~~or Amendment(s).~~
- [ ] Order.
- [ ] Exemption.
- [ ] Notice of Granting Exemption.
- [ ] Environmental Assessment.
- [ ] Notice of Preparation of Environmental Assessment.
- [ ] Other: _____

Office of Nuclear Reactor Regulation

Enclosure:
As stated

Contact:
Phone:

OFFICE ▶	NRR/PD 7						
SURNAME ▶	JHee						
DATE ▶	3/26/87						

NRC FORM 318 (10/80) NRCM 0240

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