

February 1, 2005

MEMORANDUM TO: Robert A. Gramm, Chief, Section 2  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

FROM: Mel Fields, Senior Project Manager, Section 2/*RA*/  
Project Directorate IV  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF MEETING HELD ON DECEMBER 9, 2004, WITH THE  
PALO VERDE NUCLEAR GENERATING STATION LICENSEE  
RE: DRY CASK STORAGE AND FUEL ISSUES

On December 9, 2004, Arizona Public Service Company (APS), the licensee for the Palo Verde Nuclear Generating Station, Units 1, 2, and 3, met with the staff at the NRC offices in Rockville, Maryland. The purpose of the meeting was to discuss issues related to dry cask storage of spent fuel and fuel issues such as fuel performance, lead test assembly programs, and future control element assembly modifications.

The morning session was dedicated to dry cask storage issues. The licensee has loaded 22 casks and placed them on the storage pad located on site property and there has been a steady decline in dose received to personnel during the loading operations. APS stated that approval of Amendment 4 to the Certificate of Compliance for the NAC International Universal Storage System (NAC-UMS) storage cask would lower the risks associated with cask loading and would simplify other aspects of this operation. However, the schedule for staff approval of Amendment 4 will not occur early enough in 2005 to support the licensee's planned cask loading in 2005. The morning session ended with a discussion of future dry cask storage needs by the licensee. There will be a need to load high burnup fuel by 2007 and a control element assembly disposal option will also be needed. Since there is no licensed cask that can meet all the conditions established by the licensee, a contract award is anticipated to be awarded in mid-2005.

During the afternoon session, APS updated the staff on recent fuel performance, their long term fuel design strategies, the replacement program for control element assemblies, and planned licensing submittals. Details of these agenda items are explained in the meeting slides. The slides are available in ADAMS under accession numbers ML050240096 and ML050240124.

A list of attendees is attached. There were no members of the public represented at the meeting.

Attachment: Meeting Attendees

cc w/att: See next page

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**SLIDES (1) ACCESSION NO.: ML050240096**

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**PKG.: ML050240440**

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Palo Verde Generating Station, Units 1, 2, and 3

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**MEETING WITH PALO VERDE LICENSEE**

**LIST OF ATTENDEES**

**DECEMBER 9, 2004**

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Craig Seaman  
Brian Hansen

NAL International

Tom Dannier

NRC

Wayne Hodges  
Larry Campbell  
John Monninger  
Ray Wharton  
Amy Snyder  
Shih-Liang Wu  
Undine Shoop  
Heremy Tapp  
Zena Abdullahi  
Francis Akstulewicz  
Mel Fields