



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

December 21, 2010

Mr. Randall K. Edington
Executive Vice President Nuclear/
Chief Nuclear Officer
Mail Station 7602
Arizona Public Service Company
P.O. Box 52034
Phoenix, AZ 85072-2034

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 –
WITHDRAWAL OF AN AMENDMENT REQUEST TO REVISE TECHNICAL
SPECIFICATION 3.7.4, "ATMOSPHERIC DUMP VALVES" (TAC NOS. ME4586,
ME4587, AND ME4588)

Dear Mr. Edington:

By letter dated August 25, 2010 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML102450051), Arizona Public Service (APS, the licensee) submitted a license amendment request (LAR) for Palo Verde Nuclear Generating Station (PVNGS), Units 1, 2, and 3. The proposed amendment would revise Technical Specification (TS) 3.7.4, "Atmospheric Dump Valves (ADVs)," to require that two ADV lines be operable in Modes 1, 2, and 3, and when the steam generator (SG) is relied upon for heat removal, Mode 4.

By letter dated October 6, 2010 (ADAMS Accession No. ML102730762), the NRC staff informed the licensee that additional information was required to enable the NRC staff to make an independent assessment regarding the acceptability of the proposed amendment request in terms of regulatory requirements and the protection of public health and safety. APS supplemented its application by letter dated October 20, 2010 (ADAMS Accession No. ML103010172). A public meeting was held on November 18, 2010, to discuss the information insufficiencies (ADAMS Accession No. ML103230084).

Subsequently, by letter dated December 9, 2010¹, APS withdrew the amendment request. The NRC staff acknowledges the request to withdraw the application. NRC staff activities on the review have ceased and the associated Technical Assignment Control number has been closed. Notice of Consideration of Issuance of the proposed amendment had not been published in the *Federal Register*.

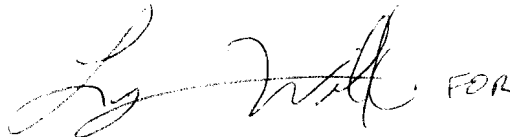
¹ As of the date of this letter, the letter dated December 9, 2010, has not yet been placed into ADAMS.

APS submitted this LAR in accordance with NRC Administrative Letter (AL) 98-10, "Dispositioning of Technical Specifications that are Insufficient to Assure Plant Safety," following your staff's determination that the current PVNGS TSs regarding ADV operability are non-conservative. Based on the guidance in that AL, the plant staff has been managing this situation using administrative controls, as specified in the PVNGS Technical Requirements Manual. In the letter dated December 9, 2010, APS indicated that it intends to request a pre-licensing meeting with the NRC to discuss the submittal of a revised LAR on this subject.

The NRC looks forward to the requested pre-licensing meeting and working toward the resolution of the non-conservative technical specification concerning the ADVs. The NRC staff notes that its acceptance review, which has been terminated upon the licensee's request to withdraw, has indentified that the application did not provide sufficient information to enable the NRC staff to complete its detailed review. When submitting a revised LAR, the NRC encourages APS to address the information insufficiencies identified in the enclosure to this letter.

If you have any questions, please contact Lauren Gibson at (301) 415-1056 or via e-mail at Lauren.Gibson@nrc.gov regarding these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "J. R. Hall", followed by the word "FOR" in a smaller, less distinct script.

James R. Hall, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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

Enclosure:
As stated

cc w/encl: Distribution via Listserv

SUPPLEMENTAL INFORMATION NEEDED FOR ACCEPTANCE
OF LICENSE AMENDMENT REQUEST TO REVISE TECHNICAL
SPECIFICATION 3.7.4, "ATMOSPHERIC DUMP VALVES (ADV)"
PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3
DOCKETS NOS. STN 50-528, STN 50-529, AND STN 50-530

Arizona Public Service (APS, the licensee) has withdrawn its license amendment request (LAR) dated August 25, 2010 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML102450051), by letter dated December 9, 2010¹. The proposed amendment would have revised Technical Specification (TS) 3.7.4, "Atmospheric Dump Valves (ADV)," to require that two ADV lines be operable in Modes 1, 2, and 3, and when the steam generator (SG) is relied upon for heat removal, Mode 4.

The U.S. Nuclear Regulatory Commission (NRC) staff notes that its acceptance review to date has indentified that the application did not provide sufficient information to enable the NRC staff to complete its detailed review. The acceptance review was performed to determine if there is sufficient technical information in scope and depth to allow the NRC staff to complete its detailed technical review. The acceptance review is also intended to identify whether the application has any readily apparent information insufficiencies in its characterization of the regulatory requirements or the licensing.

Consistent with Section 50.90 of Title 10 of the *Code of Federal Regulations* (10 CFR), an amendment to the license (including the technical specifications) must fully describe the changes requested, and following as far as applicable, the form prescribed for original applications. Section 50.34 of 10 CFR addresses the content of technical information required. This section stipulates that the submittal address the design and operating characteristics, unusual or novel design features, and principal safety considerations.

Therefore, if the licensee decides to re-submit the request, it must include the following information. This information was either conveyed in the NRC letter dated October 6, 2010 (ADAMS Accession No. ML102730762), or discussed in a public meeting on November 18, 2010. The meeting summary for the public meeting on November 18, 2010 (ADAMS Accession No. ML103230084), notes the following additional information that would have been needed to complete the technical review if the LAR had been accepted for review:

1. The licensee is requesting "A separate condition entry for each SG" for Condition "A" for one ADV inoperable for a 7-day completion time [(CT)]. Standard Technical Specifications (STS) do not permit separate condition entry. Please justify why separate entry condition would be acceptable.

¹ As of the date of this letter, the letter dated December 9, 2010, has not yet been placed into ADAMS.

Enclosure

2. The licensee is requesting a 72-hour completion time for two ADVs inoperable on one SG for Condition "B." STS Condition "B" does not allow two inoperable ADVs on one SG for more than 24 hours. Please explain how a design-basis event could be mitigated if an accident on the SG with the operable ADV results in no ADVs available for accident mitigation.
3. STS does not permit separate entry conditions on multiple SGs, and the limiting condition for operation is written to address only one SG at a time; therefore, only one SG is permitted to have two ADVs inoperable. In its LAR, the licensee assumes that STS Condition "B" allows two ADVs to be inoperable on two SGs for 24 hours, and uses this logic on page 9 of its LAR to help justify that the proposed 72-hour CT is more conservative than STS. Please justify the assumption and provide additional information to show that the design basis can be met.
4. The NRC staff understands that the licensee is requesting a CT in order to perform maintenance and testing of the ADVs while the units are on-line. Please provide information to show the testing is a mandatory or a self-imposed requirement based upon plant-specific equipment reliability.

APS submitted this LAR in accordance with NRC Administrative Letter (AL) 98-10, "Dispositioning of Technical Specifications that are Insufficient to Assure Plant Safety," following your staff's determination that the current PVNGS TSs regarding ADV operability are non-conservative. Based on the guidance in that AL, the plant staff has been managing this situation using administrative controls, as specified in the PVNGS Technical Requirements Manual. In the letter dated December 9, 2010, APS indicated that it intends to request a pre-licensing meeting with the NRC to discuss the submittal of a revised LAR on this subject.

The NRC looks forward to the requested pre-licensing meeting and working toward the resolution of the non-conservative technical specification concerning the ADVs. The NRC staff notes that its acceptance review, which has been terminated upon the licensee's request to withdraw, has indentified that the application did not provide sufficient information to enable the NRC staff to complete its detailed review. When submitting a revised LAR, the NRC encourages APS to address the information insufficiencies identified in the enclosure to this letter.

If you have any questions, please contact Lauren Gibson at (301) 415-1056 or via e-mail at Lauren.Gibson@nrc.gov regarding these matters.

Sincerely,

/RA by Lynnea Wilkins for/

James R. Hall, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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

Enclosure:
As stated

cc w/encl: Distribution via Listserv

DISTRIBUTION:

PUBLIC
LPLIV r/f
RidsAcrsAcnw_MailCTR Resource
RidsNrrDirsltsb Resource
RidsNrrDorlDpr Resource
RidsNrrDorlLpl4 Resource

RidsNrrDssSbpb Resource
RidsNrrPMPaloVerde Resource
RidsNrrLAJBurkhardt Resource
RidsOgcRp Resource
RidsRgn4MailCenter Resource

ADAMS Accession No. ML103440282

OFFICE	DORL/LPL4/PM	DORL/LPL4/PM	DORL/LPL4/LA	NRR/DSS/SBPB/BC
NAME	LKGibson	JRHall (LWilkins for)	JBurkhardt	GCasto
DATE	12/14/10	12/14/10	12/10/10	12/15/10
OFFICE	NRR/DIRS/ITSB/BC	DORL/LPL4/BC	DORL/LPL4/PM	
NAME	RElliott	MMarkley	JRHall (LWilkins for)	
DATE	12/17/10	12/21/10	12/21/10	

OFFICIAL RECORD COPY