

PUBLIC NOTICE

NRC STAFF PROPOSES TO AMEND OPERATING LICENSE AT THE PALO VERDE NUCLEAR GENERATING STATION, UNIT 2

The U.S. Nuclear Regulatory Commission (NRC) staff has received an application dated September 4, 2015 (available in the Agencywide Documents Access and Management System (ADAMS) at Accession No. ML15247A518), from Arizona Public Service Company (APS), for an exigent amendment to the operating license for the Palo Verde Nuclear Generating Station, Unit 2, located in Maricopa County, Arizona.

The proposed amendment would add a Note to Technical Specifications (TS) Surveillance Requirement (SR) 3.1.5.3, Control Element Assembly (CEA) freedom of movement surveillance, such that Unit 2, CEA 88 may be excluded from the remaining quarterly performance of the SR in Unit 2, Cycle 19 due to a degraded upper gripper coil (UGC). The proposed amendment would allow the licensee to delay exercising CEA 88 until after repairs can be made during the upcoming fall 2015 outage.

The licensee requested that the proposed amendment be processed on an exigent basis, in accordance with the provisions in Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.91(a)(6). Under 10 CFR 50.91(a)(6)(i)(B), where the Commission finds that exigent circumstances exist, in that a licensee and the Commission must act quickly and that time does not permit the Commission to publish a *Federal Register* notice allowing 30 days for prior public comment, and it also determines that the amendment involves no significant hazards considerations, the Commission will use local media to provide reasonable notice to the public in the area surrounding a licensee's facility of the licensee's amendment and of its proposed determination that no significant hazards consideration is involved, consulting with the licensee on the proposed media release and on the geographical area of its coverage.

The licensee's claim of exigent circumstances is based on the considerations below. On August 27, 2015, during the performance of a monitoring program for all CEAs, the licensee discovered the degraded condition of the UGC for CEA 88. Due to the recent discovery, the licensee requests that the amendment be considered for exigent circumstances because the degraded condition of the UGC was not discovered in sufficient time to permit the normal public noticing period. Furthermore, if APS were to perform SR 3.1.5.3 and the UGC further degrade during CEA movement, the CEA may drop into the core, resulting in a reactivity transient and subsequent power reduction, and would result in a plant shutdown if the CEA were deemed unrecoverable. Based on this information, the NRC staff finds that exigent circumstances exist, in that the licensee and the NRC must act quickly and that time does not permit the NRC staff to publish a *Federal Register* notice allowing 30 days for prior public comment.

As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration using the standards in 10 CFR 50.92. The NRC staff has (preliminarily) evaluated this proposed change with regard to the determination of whether or not a significant hazards consideration is involved.

Operation of Palo Verde Nuclear Generating Station, Unit 2, in accordance with the proposed amendment, will not involve a significant increase in the probability or consequences of an accident evaluated previously. The function of CEA 88 is to provide negative reactivity addition into the core upon receipt of a signal from the Reactor Protection System (RPS). CEA 88 remains trippable (free to move) as illustrated by the last performance of SR 3.1.5.3 and when it was placed on the lower gripper coil. Therefore, the function remains valid for CEA 88. The misoperation of a CEA, including a CEA drop event, has been evaluated previously in the Updated Final Safety Analysis and found acceptable. The proposed change would minimize the potential for inadvertent insertion of CEA 88 into the core by maintaining the CEA in its place

using the lower gripper. The proposed change would not affect the ability of CEA 88 to insert fully into the core upon receipt of a reactor trip signal. No modifications are proposed to the RPS or associated logic with regard to the ability of CEA 88 to remain available for immediate insertion into the core. Since CEA 88 remains trippable, no additional reactivity considerations need to be taken into consideration. APS has evaluated the reactivity consequences associated with failure of CEA 88 to insert upon a reactor trip in accordance with TS and has determined that shutdown margin (SDM) requirements would be met should such an event occur at any time during the remainder of Unit 2, Cycle 19 operation. The accident mitigation features of the plant are not affected by the proposed amendment. Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident evaluated previously.

The proposed amendment will not create the possibility of a new or different kind of accident from any analyzed previously. CEA 88 was demonstrated to be moveable and trippable; therefore, the function remains valid for CEA 88. The proposed change will not introduce any new design changes or systems that can prevent the CEA from performing its specified safety function. This change does not alter assumptions made in the safety analysis. APS has evaluated the reactivity consequences associated with failure of CEA 88 to insert upon a reactor trip in accordance with TS and has determined that SDM requirements would be met should such an event occur at any time during the remainder of Unit 2, Cycle 19 operation. Therefore, the proposed change will not create the possibility of a new or different kind of accident from any evaluated previously.

The proposed amendment would not involve a significant reduction in a margin of safety. CEA 88 was demonstrated to be moveable and trippable during the last performance of SR 3.1.5.3 and when it was placed on the lower gripper coil. The physical and electrical design of

the CEAs, and past operating experience, provides high confidence that CEAs remain trippable whether or not exercised during each SR interval. Eliminating further exercise of CEA 88 for the remainder of Unit 2, Cycle 19 operation does not directly relate to the potential for CEA binding to occur. No mechanical binding has been experienced previously in Unit 2. APS has evaluated the reactivity consequences associated with failure of CEA 88 to insert upon a reactor trip in accordance with TS and has determined that SDM requirements would be met should such an event occur at any time during the remainder of Unit 2, Cycle 19 operation. Therefore, the proposed change does not involve a significant reduction in the margin of safety.

Following an initial review of this application, the requested amendment has been evaluated against the standards in 10 CFR 50.92 and the NRC staff has made a proposed (preliminary) determination that the requested amendment involves no significant hazards considerations. The changes do not significantly increase the probability or consequences of any accident considered previously, nor create the possibility of an accident of a different kind, nor significantly decrease any margin of safety.

If the proposed determination that the requested license amendment involves no significant hazards consideration becomes final, the staff will issue the amendment without first offering an opportunity for a public hearing. An opportunity for a hearing will be published in the *Federal Register* at a later date and any hearing request will not delay the effective date of the amendment.

If the staff decides in its final determination that the amendment does involve a significant hazards consideration, a notice of opportunity for a prior hearing will be published in the *Federal Register* and, if a hearing is granted, it will be held before the amendment is issued.

Comments on the proposed determination of no significant hazards consideration may be (1) telephoned to Michael T. Markley, Chief, Plant Licensing Branch IV-1, by collect call to

301-415-5723, or by facsimile to 301-415-2102, (2) e-mailed to Michael.Markley@nrc.gov, or (3) submitted in writing to the Chief, Rules, Announcements and Directives Branch, Division of Administrative Services, Office of Administration, Mail Stop: OWFN-12-H08, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001. All comments received by 4:15 p.m. Eastern Time on September 22, 2015 will be considered in reaching a final determination. A copy of the application may be examined electronically through the NRC's (ADAMS) in the NRC Library at <http://www.nrc.gov/reading-rm/adams.html> and at the Commission's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, or 301-415-4737, or by e-mail to pdr.resource@nrc.gov.