

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of
ARIZONA PUBLIC SERVICE COMPANY, ET AL. }
(Palo Verde Nuclear Generating Station, }
Units 1 and 2) }

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

EXEMPTION

I.

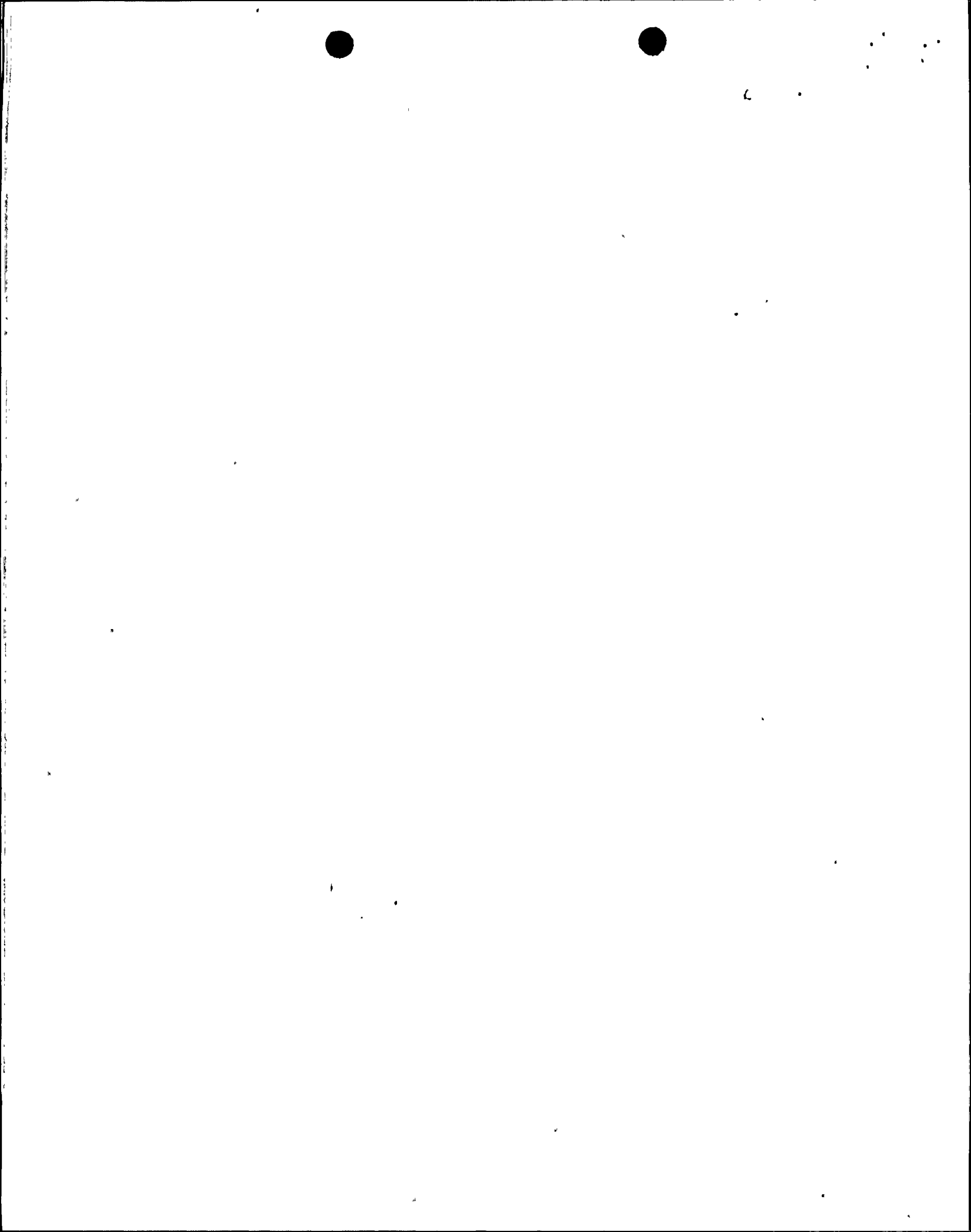
On December 31, 1984 and December 9, 1985, the Commission issued Facility Operating License Nos. NPF-34 and NPF-46, respectively, to Arizona Public Service Company, Salt River Project Agricultural Improvement and Power District, El Paso Electric Company, Public Service Company of New Mexico, Southern California Edison Company, Los Angeles Department of Water and Power, and Southern California Public Power Authority for Palo Verde Nuclear Generating Station, Units 1 and 2, (facilities).* These licenses provide, among other things, that the facilities are subject to all rules, regulations and Orders of the Commission.

II.

Section 50.71(e)(3)(i) of 10 CFR Part 50 requires the licensees of nuclear power reactors to submit an Updated Final Safety Analysis Report (UFSAR) within 24 months of either July 22, 1980, or the date of issuance of the operating license, whichever is later. The above regulation would have required submittal of the UFSAR for Palo Verde Unit 1 by December 31, 1986 and for Palo Verde Unit 2 by December 9, 1987.

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*These licenses were superseded by Facility Operating License Nos. NPF-41 and NPF-51, issued June 1, 1985 and April 24, 1986, respectively for the facilities.



By letter dated January 30, 1986, supplemented by letter dated March 18, 1986, the licensees requested an exemption from 10 CFR 50.71(e) which would defer submittal of the UFSAR until one year following receipt of a low-power operating license for Palo Verde Unit 3. The licensees state that they will amend the current FSAR, which applies to all three Palo Verde units, twice a year until Unit 3 receives an operating license to assure that the FSAR will contain accurate information regarding all three units on a timely basis. The latest Amendment (No. 15) to the FSAR was submitted on April 28, 1986.

III.

The NRC staff has reviewed the licensees' request for an extension of the Palo Verde UFSAR submittal date. 10 CFR 50.34 requires that, until Palo Verde Unit 3 receives an operating license, the information contained in the FSAR docketed with the operating license application be maintained current. Hence, if an extension to the submittal date for the UFSAR is not granted, the licensees would be required to maintain current both the present FSAR as well as the UFSAR until Palo Verde Unit 3 is licensed. Maintaining two versions of the same document for the three Palo Verde units would cause a hardship, could lead to ambiguities or confusion, and would serve no useful purpose if the existing FSAR is maintained up-to-date until Unit 3 is licensed.

Therefore an extension is needed to eliminate the hardship of maintaining two versions of the same document. Until Palo Verde Unit 3 receives an operating license, the licensees have committed to maintain the present FSAR current for all three units by amending the document twice a year.



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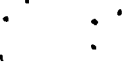
For these reasons, the staff finds that the licensees have shown good cause for the requested extension of the date for submittal of the Updated Final Safety Analysis Report. Therefore, the requested extension to no later than one year after issuance of a low power license for Palo Verde Unit 3 is acceptable.

IV.

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12 (a)(1), 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)(iii), are present justifying the exemption. The application of the regulation in the particular circumstances is not necessary to achieve the underlying purpose of the rule in that the licensees have updated the Palo Verde FSAR in support of licensing Palo Verde Unit 3 by submittal of Amendment No. 15 on April 28, 1986 and will continue to update it at least twice a year until Unit 3 is licensed.

Furthermore, the exemption would provide only temporary relief from the applicable regulation in that only a limited time extension is requested, and a good faith effort to comply with the regulation was made by the submittal of Amendment No. 15 to the Palo Verde FSAR.

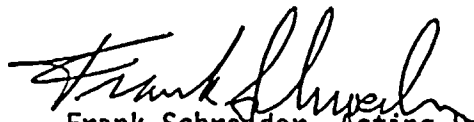
Accordingly, the Commission hereby grants an exemption as described in Section III above from Section 50.71(e)(3)(i) of 10 CFR Part 50 to extend the date for submittal of the updated FSAR to no later than one year after initial licensing of Palo Verde Unit 3.



Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this Exemption will have no significant impact on the environment (51 FR 31853).

This Exemption is effective upon issuance.

FOR THE NUCLEAR REGULATORY COMMISSION


Frank Schroeder, Acting Director
Division of PWR Licensing-B
Office of Nuclear Reactor Regulation

Dated at Bethesda, Maryland
this 12th day of September, 1986

