



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

November 13, 2018

Mr. Robert S. Bement
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 –
ACCEPTANCE REVIEW FOR LICENSE AMENDMENT AND EXEMPTION
REQUESTS REGARDING THE IMPLEMENTATION OF FRAMATOME HIGH
THERMAL PERFORMANCE FUEL (EPIDS L-2018-LLA-0194 AND
L-2018-LLE-0010)

Dear Mr. Bement:

By letter dated July 6, 2018, as supplemented by letter dated October 18, 2018, Arizona Public Service Company submitted a license amendment request for the Palo Verde Nuclear Generating Station (Palo Verde), Units 1, 2, and 3 (Agencywide Documents Access and Management System (ADAMS) Accession Nos. ML18187A417 and ML18296A466, respectively), regarding the implementation of Framatome high thermal performance fuel. The purpose of this letter is to provide the results of the U.S. Nuclear Regulatory Commission (NRC) staff's acceptance review of these amendment and exemption requests. 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 basis of the plant.

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.

The NRC staff has reviewed your application and concluded that it does provide technical information in sufficient detail to enable the NRC staff to complete its detailed technical review and make an independent assessment regarding the acceptability of the proposed amendment and exemption in terms of regulatory requirements and the protection of public health and safety and the environment. Given the lesser scope and depth of the acceptance review as compared to the detailed technical review, there may be instances in which issues that impact the NRC staff's ability to complete the detailed technical review are identified despite completion of an adequate acceptance review. Due to the technical complexity of the amendment and exemption requests,

the NRC staff foresees additional information and at least one regulatory audit will be needed to complete the reviews. The NRC project manager will contact your staff to schedule the audit at the appropriate time.

Based on the information provided in your submittal, the NRC staff has estimated that this licensing request will take approximately 1,700 hours to complete. The NRC staff expects to complete this review in approximately 18 months, which is the end of April 2020. If there are emergent complexities or challenges in our review that would cause changes to the initial forecasted completion date or significant changes in the forecasted hours, the reasons for the changes, along with the new estimates, will be communicated during the routine interactions with the assigned project manager.

These estimates are based on the NRC staff's initial review of the application and they could change due to several factors, including requests for additional information, unanticipated addition of scope to the review, and review by NRC advisory committees or hearing-related activities. Additional delay may occur if the submittal is provided to the NRC in advance or in parallel with industry program initiatives or pilot applications.

If you have any questions, please contact the Palo Verde project manager, Michael D. Orenak, at (301) 415-3229.

Sincerely,



Michael D. Orenak, 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

cc: Listserv

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THERMAL PERFORMANCE FUEL (EPIDS L-2018-LLA-0194 AND
L-2018-LLE-0010) DATED NOVEMBER 13, 2018

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ADAMS Accession No. ML18312A332

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