



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

May 10, 2022

Mrs. Maria L. Lacal
Executive Vice President/
Chief Nuclear Officer
Mail Station 7605
Arizona Public Service Company
P.O. Box 52034
Phoenix, AZ 85072-2034

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
ORDER EXTENDING THE EFFECTIVENESS OF THE APPROVAL OF THE
INDIRECT TRANSFER OF THE CO-OWNER LICENSES FROM PUBLIC
SERVICE COMPANY OF NEW MEXICO TO AVANGRID, INC.
(EPID L-2022-LLO-0000)

Dear Mrs. Lacal:

By letter dated February 8, 2022 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML22040A068), Arizona Public Service Company (APS), on behalf of Public Service Company of New Mexico (PNM), Avangrid, Inc. (Avangrid), and their corporate affiliates (together, the applicants), requested that the U.S. Nuclear Regulatory Commission (NRC) extend by one year its prior approval of the applicants' application, pursuant to Section 184 of the Atomic Energy Act of 1954, as amended, and Sections 50.80, "Transfer of licenses," and 72.50, "Transfer of license," of Title 10 of the *Code of Federal Regulations*, for NRC consent to the indirect transfer of PNM's interests in Renewed Facility Operating License Nos. NPF-41, NPF-51, and NPF-74 for the Palo Verde Nuclear Generating Station (Palo Verde), Units 1, 2, and 3, respectively, and the associated general license for the Palo Verde independent spent fuel storage installation (the NRC licenses).

On May 25, 2021, the NRC issued an indirect transfer order approving the indirect transfer of PNM's 10.2 percent tenant-in-common interest and possession-only rights in the NRC licenses to Avangrid (ADAMS Accession No. ML21118B029). The indirect transfer order was effective upon issuance and stated that, should the proposed indirect transfer not be completed within 1 year of the date of the order, the order would become null and void, provided, however, that upon written application and for good cause shown, such date may be extended by order.

By order dated December 8, 2021, the New Mexico Public Regulation Commission (NMPRC) declined to issue the regulatory approvals necessary for the applicants to consummate the proposed indirect transfer. The applicants have obtained all other required regulatory approvals, but they cannot proceed with the transfer without the approval of the NMPRC.

On January 3, 2022, the applicants filed a Notice of Appeal of the NMPRC order to the Supreme Court of New Mexico. It is not expected, however, that these further legal proceedings will be resolved within the one-year effectiveness of the indirect transfer order (i.e., by May 25, 2022).

The NRC staff has considered the information presented in the applicants' February 8, 2022, extension request and determined that the applicants have shown good cause for extending the effectiveness of the indirect transfer order from May 25, 2022, to May 25, 2023. The enclosed order approves this extension.

The NRC staff safety evaluation supporting the indirect transfer order remains valid (ADAMS Accession No. ML21118B028). The extension order is being forwarded to the Office of the Federal Register for publication.

Should you have any questions concerning this action, please contact me at 301-415-1564 or via e-mail at Siva.Lingam@nrc.gov.

Sincerely,

/RA/

Siva P. Lingam, Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos.: STN 50-528, STN 50-529,
STN 50-530, and 72-44

Enclosure:
Order Extending the Effectiveness of the
Approval of the Indirect Transfer of Licenses

cc: Listserv

SUBJECT: PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 -
 ORDER EXTENDING THE EFFECTIVENESS OF THE APPROVAL OF THE
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 SERVICE COMPANY OF NEW MEXICO TO AVANGRID, INC.
 (EPID L-2022-LLO-0000) DATED MAY 10, 2022

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ENCLOSURE

ORDER EXTENDING THE EFFECTIVENESS OF THE APPROVAL OF

THE INDIRECT TRANSFER OF LICENSES

PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3

AND INDEPENDENT SPENT FUEL STORAGE INSTALLATION