



Palo Verde Nuclear
Generating Station

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Secretary

ATTN: Rulemakings and Adjudications Staff, Mail Stop O16C1
U. S. Nuclear Regulatory Commission
Washington, DC 20555-0001

DOCKET NUMBER
PROPOSED RULE **PR 21 50 & 54**
(64 FR 12117)

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)
Units 1, 2, and 3
Docket Nos. STN 50-528/529/530
Comments on NRC Proposed Rule, "Use of Alternative Source Terms
at Operating Reactors" (64 FR 12117)**

In the March 11, 1999 Federal Register (64 FR 12117), the NRC published, for public comment, a proposed rule for 10 CFR Parts 21, 50, and 54 that would allow the use of alternative source terms at operating reactors. Enclosed are comments from Arizona Public Service Company (APS) on this proposed rule.

No commitments are being made to the NRC by this letter.

Please contact Mr. Scott Bauer at (602) 393-5978 if you have any questions

Sincerely,

JML/SAB/GAM/rh

cc: E. W. Merschoff
M. B. Fields
J. H. Moorman
D. J. Modeen (NEI)

ENCLOSURE
COMMENTS ON NRC PROPOSED RULE:
USE OF ALTERNATIVE SOURCE TERMS AT OPERATING REACTORS
(March 11, 1999 Federal Register [64 FR 12117])

- At 64 FR 12121, the NRC states that ". . . *In many applications, alternative source terms may reduce the postulated consequences of the accident or malfunction. For this reason, the NRC determined that the regulatory framework of §50.59 does not provide assurance that this change in the design basis would be recognized by the licensee as needing review by the NRC staff. . . . [A] subsequent change to the source term itself could not be implemented under §50.59; in all cases a change to the source term must be made through a license amendment. . . .*" The NRC staff position requires further clarification, especially in light of the proposed definition for "source term" at 64 FR 12124. As it is currently written, the proposed rulemaking and statement of considerations could be interpreted as requiring prior NRC approval for any change in the magnitude and mix of radionuclides released from the reactor core. If so, then the rulemaking may place additional restrictions on licensee efforts at economical fuel management, including reload design, even though the alternate source terms are not being used. For example, a "flatter" pin census could result in an increase in fuel damage for certain events, which could change the magnitude of the radionuclide release. Under the proposed rule, such a change would require prior NRC review even if dose consequences remained within NRC acceptance criteria as stated in the Standard Review Plan.
- The proposed rulemaking refers to the source terms contained in NUREG-1465, "Accident Source Terms for Light-Water Nuclear Power Plants," dated February 1995. However, NUREG-1465 cautions that the accident source terms therein may not be applicable to fuel irradiated in excess of 40 GWD/MTU. Is NRC staff going to address the effect of higher burnups on a generic basis, or on a facility-by-facility basis? This may have implications for other industry initiatives to increase licensing basis burnup levels to 62 to 65 GWD/MTU.