



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

April 15, 2016

LICENSEE: Arizona Public Service Company

FACILITY: Palo Verde Nuclear Generating Station, Units 1, 2, and 3

SUBJECT: SUMMARY OF MARCH 24, 2016, PUBLIC MEETING WITH ARIZONA PUBLIC SERVICE COMPANY TO DISCUSS UPCOMING LICENSE AMENDMENT REQUEST REGARDING NEXT GENERATION FUEL FOR PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2, AND 3 (CAC NOS. MF7477, MF7478, AND MF7479)

On January 20, 2016, the U.S. Nuclear Regulatory Commission (NRC) staff held a Category 1 public meeting with staff from Arizona Public Service Company (APS, the licensee) at NRC Headquarters, One White Flint North, 11555 Rockville Pike, Rockville, Maryland. The purpose of the meeting was to discuss the licensee's upcoming license amendment request (LAR) regarding the use of Next Generation Fuel (NGF) for the Palo Verde Nuclear Generating Station, Units 1, 2, and 3 (Palo Verde). The meeting summary with complete background can be found in the Agencywide Documents Access and Management System (ADAMS) at Accession No. ML16028A394. Subsequently, on March 24, 2016, the NRC staff held another Category 1 public meeting with APS staff at NRC Headquarters to further discuss the same matter. The meeting notice and agenda, dated March 11, 2016, are available in ADAMS at Accession No. ML16071A303. The enclosure to this document contains the meeting attendance list. The licensee provided slides for this public meeting, which are available in ADAMS at Accession No. ML16083A472.

Based on the comments provided by the NRC staff during the first meeting held on January 20, 2016, the licensee proposed the following license condition to address Information Notice (IN) 2012-09, "Irradiation Effects on Fuel Assembly Spacer Grid Crush Strength," dated June 28, 2012 (ADAMS Accession No. ML113470490):

APS will incorporate guidance into the current licensing basis regarding fuel assembly integrity under externally applied forces as described in IN 2012-09 within 2 cycles following Mode 4 entry with the first NGF transition core. APS will notify the NRC when this action is completed.

The NRC staff proposed a minor modification to the above license condition as noted below:

APS will incorporate NRC-approved guidance into the current licensing basis regarding fuel assembly integrity under externally applied forces as described in IN 2012-09 within 2 cycles following Mode 4 entry with the first NGF transition core. APS will notify the NRC when this action is completed.

APS clarified to the NRC staff that each cycle (refueling outage) amounts to 18 months. APS is planning to load the NGF in Unit 2 reactor during fall 2018 refueling outage. The licensee stated

its plans to submit the NGF LAR by June 30, 2016, and to order the NGF after receiving NRC acceptance within 2 months from the date of LAR submittal.

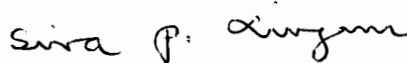
The NRC staff proceeded to ask several questions about the design changes associated with the NGF LAR. The NRC staff re-emphasized to the licensee to describe in detail in its NGF LAR submittal regarding the implementation of 2-stage VIPRE-W in the thermal hydraulic analysis.

Since APS cannot submit the NGF LAR until NRC issues the final safety evaluation for Westinghouse Electric Company LLC's Topical Report (TR) WCAP-16500, Supplement 2, "Evolutionary Methodology for CE [Combustion Engineering] 16x16 Next Generation Fuel (NGF)," and Westinghouse issues a "-A" approved version of the WCAP, APS inquired about the NRC's approval schedule of the TR. The NRC staff agreed to get back to APS on this matter, and later provided the schedule information to-date to the APS by e-mail.

There were no public comments made at the public meeting. The NRC did not receive public meeting feedback forms.

If you have any questions, please contact me at (301) 415-1564 or via e-mail at Siva.Lingam@nrc.gov.

Sincerely,



Siva P. Lingam, Project Manager
Plant Licensing Branch IV-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. STN 50-528, STN 50-529,
and STN 50-530

Enclosure:
List of Attendees

cc w/encl: Distribution via Listserv

LIST OF ATTENDEES

MARCH 24, 2016, PUBLIC MEETING WITH ARIZONA PUBLIC SERVICE COMPANY

REGARDING NEXT GENERATION FUEL LICENSE AMENDMENT REQUEST

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

Siva P. Lingam	U.S. Nuclear Regulatory Commission (NRC)
Robert Pascarelli	NRC
Robert Taylor	NRC
Mike King	NRC
Paul Clifford	NRC
Eric Oesterle	NRC
Josh Borromeo	NRC
Mathew Panicker	NRC
Daniel Beacon	NRC
Khadijah West	NRC
Thomas Weber	Arizona Public Service Company (APS)
Michael DiLorenzo	APS
Robert Hicks	APS
Maria Lacal*	APS
George Andrews*	APS
Matthew Cox*	APS
Sean Gil*	APS
Scott Leland*	APS
Richard Wenzel*	APS
Larry Hwang*	APS
Tom Remick*	APS
Kelsey Mueller*	APS
Carl Stephenson*	APS
David Medek*	APS Consulting Engineer
William McDonald*	APS Consulting Engineer
Mark Drucker*	Anatech Corporation (Anatech)
Vick Nazareth*	Anatech
Thomas Zalewski	Westinghouse Electric Company

*participated via phone

Enclosure

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/RA/

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

Docket Nos. STN 50-528, STN 50-529,
and STN 50-530

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RTaylor, NRR/DSS

KWest, NRR/DSS/STSB

MKing, NRR/DSS

JBorromeo, NRR/DSS/SRXB

PClifford, NRR/DSS

MPanicker, NRR/DSS/SNPB

DBeacon, NRR/DSS/SNPB

**ADAMS Accession Nos.: Meeting Notice ML16071A303; Meeting Slides ML16083A472;
Meeting Summary ML16088A060 *concurrence by email**

OFFICE	NRR/DORL/LPL4-1/PM	NRR/DORL/LPL4-1/LA	NRR/DSS/STSB/BC*	NRR/DSS/SRXB/BC(A)*
NAME	SLingam	JBurkhardt	AKlein	EOesterle
DATE	3/28/16	3/28/16	4/14/16	4/14/16
OFFICE	NRR/DSS/SNPB/BC*	NRR/DORL/LPL4-1/BC	NRR/DORL/LPL4-1/PM	
NAME	JDean	RPascarelli	SLingam	
DATE	4/14/16	4/15/16	4/15/16	

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