

REGULATORY INFORMATION DISTRIBUTION SYSTEM (RIDS)

ACCESSION NBR: 8708170174 DDC DATE: 87/08/12 NOTARIZED: NO DOCKET #
 FACIL: STN-50-528 Palo Verde Nuclear Station, Unit 1, Arizona Publi 05000528
 STN-50-529 Palo Verde Nuclear Station, Unit 2, Arizona Publi 05000529
 AUTH. NAME AUTHOR AFFILIATION
 QUINTANA, R. L. Kelehar & McLeod
 RECIP. NAME RECIPIENT AFFILIATION
 MIRAGLIA, F. J. Office of Nuclear Reactor Regulation, Director (Post 870411)

SUBJECT: Informs that Beneficial Leasing Group, Inc proposes to transfer interest in sale of lease transaction for facility & leaseback transaction to MFS Leasing Corp by middle of Aug. First National Bank of Boston remains owner trustee.

DISTRIBUTION CODE: B005D COPIES RECEIVED: LTR 1 ENCL 0 SIZE: 2
 TITLE: Licensing Submittal: Application/General Info Amdt

NOTES: Standardized plant. M. Davis, NRR: 1Cy. 05000528
 Standardized plant. M. Davis, NRR: 1Cy. 05000529

RECIPIENT		COPIES		RECIPIENT		COPIES	
ID	CODE/NAME	LTTR	ENCL	ID	CODE/NAME	LTTR	ENCL
	PD5 LA	1			PD5 PD	2	
	LICITRA, E	1			DAVIS, M	1	
INTERNAL:	ACRS	3	3		AEOD/DOA	1	
	AEOD/DSP/TPAB	1			ARM/DAF/LFMB	1	
	NRR/DLPQ/QAB	1			OGC/HDS1	1	
	<u>REG FILES</u> 01	1			SP	1	
EXTERNAL:	LPDR 03	1		NRC PDR 02		1	
	NSIC 06	1	1				
NOTES:		1					

TOTAL NUMBER OF COPIES REQUIRED: LTTR 19 ENCL 18

KELEHER & McLEOD, P. A.

ATTORNEYS AND COUNSELORS AT LAW

PUBLIC SERVICE BUILDING

P. O. DRAWER AA

ALBUQUERQUE, NEW MEXICO 87103

RUSSELL MOORE
WILLIAM B. KELEHER
MICHAEL L. KELEHER
PATRICK W. HURLEY
CHARLES A. PHARRIS
RICHARD B. COLE
ARTHUR O. BEACH
JOHN M. KULIKOWSKI
THOMAS F. KELEHER
PETER H. JOHNSTONE
HENRY F. NARVAEZ
CHARLES L. MOORE
ROBERT H. CLARK
BRIAN J. O'ROURKE
RONALD F. HORN
PHIL KREHBIEL
CLYDE F. WORTHEN
SPENCER REID
MICHAEL WILE
ELIZABETH E. WHITEFIELD
ROBERT C. CONKLIN
REBECCA A. HOUSTON
BARBARA ALBIN

KATHRYN J. KUHLEN
MARK STYLES
EVAN S. HOBBS
PATRICK V. APODACA
RANDOLPH L. HAMBLIN
P. SCOTT EATON
MARGARET E. DAVIDSON
THOMAS E. GRIESS
PAULA Z. HANSON
THOMAS C. BIRD
THOMAS H. TOEVS
WILLIAM M. CASEY
RICHARD L. ALVIOREZ
KURT WIHL
RIKKI L. QUINTANA
HELEN G. HILLEGASS
CAROL LISA SMITH
JUDITH L. OURZO
THOMAS J. ZIMBRICK
JONATHAN M. DUKE
THOMAS F. BLUEHER
LYNDA LATTA
DOUGLAS E. BRYAN

W. A. KELEHER

1886-1972

A. H. McLEOD

1902-1976

JOHN B. TITTMANN
OF COUNSEL

TELEPHONE 842-6262

AREA CODE 505

August 12, 1987

VIA FEDERAL EXPRESS

Director of Nuclear Reactor Regulation
Attention: Mr. Frank J. Miraglia, Director
Division of Pressurized Water Reactor Licensing - B
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Sale and Leaseback Financing Transactions
by Public Service Company of New Mexico -
NRC Docket Nos. STN 50-528 and STN 50-529

Gentlemen:

This letter is being delivered in compliance with paragraph 2.B(6) of License No. NPF-51, which paragraph was added by Amendment No. 2 issued on August 12, 1986, and was amended by Amendment No. 6 issued on December 11, 1986. Pursuant to such paragraph 2.B(6), the licensees are required to notify the Commission in writing prior to any change in "the terms or conditions of any lease agreements executed as part of this transaction".

As previously reported, five lease transactions relating to Palo Verde Nuclear Generating Station ("PVNGS") Unit 2 were consummated on August 18, 1986. MFS Leasing Corp. ("MFS") is currently the owner participant in respect of one of the August 18, 1986 transactions, and Beneficial Leasing Group, Inc. ("Beneficial") is the owner participant in respect of one of the August 18, 1986 transactions. MFS is also the owner participant in respect of one of the three lease transactions relating to PVNGS Unit 1 which were consummated on December 31,

8708170174 870812
PDR ADDCK 05000528
PDR

Boos
1/0

THE UNIVERSITY OF CHICAGO

DEPARTMENT OF CHEMISTRY

1954

1954

1954

1954

1954

1954

KELEHER & McLEOD, P. A.

August 12, 1987
Page 2

1985. The December 31, 1985 transactions were authorized by Amendment No. 3, issued on December 26, 1985, to License No. NPF-41.

The purpose of this letter is to notify the Commission, as a matter of courtesy, that Beneficial is now proposing to transfer its interest in its sale and leaseback transaction to MFS. The First National Bank of Boston would remain the Owner Trustee for the transaction, and the terms of the relevant Facility Lease would remain unchanged. Beneficial proposes to complete the transfer by the middle of August.

If you have any questions, please do not hesitate to call.

Yours very truly,

KELEHER & McLEOD, P.A.

By 
Rikki L. Quintana

RLQ/lj

cc: Edwin J. Reis, Esq. (Federal Express)
Mr. George W. Knighton (Federal Express)
Arthur C. Gehr, Esq.
Timothy M. Toy, Esq.
Mr. A. J. Robison
Charles L. Moore, Esq.

