



SAFEGUARDS INFORMATION

Duke Energy

Oconee Nuclear Station
7800 Rochester Highway
Seneca, SC 29672

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(864) 885-3564 FAX

W. R. McCollum, Jr.
Vice President

March 18, 2002

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555-0001

Oconee Nuclear Station
DPR 38, DPR 47, DPR 55
50-269, 50-270, 50-287

Re: **RESPONSE TO COMMISSION ORDER TO MODIFY LICENSE FOR
INTERIM SAFEGUARDS AND SECURITY COMPENSATORY
MEASURES**

Gentlemen:

In accordance with 10 C.F.R. § 50.4, Duke Energy Corporation hereby submits its response to the Interim Safeguards and Security Compensatory Measures Order ("Order") issued by the United States Nuclear Regulatory Commission ("NRC") on February 25, 2002 for 50-269, 50-270, 50-287, Oconee Nuclear Station. The enclosure to this letter contains safeguards information, as defined in 10 C.F.R. § 73.21. Duke Energy Corporation therefore requests that the enclosure be withheld from public disclosure.

The attachment to this letter provides a response to each requirement set forth in Attachment 2 to the Order. As more specifically described in the response, Oconee Nuclear Station has either started or already completed implementation of the requirements set forth in Attachment 2 of the Order. Also, in each case, the response and proposed schedule for achieving compliance is based on our understanding of Expectations and Guidance, such understanding coming from our attendance at the safeguards meetings held between the NRC and the Nuclear Energy Institute ("NEI") on February 21 and 27, 2002 at NRC and as documented in the March 8, 2002 letter from NEI to Chief Nuclear Officers providing Security Order Guidance. This guidance was determined to be an acceptable method for licensee implementation of the interim compensatory measures in a letter to Mr. Ralph Beedle, Senior Vice President and Chief Nuclear Officer, NEI from Mr. Samuel J. Collins, Director, Office of Nuclear Reactor Regulation, dated March 11, 2002. In the circumstance where the NEI guidance needs further clarification or a method of compliance differs from that discussed in the Order or the NEI guidance, this is explicitly discussed in the response to each requirement. Finally, Duke's response to each of the requirements set forth in the Order is intended to be representative of our method of compliance. We do not intend to supplement our response in the event of minor deviations from the method of compliance set forth in our response, provided compliance with the Order is maintained and the change is internally documented.

SAFEGUARDS INFORMATION

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1/4
1 copy advanced
to: B. Martin

SAFEGUARDS INFORMATION

Pursuant to the requirements of 10 C.F.R. § 2.202(b), the Answer to the Order is being transmitted to the NRC under separate cover. In most respects, the Answer consents to the Order. With respect to certain interim compensatory measures in Attachment 2 of the Order that are identified in the enclosure, Duke Energy Corporation is requesting an extension of time in which to request a hearing. This request is being made via a separate letter to the Director, Office of Nuclear Reactor Regulation.

The enclosure to this letter contains "Safeguards Information." Upon separation of the enclosure, this cover letter is to be considered DECONTROLLED.

If you have any questions regarding this submittal, please contact Larry E. Nicholson, at area code 864-885-3292.

Sincerely,

Duke Energy Corporation



W. R. McCollum, Jr.
Vice President, Oconee Nuclear Station

Enclosure

SAFEGUARDS INFORMATION

STATE OF SOUTH CAROLINA

The above-subscribed individual appeared before me and made oath that he is duly authorized to execute this response on behalf of Oconee Nuclear Station, the statements contained within this response are true to the best of his knowledge and belief, and that copies of the response were sent to the addressee and listed individuals.

Before me, *3-18-02*

James M. Coleman

Notary Public

My Commission Expires: *Nov. 21, 2005*

CC:

Secretary (without attachments)
Office of the Secretary
U.S. Nuclear Regulatory Commission
ATTN: Rulemakings and Adjudications
Staff
Washington, DC 20555-0001

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001
(signed original and three copies)

Regional Administrator – Region II
U.S. Nuclear Regulatory Commission
Atlanta Federal Center, SW., Suite 23T85
Atlanta, GA 30303
(two copies)

Assistant General Counsel for Materials
Litigation and Enforcement (without
attachments)
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Mr. Samuel E. Collins
Director
Office of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Washington, DC 20555-0001

U. S. Nuclear Regulatory Commission
March 18, 2002

BCC:

R. A. Jones

W. W. Foster

L. F. Vaughn

L. E. Nicholson

C. J. Thomas - MNS

M. R. Wilder - MNS

M. T. Cash - NAID

G. D. Gilbert - CNS

ELL

NSRB

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
Duke Energy Corporation)
) Docket No.50-269, 50-270, 50-287
Oconee Nuclear Station)

LICENSEE'S ANSWER TO FEBRUARY 25, 2002
COMMISSION ORDER TO MODIFY LICENSE FOR
INTERIM SAFEGUARDS AND SECURITY MEASURES

On February 25, 2002, the Nuclear Regulatory Commission ("NRC" or "Commission") issued an immediately effective order in the captioned matter entitled Order Modifying Licenses (Effective Immediately) ("Order") to, *inter alia*, Duke Energy Corporation. The Order stated that following September 11, 2001, the Commission took a number of actions, including the commencement of a comprehensive review of its safeguards and security programs and requirements. The Commission stated its determination that power reactor licensees be required to implement compensatory measures as prudent, interim actions to address the generalized high-level threat environment in a consistent manner throughout the nuclear reactor community. Therefore, the NRC stated it was imposing requirements as set forth in Attachment 2 of the Order.¹ Duke Energy Corporation has responded to the substantive requirements of the Order in a letter dated March 18, 2002 in accordance with the provisions of 10 C.F.R. § 50.4, as directed by the Order.²

¹ Attachment 2 contained Safeguards Information and was not publicly released.

² The enclosures to that letter were transmitted as Safeguards Information.

Pursuant to a letter sent to Mr. Samuel J. Collins, Director, Nuclear Reactor Regulation, on March 18, 2002, in the same dockets 50-269, 50-270, 50-287, Duke Energy Corporation has requested an extension of time in which to request a hearing with respect to certain Interim Compensatory Measures in Attachment 2 of the Order. The request is based on the pendency of several analyses needed to provide a basis to determine whether a request for a hearing would be appropriate. That request for extension of time is incorporated by reference in this Answer.

Respectfully submitted,

Duke Energy Corporation.

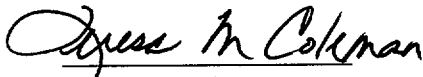


W. R. McCollum, Jr.
Site Vice President
Oconee Nuclear Station

STATE OF SOUTH CAROLINA

The above-subscribed individual appeared before me on this 18TH day of March, 2002 and made oath that he is duly authorized to execute this Answer on behalf of Duke Energy Corporation and the statements contained within this Answer are true to the best of his knowledge, information and belief.

Before me,



Notary Public

My Commission Expires: Nov. 21, 2005

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
Duke Energy Corporation) Docket No. 50-269, 50-270, 50-287
)
Oconee Nuclear Station)

CERTIFICATE OF SERVICE

I hereby certify that copies of the ANSWER TO FEBRUARY 25, 2002, COMMISSION ORDER TO MODIFY LICENSE FOR INTERIM SAFEGUARDS AND SECURITY MEASURES in the captioned action have been served on the following by deposit in the United States mail, first class, or by overnight delivery, as indicated by an asterisk (*), this 18th day of March 2002.

Secretary
Office of the Secretary
U.S. Nuclear Regulatory Commission
ATTN: Rulemakings and Adjudications
Staff
Washington, DC 20555-0001

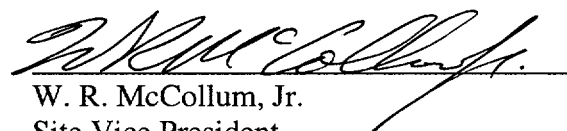
U.S. Nuclear Regulatory Commission*
ATTN: Mr. Glenn Tracy
Mail Stop O-6H16
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

Director, Office of Nuclear Reactor
Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001
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Regional Administrator - Region II
U.S. Nuclear Regulatory Commission
Atlanta Federal Center, SW., Suite 23T85
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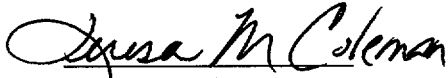
Assistant General Counsel for Materials
Litigation and Enforcement
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001


W. R. McCollum, Jr.
Site Vice President
Oconee Nuclear Station

STATE OF SOUTH CAROLINA

The above-subscribed individual appeared before me this 18TH day of MARCH, 2002 and made oath that he is duly authorized to serve this Answer on behalf of Duke Energy Corporation, and has done so the best of his knowledge, information and belief.

Before me,



Notary Public

My Commission Expires: Nov. 21, 2005