



SAFEGUARDS INFORMATION

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Gary R. Peterson
Vice President
Catawba Nuclear Station

March 18, 2002

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

SUBJECT: Duke Energy Corporation
Catawba Nuclear Station, Units 1 and 2
Docket Numbers 50-413 and 50-414
Response to NRC Order for Interim Safeguards and Security Compensatory
Measures for Catawba Nuclear Station dated February 25, 2002

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 Catawba Nuclear Station Units 1 and 2. Attachment 1 to this letter contains safeguards information, as defined in 10 C.F.R. § 73.21. Duke Energy Corporation therefore requests that Attachment 1 be withheld from public disclosure.

Attachment 1 to this letter provides a response to each requirement set forth in Attachment 2 to the Order. As more specifically described in the response, Catawba 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 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. Sam Collins, Director, Office of Nuclear Reactor Regulation, dated March 11, 2002. In the circumstance where the NEI guidance needs further clarification or a

NOTICE: Attachment 1 to this letter contains "SAFEGUARDS INFORMATION." Upon separation of the Attachment 1, this letter is "DECONTROLLED."

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* 500's 11
1 Advanced copy to
B. Martin

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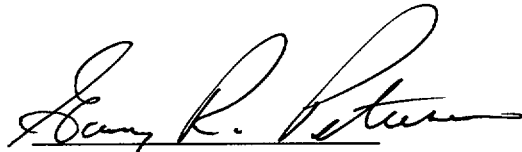
method of compliance differs from that discussed in the Order or the NEI guidance, this is explicitly discussed in the response to each requirement. Finally, Duke's response to each of the requirements set forth in the Order is intended to be representative of our method of compliance. We do not intend 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.

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.

Attachment 1 to this letter contains "Safeguards Information." Upon separation of Attachment 1, this cover letter is to be considered DECONTROLLED.

If you have any questions regarding this submittal, please contact William T. Byers III at 803-831-3761.

Sincerely,



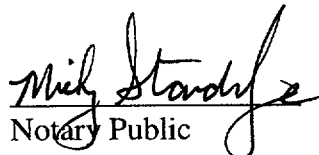
Gary R. Peterson
Vice President
Catawba Nuclear Station

Attachment 1

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 Duke Energy Corporation, 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,


Notary Public

My Commission Expires: 6-26-2002

CC:

Secretary (without attachments)
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Mr. Samuel J. Collins
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T. R. Puryear (N. C. Electric Membership Corp.)
NC Municipal Power Agency No. 1
Piedmont Municipal Power Agency
Saluda River Electric Corporation
Catawba Master File CN04DM
RGC Date File