March 22, 2002

Michael S. Tuckman
Executive Vice President Nuclear Generation
Oconee Nuclear Station, Units 1,2 & 3
Duke Energy Corporation
526 South Church Street
Mail Code: EC 07 H
Charlotte, NC 28242

Dear Mr. Tuckman:

As a result of the recent terrorist threats, the U.S. Nuclear Regulatory Commission (NRC) is taking steps to enhance its licensees' ability to respond to the continuing heightened security environment. Currently, the NRC is authorized to disseminate classified information to uncleared persons only under special circumstances when timeliness is critical to mitigating an emergency situation. However, the NRC has decided to process security clearances for licensees so that they may have access to classified information under more routine circumstances.

Under this program, those licensees who desire to participate may be granted up to five personnel security clearances for access to classified information to key licensee staff at each nuclear power reactor site. Two-unit and three-unit sites should be treated as one location for these purposes. The Facility Security Officer for each site must be included as one of the five persons cleared. Classified information will eventually be disseminated to these licensee contacts through the NRC resident inspector office, which will be provided the ability to receive and store classified national security information.

Each individual to be cleared will be required to complete Form SF 86, "Questionnaire for National Security Positions" (enclosed), as part of the clearance process. Individuals must agree to execute the SF-312, "Classified Information Nondisclosure Agreement" (enclosed), before the clearance is granted. Individual clearances must be updated every 10 years. Licensees will be expected to cover the initial and recurring costs of the individual clearances. which will be \$145.00 each. In order for the NRC to make a Facility Security Clearance determination, participating licensees will also be required to develop a security plan as a user of classified information (Standard Practice Procedures Plan enclosed) and be subject to Foreign Ownership Control or Influence (FOCI) determinations made by the NRC. An overview of these requirements can be found in Title 10, Code of Federal Regulations (10 CFR) Part 95. A sample FOCI package including Form SF 328, "Certificate Pertaining To Foreign Interests." is also enclosed. Please note that your organization will be asked to certify annually to the NRC whether significant changes have occurred in the extent and nature of FOCI that would affect your responses to the SF 328 form. You will also be required to submit a new SF 328 every 5 years as part of a FOCI redetermination. Lastly, the President, Chairman of the Board of Directors, or other key management officials for each licensee may also need to be cleared, which may or may not include the original five personnel you select to receive a clearance.

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The NRC will identify these individuals as necessary. Licensees will not be required to pay for the NRC's costs related to the FOCI determinations conducted in FY 2002.

Please respond within 30 days of receiving this letter indicating whether you desire to participate in this effort and, if appropriate, naming a point of contact (name, title, telephone number, and e-mail address) for your site. Each person nominated for a security clearance should return the form SF-86 and entire security package when complete in the envelope provided along with a check made out to the U.S. Nuclear Regulatory Commission for \$145 for each clearance. One check can be provided for the total number of clearances requested.

Your response to this letter, the FOCI package along with the SF-328, and a Standard Practice Procedures Plan should be sent separately as they are completed to the following address:

ATTN: LICENSEE CLEARANCES. MAIL STOP 02-D15 DIVISION OF FACILITIES AND SECURITY OFFICE OF ADMINISTRATION U.S. NUCLEAR REGULATORY COMMISSION 11555 ROCKVILLE PIKE ROCKVILLE, MARYLAND 20852

Questions regarding FOCI or the Standard Practice Procedures Plan should be referred to J. Keith Everly at 301-415-7048 or jke@nrc.gov. Questions regarding the SF-86 or the security clearances should be referred to Cheryl Stone at 301-415-7404 or cms2@nrc.gov.

> Sincerely, /RA/ Michael L. Springer, Director Office of Administration

Docket Nos. 50-269, 50-270 & 50-287

Enclosures: As stated

cc without enclosures (see next page):

**See previous concurrence

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Sincerely,

/RA/

Michael L. Springer, Director Office of Administration

Docket Nos. 50-269, 50-270 & 50-287

Enclosures: As stated

cc without enclosures: See next page

Oconee Nuclear Station

CC:

Ms. Lisa F. Vaughn Legal Department (PBO5E) Duke Energy Corporation 422 South Church Street Charlotte, North Carolina 28201-1006

Anne W. Cottingham, Esquire Winston and Strawn 1400 L Street, NW Washington, DC 20005

Manager, LIS NUS Corporation 2650 McCormick Drive, 3rd Floor Clearwater, Florida 34619-1035

Senior Resident Inspector
U. S. Nuclear Regulatory
Commission
7812B Rochester Highway
Seneca, South Carolina 29672

Mr. Henry Porter, Director
Division of Radioactive Waste Management
Bureau of Land and Waste Management
Department of Health and Environmental
Control
2600 Bull Street
Columbia, South Carolina 29201-1708

Mr. Michael A. Schoppman Framatome ANP 1911 North Ft. Myer Drive Suite 705 Rosslyn, VA 22209 Mr. L. E. Nicholson Compliance Manager Duke Energy Corporation Oconee Nuclear Site 7800 Rochester Highway Seneca, South Carolina 29672

Ms. Karen E. Long
Assistant Attorney General
North Carolina Department of
Justice
P. O. Box 629
Raleigh, North Carolina 27602

Mr. C. Jeffrey Thomas
Manager - Nuclear Regulatory
Licensing
Duke Energy Corporation
526 South Church Street
Charlotte, North Carolina 28201-1006

Mr. Richard M. Fry, Director Division of Radiation Protection North Carolina Department of Environment, Health, and Natural Resources 3825 Barrett Drive Raleigh, North Carolina 27609-7721

Mr. Peter R. Harden, IV VP-Customer Relations and Sales Westinghouse Electric Company 6000 Fairview Road 12th Floor Charlotte, North Carolina 28210