

May 23, 2002

Mr. H. B. Barron
Vice President, McGuire Site
Duke Energy Corporation
12700 Hagers Ferry Road
Huntersville, NC 28078-8985

SUBJECT: WILLIAM B. MCGUIRE NUCLEAR STATION, UNITS 1 AND 2 - REPLY TO
RESPONSE TO ORDER FOR INTERIM SAFEGUARDS AND SECURITY
COMPENSATORY MEASURES (TAC NOS. MB4144 AND MB4145)

Dear Mr. Barron:

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order modifying the operating license for the McGuire Nuclear Station (MNS), Units 1 and 2 to require compliance with the specified interim safeguards and security compensatory measures. The interim compensatory measures (ICMs) were listed in Attachment 2 to the Order. When issuing the Order, the Commission recognized that you have voluntarily and responsibly implemented additional security measures following the events of September 11, 2001, but in light of the continuing generalized high-level threat environment, the Commission concluded that the security measures should be embodied in an Order consistent with the established regulatory framework.

The Order required responses and actions within specified timeframes. Section III.A of the Order required licensees to immediately start implementation of the requirements listed in Attachment 2 to the Order and to complete implementation no later than August 31, 2002. Section III.B of the Order required licensees to notify the Commission: (1) if they are unable to comply with the requirements described in Attachment 2, (2) if compliance with any of the requirements is unnecessary in their specific circumstances, (3) if implementation of any of the requirements would cause the licensee to be in violation of the provisions of any Commission regulation or the facility license, or (4) if implementation of any of the requirements described in Attachment 2 would adversely impact the safe operation of the facility. Section III.C.1 of the Order required licensees to submit to the Commission, within 20 days of the date of the Order, a schedule for achieving compliance with each requirement described in Attachment 2 to the Order. Section IV of the Order noted that in accordance with 10 C.F.R. § 2.202, the licensee must submit an answer to the Order and may request a hearing on the Order within 20 days of the date of the Order and, where good cause is shown, consideration would be given to extend the time to request a hearing.

In two letters dated March 18, 2002, the Duke Energy Corporation (Duke) submitted a response to the Order for MNS. On April 30, 2002, you provided supplementary information for MNS. Your letters are being treated as a request for an extension of time until June 14, 2002, to respond to ICM B.1.c and a request for a comparable extension of time to file a request for hearing for this matter.

H. B. Barron

- 2 -

The NRC staff has reviewed your responses to each of the ICMs and finds that you have satisfied the 20-day reporting requirements of the Order with the exception of ICM B.1.c. An extension of time is hereby granted until June 14, 2002, for your submission of the required response for ICM B.1.c. An extension of time is hereby granted until June 14, 2002, for your filing of a request for hearing related to ICM B.1.c.

You stated that your response to the requirements of 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." The NRC staff does not accept this proposal, since there can be no assurance that we would agree with your characterization of future deviations as minor. We therefore expect you to inform us of any changes you intend relating to the actions described in your response.

The NRC will determine the effectiveness of your implementation of the ICMs through on-site inspections. I would like to remind you that, pursuant to Section III.C.2 of the Order, you are to report to the Commission when you have achieved full compliance with the requirements described in Attachment 2 to the Order.

Please contact Bob Martin at (301) 415-1493 if you have any other questions on these issues.

Sincerely,

/RA/

John A. Zwolinski, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-369 and 50-370

cc: See next page

The NRC staff has reviewed your responses to each of the ICMs and finds that you have satisfied the 20-day reporting requirements of the Order with the exception of ICM B.1.c. An extension of time is hereby granted until June 14, 2002, for your submission of the required response for ICM B.1.c. An extension of time is hereby granted until June 14, 2002, for your filing of a request for hearing related to ICM B.1.c.

You stated that your response to the requirements of 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." The NRC staff does not accept this proposal, since there can be no assurance that we would agree with your characterization of future deviations as minor. We therefore expect you to inform us of any changes you intend relating to the actions described in your response.

The NRC will determine the effectiveness of your implementation of the ICMs through on-site inspections. I would like to remind you that, pursuant to Section III.C.2 of the Order, you are to report to the Commission when you have achieved full compliance with the requirements described in Attachment 2 to the Order.

Please contact Bob Martin at (301) 415-1493 if you have any other questions on these issues.

Sincerely,
/RA/

John A. Zwolinski, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-369 and 50-370

cc: See next page

DISTRIBUTION:

PUBLIC	OGC	SCollins/JJohnson
ACRS/ACNW	BSheron	SECY
WBorchardt	G. Hill (4)	LMarsh
PDII-2 R/F	BBoger	RMartin
VDricks	RAIbert	JShea
RSullivan	GTracy	VOrdaz
RCrlenjak	JBelanger	LReyes, RII
RPalla	RHaag, RII	JNakoski
LOlshan	CHawes	

ADAMS Accession No.: ML021220079

* See previous concurrence.

OFFICE	PDII-1PM	PDII-1/LA	EP*	NSIR*	DSSA*
NAME	RMartin	CHawes	KGibson	AMadison	MRubin
DATE	05/21/02	05/22/02	05/07/02	05/09/02	05/13/02
OFFICE	DIPM*	PDII-1/SC	PDII/PD	OGC(NLO)*	DLPM/D
NAME	WDean	JNakoski	HBerkow	JGoldberg	JZwolinski
DATE	05/13/02	05/22/02	05/22/02	5/22/02	05/22/02

McGuire Nuclear Station

cc:

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

County Manager of
Mecklenburg County
720 East Fourth Street
Charlotte, North Carolina 28202

Michael T. Cash
Regulatory Compliance Manager
Duke Energy Corporation
McGuire Nuclear Site
12700 Hagers Ferry Road
Huntersville, North Carolina 28078

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

Senior Resident Inspector
c/o U.S. Nuclear Regulatory Commission
12700 Hagers Ferry Road
Huntersville, North Carolina 28078

Dr. John M. Barry
Mecklenburg County
Department of Environmental
Protection
700 N. Tryon Street
Charlotte, North Carolina 28202

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

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

Elaine Wathen, Lead REP Planner
Division of Emergency Management
116 West Jones Street
Raleigh, North Carolina 27603-1335

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. T. Richard Puryear
Owners Group (NCEMC)
Duke Energy Corporation
4800 Concord Road
York, South Carolina 29745