

May 29, 2002

Mr. G. R. Peterson
Vice President, Catawba Site
Duke Energy Corporation
4800 Concord Road
York, SC 29710

SUBJECT: CATAWBA NUCLEAR STATION, UNITS 1 AND 2 - REPLY TO RESPONSE TO
ORDER FOR INTERIM SAFEGUARDS AND SECURITY COMPENSATORY
MEASURES FOR (TAC NOS. MB4110 AND MB4111)

Dear Mr. Peterson:

On February 25, 2002, the U.S. Nuclear Regulatory Commission (NRC) issued an Order modifying the operating license for the Catawba Nuclear Station, Unit Nos. 1 and 2 (Catawba) 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 Catawba and a request for extension. On May 1, 2002, you provided supplementary information for Catawba. Your letters, as supplemented, do not request either an extension of time to respond to the ICMs or an extension of time in which to request a hearing.

The NRC staff has reviewed your response and finds that you have satisfied the 20-day reporting requirements of the Order.

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.” 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 Chandu Patel at (301) 415-3025 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. 50-413 and 50-414

cc: See next page

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/RA/

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* See previous concurrence

OFFICE	DLPM/PM	PDII-1/PM	PDII-1/LA	IRSB/SC *	NSIR/SC *	SPSB *
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Catawba Nuclear Station

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Catawba Nuclear Station

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