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September 6, 2002

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

SUBJECT: DUKE ENERGY CORPORATION
IMPLEMENTATION OF NRC ORDER FOR INTERIM SAFEGUARDS AND
SECURITY COMPENSATORY MEASURES

Oconee Nuclear Station, Docket Nos. 50-269, -270, -287
McGuire Nuclear Station, Docket Nos. 50-369, -370
Catawba Nuclear Station, Docket Nos. 50-413, -414

This letter serves as required notification pursuant to section III.C.2. of Nuclear Regulatory Commission Orders for Interim Safeguards and Security compensatory measures issued on February 25, 2002. These Orders amended the licenses of Oconee, McGuire and Catawba Nuclear Stations by adding certain specific requirements associated with physical security and safeguards.¹ The Orders were effective immediately and specified a number of actions to be taken with a schedule requirement for completion of implementation no later than August 31, 2002. In accordance with the Orders, Duke Energy previously provided responses specifying the actions to be taken by Duke Energy to comply with the Order requirements.² As necessary those responses were supplemented with additional information describing Duke Energy actions to achieve compliance.³ The Nuclear Energy Institute and the Nuclear Regulatory Commission issued implementation guidance documents that Duke used in implementing Order requirements.⁴

Duke Energy has conducted an internal assessment reviewing the effectiveness of implementation of the Orders. This assessment was conducted in separate weeks at Catawba, McGuire and Oconee Nuclear Station from July 28, 2002 until August 15, 2002. The results of the assessment have been evaluated and reviewed with management. Duke Energy management has determined that the requirements of the Orders have been implemented at all three Duke Energy Nuclear Sites. In making this determination, Duke considered the stated Order requirements, Duke responses to the Order and the published guidance regarding the Order. Any questions on this correspondence can be addressed to Michael T. Cash, Manager of Regulatory and Industry Affairs (704.382.5826, mtcash@duke-energy.com).

M. S. Tuckman

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IE53

Table of Relevant Correspondence
(Footnoted References within Cover Letter)

- ¹ Letters, Samuel J. Collins, NRC ONRR, to Michael S. Tuckman, Executive VP Nuclear Generation, Duke Energy Corporation, dated February 25, 2002, Subject: Issuance of Order for Interim Safeguards and Security Compensatory Measures for Catawba, McGuire, and Oconee Nuclear Stations;
- ² Letters, Duke Energy Corporation, Catawba, McGuire, and Oconee Nuclear Stations, to U.S. NRC Document Control Desk, dated March 18, 2002, Subject: Response to Commission Order to Modify License for Interim Safeguards and Security Compensatory Measures
- ³ Letter, Duke Energy Corporation, McGuire Nuclear Station, to U.S. NRC Document Control Desk, dated March 18, 2002, Subject: Request for Extension of Time to Submit an Answer and Request a Hearing;

Letter, Duke Energy Corporation, McGuire Nuclear Station, to U.S. NRC Document Control Desk, dated April 30, 2002, Subject: Revised Response to Item 5.d. of the NRC Order for Interim Safeguards and Security Compensatory Measures for McGuire Nuclear Station dated February 25, 2002

Letter, Duke Energy Corporation, McGuire Nuclear Station, to U.S. NRC Document Control Desk, dated July 28, 2002, Subject: Updated Response to ICM B.1.c. of the NRC Order for Interim Safeguards and Security Compensatory Measures dated February 25, 2002

Letter, Duke Energy Corporation, McGuire Nuclear Station, to U.S. NRC Document Control Desk, dated September 4, 2002, Subject: Supplemental Response to NRC Order for Interim Safeguards and Security Compensatory Measures for McGuire Nuclear Station dated February 25, 2002;

Letter, Duke Energy Corporation, Catawba Nuclear Station, to U.S. NRC, Document Control Desk, dated May 1, 2002, Subject: Revised Response to NRC Order for Interim Safeguards and Security Compensatory Measures for Catawba Nuclear Station dated February 25, 2002;

Letter, Duke Energy Corporation, Catawba Nuclear Station, to U.S. NRC, Document Control Desk, dated August 27, 2002, Subject: Supplemental Response to NRC Order for Interim Safeguards and Security Compensatory Measures for Catawba Nuclear Station dated February 25, 2002;

Letter, Duke Energy Corporation, Oconee Nuclear Station, to U.S. NRC, Document Control Desk, dated May 01, 2002, Subject: Supplemental response to NRC Order for Interim Safeguards & Security Compensatory Measures for Oconee Nuclear Station dated February 25, 2002

Letter, Duke Energy Corporation, Oconee Nuclear Station, to U.S. NRC, Document Control Desk, dated September 5, 2002, Subject: Supplemental Response to NRC Order for Interim Safeguards & Security Compensatory Measures for Oconee Nuclear Station dated February 25, 2002
- ⁴ Letter, Ralph Beedle, NEI, to Chief Nuclear Officers, dated March 8, 2002, Subject: Security Order Guidance; Letter, Samuel Collins, NRC ONRR, to Chief Nuclear Officers, dated March 11, 2002, Subject: Review of Industry Guidance Related to Interim Safeguards and Security Compensatory Measures;

Letter, Ralph Beedle, NEI, to Chief Nuclear Officers, dated March 11, 2002, Subject: NRC Letter Endorsing Security Order Guidance; Letter, Roy Zimmerman, NRC ONSIR, to Ralph Beedle, NEI, dated July 26, Subject: Review of Revised Industry Guidance Related to Interim Safeguards and Security Compensatory Measures

M. S. Tuckman, affirms that he is the person who subscribed his name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.

M. S. Tuckman
M. S. Tuckman, Executive Vice President

Subscribed and sworn to me: September 6, 2002
(Date)

Michael T. Cash
Notary Public

My Commission Expires: January 22, 2003
(Date)

SEAL



MICHAEL T. CASH
Notary Public
Lincoln County, North Carolina
Commission Expires January 22, 2003

cc: L. A. Reyes
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G. R. Peterson (CN01VP)
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B. J. Dolan (MG01VP)
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W. W. Foster (ON01VP)
L. E. Nicholson (ON01RC)
C. J. Thomas (MG01RC)
G. D. Gilbert (CN01RC)
R. L. Gill (EC12R)
L. F. Vaughn (EC11X)
T.W. Keener (EC05O)
T. R. Puryear (N. C. Electric Membership Corp.)
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Piedmont Municipal Power Agency
Saluda River Electric Corporation
NRIA File/ELL (EC05O)
Oconee Master File ON03DM
McGuire Master File MG01DM
Catawba Master File CN04DM