

December 4, 2002

MEMORANDUM TO: John A. Nakoski, Chief, Section 1  
Project Directorate II  
Division of Licensing Management, NRR

FROM: Chandu P. Patel, Project Manager, Section 1  
Project Directorate II  
Division of Licensing Management, NRR

SUBJECT: CATAWBA NUCLEAR STATION, UNITS 1 AND 2 RE: SALUDA RIVER  
ASSIGNED COLLATERAL FOR DECOMMISSIONING FUNDS (TAC  
NOS. MA9985 AND MA9986)

By letter dated August 23, 2000, as supplemented by letter dated November 8, 2000, the Saluda River Electric Cooperative, Inc. (Saluda), a part owner of Catawba Nuclear Station, Units 1 and 2, wrote to inform the NRC that in April of 1999 it had entered into a debt reorganization agreement with Rural Utility Service (RUS). As part of that agreement it gave RUS a collateral assignment of decommissioning trust proceeds. The assignment assigns to RUS, as security against loans previously made, rights to "excess funds" in the decommissioning fund. The purpose of the August 23, 2000, letter was to provide the NRC with notice of the assignment. No action was requested. Therefore, in the absence of an objection or question, a response is not necessary.

In a Memorandum from Barry Zalcman to Richard Emch dated July 10, 2001, the staff initially determined that some changes in the Assignment Document were necessary. However, after several discussions between the NRC staff and the representatives of RUS and Saluda River, the staff decided that no further actions are necessary at this time.

Based on the above decision, this action is considered complete.

Sincerely,

*/RA/*

Chandu P. Patel, Project Manager, Section 1  
Project Directorate II  
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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