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U. S. Nuclear Regulatory Commission
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Subject: Catawba Nuclear Station Units 1 & 2, Docket Nos. 50-413, 50-414
McGuire Nuclear Station Units 1 & 2, Docket Nos. 50-369, 50-370
Mixed Oxide Fuel Lead Assembly License Amendment Request
(TAC Nos. MB7863, MB7864, MB7865, and MB7866)

Re: M.S. Tuckman letter dated February 27, 2003 to U.S. Nuclear Regulatory
Commission, Proposed Amendments to the Facility Operating License and Technical
Specifications to Allow Insertion of Mixed Oxide (MOX) Fuel Lead Assemblies and
Request for Exemption from Certain Regulations in 10 CFR Part 50

In the referenced letter, Duke Energy (Duke) requested a change to the licenses and Technical Specifications for McGuire Nuclear Station (McGuire) and Catawba Nuclear Station (Catawba) to allow the use of four mixed oxide (MOX) fuel assemblies in a McGuire or Catawba reactor. Duke has always intended to insert the four MOX fuel lead assemblies at only one of the four units, with the selection depending on unit operational schedules and the timing of availability of the lead assemblies. The request to amend all four licenses was made because of schedule uncertainty at the time the amendment requests were submitted to the Nuclear Regulatory Commission (NRC). This approach provided the most flexibility in adapting to changing circumstances with regard to fabrication of the MOX fuel lead assemblies.

Duke now intends to focus the MOX fuel lead assembly program solely on Catawba. The Department of Energy (DOE) and Duke Cogema Stone & Webster (DCS) recently made preliminary manufacturing arrangements for the MOX fuel lead assemblies. The fabrication schedule should support providing lead assemblies to Duke in the spring of 2005. Therefore, Duke has selected Catawba Unit 1 Cycle 16, with a late spring 2005 startup date, for insertion of the four MOX fuel lead assemblies. Catawba Unit 2 will remain as an alternative should the schedule change. Concentrating the regulatory review of the MOX fuel lead assembly license amendment request on one station (Catawba) instead of two (McGuire and Catawba) will enable Duke and the NRC to use the resources of both organizations in the most efficient manner.

Accordingly, Duke hereby amends the February 27, 2003 license and Technical Specification amendment request to apply only to the use of MOX fuel lead assemblies at the Catawba units,

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and not the McGuire units. With this change, Attachment 1 to Duke's February 27, 2003 submittal (marked up copy of the current McGuire Tech Specs) is no longer applicable. Attachment 2 (marked up copy of the current Catawba Tech Specs) is unaffected. Attachment 3 (technical justification), Attachment 4 (no significant hazards consideration analysis) and Attachment 5 (environmental consequences) are predominantly generic in nature and therefore are not affected in a substantive way by the limitation to Catawba. Attachment 6 (exemption requests) should now apply to Catawba only.

On September 15, 2003 Duke submitted proposed Security Plan changes and associated exemption requests to the NRC to address the possession and use of MOX fuel assemblies at both McGuire and Catawba. The proposed Security Plan changes would apply to both the MOX fuel lead assembly program (at Catawba) and eventual batch use of MOX fuel (at McGuire and Catawba). The proposed Security Plan changes therefore are equally applicable to both McGuire and Catawba and remain appropriate. The amendment of the MOX fuel lead assembly license amendment request to Catawba only does not affect the Security Plan submittal.

If there are any questions on this matter, please contact G. A. Copp at (704) 373-5620.

Very truly yours,

M. S. Tuckman

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