

November 19, 2003

Mr. Michael S. Tuckman
Executive Vice President, Nuclear Generation
Duke Power
526 South Church Street
Charlotte, NC 28202

SUBJECT: ORDERS MODIFYING LICENSES FOR REVISED DESIGN BASIS THREAT
AND FOR TRAINING AND PHYSICAL FITNESS ENHANCEMENTS
APPLICABLE TO SECURITY FORCE PERSONNEL (TAC NOS. MB9273,
MB9274, MB9307, MB9308, MB9316, MB9317, MB9318, MB9377, MB9378,
MB9411, MB9412, MB9420, MB9421 AND MB9422)

Dear Mr. Tuckman:

On April 29, 2003, the U.S. Nuclear Regulatory Commission (NRC or the Commission) issued Orders modifying the operating licenses for Catawba Nuclear Station, Unit Nos. 1 and 2, William B. McGuire, Unit Nos. 1 and 2, and Oconee Nuclear Station, Unit Nos. 1, 2 and 3 to: (1) require compliance with a revised design basis threat (DBT); (2) implement new security force personnel training and physical fitness requirements; and (3) prescribe compensatory measures related to fitness-for-duty enhancements applicable to security force personnel.

When it issued the Orders, the Commission recognized that you voluntarily and responsibly implemented additional security measures following the events of September 11, 2001. However, as part of the Commission's review of the security and safeguards program, the Commission determined that enhancements to the DBT, as currently specified in Title 10 of the *Code of Federal Regulations* (10 CFR), Section 73.1(a), were required. The NRC further determined that security force personnel tactical and firearms proficiency, physical fitness, and fitness-for-duty requirements needed to be enhanced. The Commission also concluded that, based on the current threat environment, these Orders were to be effective immediately.

The Orders require responses and actions within specified time frames. This letter addresses your response to the Orders pertaining to the revised DBT and the new security force personnel training and physical fitness requirements. The Commission replied to your response to the fitness-for-duty Order in separate correspondence, dated July 10, 2003.

Section III.A.1 of the Order implementing new security force personnel training and physical fitness requirements states that licensees must comply with the new requirements described in the Order, except to the extent that more stringent requirements are set forth in the licensee's security plan and security training and qualifications plan. Section III.A.1 of the DBT Order requires licensees to submit revised physical security plans, safeguards contingency plans, and guard training and qualification plans, including an implementation schedule, based on the revised DBT, to the Commission for review and approval no later than April 29, 2004. The Order requires licensees to implement the revised physical security plans, revised safeguards contingency plans, and revised security force personnel training and qualification plans no later than October 29, 2004. Section IV of both Orders noted that, in accordance with

10 CFR 2.202, licensees must submit an answer to the Orders and may request a hearing on the Orders, within thirty-five (35) days of the date of the Orders and, where good cause is shown, consideration would be given to extend the time to request a hearing.

The Orders also required licensees to notify the Commission within thirty-five (35) days if: (1) the licensee was unable to comply with the requirements specified in the attachments to the Orders; (2) compliance with the requirements is unnecessary; (3) implementation of any of the requirements would result in a violation of the provisions of any Commission regulation of the facility license; or (4) implementation of any of the requirements described in the attachments to the Orders would adversely impact safe operation of the facility. Section III.C.1 of the security force personnel training and physical fitness Order required licensees to submit to the Commission, within thirty-five (35) days of the date of the Order, a schedule for achieving compliance with each requirement described in Attachment 2 to the Order.

By letters dated June 2, 2003, you submitted responses to the Orders for Duke Power. In your responses, you indicated that you consented to the DBT and security force personnel training Orders and did not request a hearing. The NRC staff has reviewed your responses, and finds that you have satisfied the thirty-five (35) day reporting requirements for both Orders.

In your response to the DBT Order, you also requested that the NRC provide clarification of five DBT-related issues described in the safeguards attachment to a letter from Mr. Colvin, President and CEO of the Nuclear Energy Institute, to Chairman Diaz dated May 16, 2003. By letter dated September 25, 2003, the NRC provided you a copy of Chairman Diaz's response to Mr. Colvin, dated July 18, 2003, which clarified the five DBT-related issues.

Please contact Robert Fretz at 301-415-1324, if you have any other questions on these issues.

Sincerely,

/RA/

Ledyard B. Marsh, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-413, 50-414, 50-369, 50-370,
50-269, 50-270 and 50-287

cc: See next page

10 CFR 2.202, licensees must submit an answer to the Orders and may request a hearing on the Orders, within thirty-five (35) days of the date of the Orders and, where good cause is shown, consideration would be given to extend the time to request a hearing.

The Orders also required licensees to notify the Commission within thirty-five (35) days if: (1) the licensee was unable to comply with the requirements specified in the attachments to the Orders; (2) compliance with the requirements is unnecessary; (3) implementation of any of the requirements would result in a violation of the provisions of any Commission regulation of the facility license; or (4) implementation of any of the requirements described in the attachments to the Orders would adversely impact safe operation of the facility. Section III.C.1 of the security force personnel training and physical fitness Order required licensees to submit to the Commission, within thirty-five (35) days of the date of the Order, a schedule for achieving compliance with each requirement described in Attachment 2 to the Order.

By letters dated June 2, 2003, you submitted responses to the Orders for Duke Power. In your responses, you indicated that you consented to the DBT and security force personnel training Orders and did not request a hearing. The NRC staff has reviewed your responses, and finds that you have satisfied the thirty-five (35) day reporting requirements for both Orders.

In your response to the DBT Order, you also requested that the NRC provide clarification of five DBT-related issues described in the safeguards attachment to a letter from Mr. Colvin, President and CEO of the Nuclear Energy Institute, to Chairman Diaz dated May 16, 2003. By letter dated September 25, 2003, the NRC provided you a copy of Chairman Diaz's response to Mr. Colvin, dated July 18, 2003, which clarified the five DBT-related issues.

Please contact Robert Fretz at 301-415-1324, if you have any other questions on these issues.

Sincerely,

/RA/

Ledyard B. Marsh, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-413, 50-414, 50-369, 50-370,
50-269, 50-270 and 50-287

cc: See next page

DISTRIBUTION:

PUBLIC	TMarsh	DLPM Project Directors	LPlisco, Region II
OGC	CHolden	DLPM Section Chiefs	PD Reading Files
ACRS	JClifford	DLPM Project Managers	GTracy, NSIR
RFretz	VNerses	DLPM Licensing Assistants	JPeralta, NSIR

ADAMS Accession Number: ML032970076

* See previous concurrence

OFFICE	PDI-2/LPM	PDI-2/LA	PDI-2/SC*	NSIR/DNS*	PDI/D*	DLPM/D
NAME	RFretz	CRaynor	JClifford	GTracy	CHolden	LMarsh
DATE	11/13/03	11/13/03	10/30/03	11/03/03	11/07/03	11/14/03

OFFICIAL RECORD COPY

Catawba Nuclear Station

cc:

Mr. Gary Gilbert
Regulatory Compliance Manager
Duke Energy Corporation
4800 Concord Road
York, South Carolina 29745

Ms. Lisa F. Vaughn
Duke Energy Corporation
Mail Code - PB05E
422 South Church Street
P.O. Box 1244
Charlotte, North Carolina 28201-1244

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

North Carolina Municipal Power
Agency Number 1
1427 Meadowwood Boulevard
P. O. Box 29513
Raleigh, North Carolina 27626

County Manager of York County
York County Courthouse
York, South Carolina 29745

Piedmont Municipal Power Agency
121 Village Drive
Greer, South Carolina 29651

Ms. Karen E. Long
Assistant Attorney General
North Carolina Department of Justice
P. O. Box 629
Raleigh, North Carolina 27602

NCEM REP Program Manager
4713 Mail Service Center
Raleigh, NC 27699-4713

North Carolina Electric Membership
Corporation
P. O. Box 27306
Raleigh, North Carolina 27611

Senior Resident Inspector
U.S. Nuclear Regulatory Commission
4830 Concord Road
York, South Carolina 29745

Henry Porter, Assistant Director
Division of Waste Management
Bureau of Land and Waste Management
Department of Health and Environmental
Control
2600 Bull Street
Columbia, South Carolina 29201-1708

Mr. C. Jeffrey Thomas
Manager - Nuclear Regulatory
Licensing
Duke Energy Corporation
526 South Church Street
Charlotte, North Carolina 28201-1006

Saluda River Electric
P. O. Box 929
Laurens, South Carolina 29360

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

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

Catawba Nuclear Station

cc:

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

D. M. Jamil
Vice President
Catawba Nuclear Station
Duke Energy Corporation
4800 Concord Road
York, South Carolina 29745-9635

McGuire Nuclear Station

cc:

Ms. Lisa F. Vaughn
Duke Energy Corporation
Mail Code - PB06E
422 South Church Street
P.O. Box 1244
Charlotte, North Carolina 28201-1244

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

NCEM REP Program Manager
4713 Mail Service Center
Raleigh, NC 27699-4713

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

G. R. Peterson, Vice President
McGuire Nuclear Station
Duke Energy Corporation
12700 Hagers Ferry Road
Huntersville, NC 28078

Oconee Nuclear Station

cc:

Ms. Lisa F. Vaughn
Duke Energy Corporation
Mail Code - PB05E
422 South Church Street
P.O. Box 1244
Charlotte, North Carolina 28201-1244

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

Manager, LIS
NUS Corporation
2650 McCormick Drive, 3rd Floor
Clearwater, Florida 34619-1035

Senior Resident Inspector
U. S. Nuclear Regulatory
Commission
7812B Rochester Highway
Seneca, South Carolina 29672

Mr. Henry Porter, Director
Division of Radioactive Waste Management
Bureau of Land and Waste Management
Department of Health and Environmental
Control
2600 Bull Street
Columbia, South Carolina 29201-1708

Mr. Michael A. Schoppman
Framatome ANP
1911 North Ft. Myer Drive
Suite 705
Rosslyn, VA 22209

Mr. L. E. Nicholson
Compliance Manager
Duke Energy Corporation
Oconee Nuclear Site
7800 Rochester Highway
Seneca, South Carolina 29672

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

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

Mr. Ronald A. Jones
Vice President, Oconee Site
Duke Energy Corporation
7800 Rochester Highway
Seneca, SC 29672