

February 23, 2004

Mr. Henry. B. Barron  
Executive Vice President and  
Chief Nuclear Officer  
Duke Energy Corporation  
526 South Church Street  
P.O. Box 1006  
Charlotte, North Carolina 28201-1006

Dear Mr. Barron:

As you are aware, the U.S. Nuclear Regulatory Commission (NRC) is in the process of rendering a Facility Security Clearance (FCL) for your company based on an approved Foreign Ownership, Control, or Influence (FOCI) determination and a Standard Practice Procedures Plan. Under normal processing conditions, once the FCL is approved, the NRC would have begun granting your facilities' individual personnel security clearances so that your designated personnel may have access to classified information necessary for responding to the continuing heightened security environment.

However, the FOCI reviews are taking longer than anticipated. Therefore, in the interest of expediting your facilities' ability to respond to the current heightened security environment, the NRC hereby grants your company an interim facility security clearance under the provisions of 10 CFR 95.17(b).

Please note that this interim clearance is temporary pending completion of the FOCI process and can be terminated at the discretion of the NRC. Once your designated personnel are eligible for access to classified information they will be issued a formal letter granting them a personnel security clearance.

It should also be noted that the individual personnel security clearances only entitle your designated personnel access to classified information provided by the NRC, and only after a need-to-know has been established. Further dissemination or storage of classified information is not permitted. The following Duke Energy Corporation facilities have been approved to receive an interim FCL: Catawba Nuclear Station, McGuire Nuclear Station, Oconee Nuclear Station and Duke Energy Corporation's Corporate Office in Charlotte, North Carolina.

H. B. Barron

- 2 -

The NRC's Division of Facilities and Security in the Office of Administration will contact you regarding individual personnel security clearances that are ready to be granted and any other appropriate forms that need to be completed. Questions regarding facility security clearances should be referred to J. Keith Everly of my staff at 301-415-7048. Questions regarding personnel security clearances should be referred to Michael Bodin of the NRC's Office of Administration at 301-415-6542.

Sincerely,

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Glenn M. Tracy, Director  
Division of Nuclear Security  
Office of Nuclear Security  
and Incident Response

H. B. Barron

- 2 -

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Office of Nuclear Security  
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