



SAFEGUARDS INFORMATION

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April 27, 2004

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
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Subject: Duke Energy Corporation
Oconee Nuclear Station, Units 1, 2, and 3
NRC Docket Nos. 50-269, 50-270, 50-287
McGuire Nuclear Station, Units 1 and 2
NRC Docket Nos. 50-369, 50-370
Catawba Nuclear Station, Units 1 and 2
NRC Docket Nos. 50-413, 50-414
SUPPLEMENTAL RESPONSE TO APRIL 29, 2003 NRC ORDERS

The NRC issued an Order dated April 29, 2003, Requiring Compliance with Revised Design Basis Threat ("Order EA-03-086" or "Order") and other security related Orders (collectively "Orders") for 50-269, 50-270, 50-287, Oconee Nuclear Station, 50-369, 50-370, McGuire Nuclear Station, and 50-413, 50-414, Catawba Nuclear Station. This Supplemental Response of Duke Energy Corporation ("Duke") to Order EA-03-086 supplements the previous response dated June 2, 2003, that Duke filed pursuant to 10 CFR §50.4 and Conditions III A.1, B.1 and B.2.

Order EA-03-086 imposes license conditions on nuclear power plants licensed pursuant to the Atomic Energy Act of 1954 and Title 10 of the Code of Federal Regulations. Section III.A of the Order requires licensees to revise their physical security plans and safeguards contingency plans to provide protection against the revised design basis threat (DBT) set forth in Attachment 2 to the Order. Section III.A also requires licensees to revise the security force training and qualification plan to implement the revised DBT. These revised plans, along with an implementation schedule, were required to be submitted to the Commission for review and approval no later than April 29, 2004.

In accordance with the Order and 10 CFR §50.4, Duke is submitting this Supplemental Response for the above-mentioned licensed facilities. This submittal includes, as Attachment A, revisions to the Oconee, McGuire, and Catawba Nuclear Stations Physical Security Plan, the Contingency Plan, and the Training and Qualification Plan as required by Order EA-03-086.

NOTE: THE ATTACHMENTS TO THIS LETTER CONTAIN "SAFEGUARDS INFORMATION" AND MUST BE PROTECTED ACCORDINGLY. UPON SEPARATION OF THE ATTACHMENTS, THIS LETTER IS "DECONTROLLED."

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These plans contain the integrated commitments to comply with Order EA-03-086 and the other security related Orders issued on February 25, 2002, January 7, 2003, and April 29, 2003. As a result, these plans supersede previous submittals of Duke in these areas, including those related to the February 25, 2002, January 7, 2003, and April 29, 2003, Orders. Duke will continue to implement the provisions of those previous submittals except to the extent that they are superseded by these plans. All changes that have been or will be made have been evaluated to ensure that they do not comprise plant safety.

Duke has developed these revised plans to be consistent with NEI-03-01 (Revision 1), Nuclear Power Plant Access Authorization Program (April 2004); NEI-03-09 (Revision 2 (Draft)), Security Officer Training Program (April 2004); and NEI-03-12 (Revision 2 (Draft)), Template for the Security Plan, Training and Qualification Plan, Safeguards Contingency Plan, [and Independent Spent Fuel Storage Installation Security Program] (April 2004). The schedule for completing those actions, which includes the identification of major transitional activities, is provided in Attachment B to this submittal. To facilitate the NRC's review, any provisions that are different from NEI-03-12 are identified and the justification provided in Attachment C, Deviations from NEI 03-012, to this submittal. Attachment D to this submittal, Previous Exemptions to 10 CFR Part 73 previously granted to Duke and an explanation of their status under the plans hereby submitted. Attachment E, Justification for Alternatives, includes the justification for any of the alternatives provided in NEI 03-012 or in "NRC Guidance on Implementation of the April 2003 Revised Design Basis Threat" that Duke has adopted. Further, Duke has chosen, for the Catawba Nuclear Station, to implement Option 1 of Section 9.4.1.2 of NEI 03-012 and the justification for that choice is provided in Attachment F, Justification for Vehicle Search Criteria, to this submittal.

When the final revision of NEI 03-012 is approved by the NRC, Duke will supplement this response, if necessary, to conform with NEI 03-012 as finally approved. However, with the filing of these plans, Duke will be implementing its revised protection strategy and completing plant modifications and security personnel training pursuant to these plans to ensure that implementation will be completed by October 29, 2004, as required by the Orders. Upon completion of the implementation of these plans, Duke will be in compliance with all applicable security requirements. For the purpose of complying with the requirements of 10 CFR 73 to conduct an annual audit, the date of the letter that will be submitted to the NRC pursuant to Order EA-03-086 certifying that implementation of the plans is complete will be the effective date for determining commencement with the annual audit requirement period.

Because of the requirement for these plans to be fully implemented by October 29, 2004; the need to integrate the requirement of the revised DBT Order with the Orders issued February 25, 2002, January 7, 2003, and April 29, 2003; and the Commission's determination that it would be appropriate to exercise enforcement discretion to accommodate any transitional issues which may arise as licensees, in good faith, take reasonable actions to implement the specific requirements of the Orders, Duke requests that enforcement discretion be exercised during the transition period until full implementation of the plans is accomplished and the physical plant modifications and

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security force training are complete. At that time, the revised plans will be fully implemented and the exercise of enforcement discretion will no longer be necessary.

If you have any questions regarding this submittal, please contact Randall D. Hart, Catawba Nuclear Station, at (803) 831-3622.

In accordance with 10 CFR § 2.202(b), the following affirmation is provided:

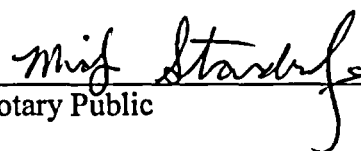
H.B. Barron states that he is Group Vice President- Nuclear Generation and Chief Nuclear Officer of Duke Energy Corporation, is authorized to execute this oath on behalf of Duke Energy Corporation and, to the best of his knowledge and belief, the facts set forth in this letter are true.

Respectfully submitted,

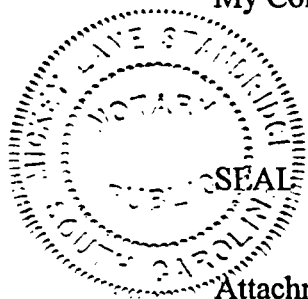


H. B. Barron

Subscribed and sworn to me: 4-27-2004
Date


Notary Public

My Commission Expires: 7-10-2012
Date



Attachments

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