October 14, 2004

Ann Marshall Young, Chair Administrative Judge Atomic Safety and Licensing Board U.S. Nuclear Regulatory Commission Mail Stop: T-3F23 Washington, D.C. 20555

Anthony J. Baratta
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Thomas S. Elleman Administrative Judge Atomic Safety and Licensing Board 5207 Creedmoor Rd. #101 Raleigh, NC 27612

In the Matter of DUKE ENERGY CORPORATION (Catawba Nuclear Station, Units 1 and 2) Docket Nos. 50-413-OLA and 414-OLA

Dear Administrative Judges:

The NRC staff (Staff) herein responds to the Board's October 1, 2004 Order, and provides the Board and parties with a statement of the Staff's view regarding the impact of the information provided by Duke in its September 20, 2004 letter on issues related to Contention I and any other matters involved in this proceeding.

The Staff has reviewed the information submitted by Duke in its letters of August 31, September 20, and October 5, 2004, and has concluded that there is no impact on the Staff's previous testimony regarding Contention I. In addition, the Staff's conclusions, provided in the safety evaluation report (SER) and in Supplement 2 to the SER, remain valid with respect to fuel behavior and the LOCA analyses done in accordance with 10 C.F.R. § 50.46 and 10 C.F.R. Part 50, Appendix K requirements.

As stated in the Staff's October 4, 2004 letter to the Board, there is nothing in the Duke information that would affect the Staff's conclusions regarding the security issues in this proceeding.

Finally, the information requested by the Staff in its October 7, 2004 Request for Additional Information (RAI) has no relation to the issues raised in Contention I or in any of the security issues now pending before the Board.

Sincerely,

/RA/ Susan L. Uttal Counsel for NRC Staff

cc: Service list