

SAFEGUARDS INFORMATION

October 29, 2004

Mr. Henry B. Barron
Group Vice President, Nuclear
Generation and Chief Nuclear Officer
Duke Energy Corporation
P. O. Box 1006-EC07H
Charlotte, NC 28201-1006

SUBJECT: WILLIAM B. MCGUIRE NUCLEAR STATION, UNITS 1 AND 2, CATAWBA NUCLEAR STATION, UNITS 1 AND 2, AND OCONEE NUCLEAR STATION, UNITS 1, 2 AND 3 - ADMINISTRATIVE CHANGE TO FACILITY OPERATING LICENSES IN CONJUNCTION WITH THE COMMISSION ORDER EA-03-086 REGARDING REVISED DESIGN BASIS THREAT (DBT); AND REVISIONS TO PHYSICAL SECURITY PLAN, TRAINING AND QUALIFICATION PLAN, AND SAFEGUARDS CONTINGENCY PLAN (MC2936, MC2937, MC2902, MC2903, MC2945, MC2946, AND MC2947)

Dear Mr. Barron:

By letter dated April 27, 2004, Duke Energy Corporation submitted a supplemental response in accordance with Order EA-03-086, the Order requiring compliance with the revised design basis threat, dated April 29, 2003, (DBT Order) for the William B. McGuire Nuclear Station, Units 1 and 2, Catawba Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2 and 3. Section III.A of the DBT Order required licensees to revise physical security plans (PSPs), training and qualification plans (T&Q Plans), and safeguards contingency plans (SCPs) to provide protection against the revised DBT set forth in Attachment 2 to the DBT Order. These revised plans, along with an implementation schedule, were required to be submitted to the Nuclear Regulatory Commission (NRC or the Commission) for review and approval no later than April 29, 2004.

NOTICE: Enclosure 2 contains Safeguards Information. Upon separation from Enclosure 2, this letter and Enclosure 1 are DECONTROLLED.

SAFEGUARDS INFORMATION

In the revised security plans for William B. McGuire Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2, and 3, you included information related to the independent spent fuel storage installation (ISFSI) co-located at the sites. The DBT Order did not require this information to be included in the revised security plans for William B. McGuire Nuclear Station, Units 1 and 2, Catawba Nuclear Station, Units 1 and 2, Oconee Nuclear Station, Units 1, 2 and 3. However, Order EA-02-104, dated October 16, 2002, required licensees to comply with the requirements, set forth in an attachment to the Order, that described the compensatory measures necessary to protect the ISFSI as a result of the heightened threat environment following the September 11, 2001, terrorist attacks. On September 10, 2004, the NRC staff requested that you clarify whether the information provided in the revised security plans for William B. McGuire Nuclear Station, Units 1 and 2, Catawba Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2 and 3, related to the ISFSI, modified the response you provided to Order EA-02-104. By letter dated September 30, 2004, (McGuire) and September 23, 2004, (Oconee) you indicated that the actions you have taken in response to Order EA-02-104 remain essentially unchanged and therefore, there is no decrease in effectiveness of the protective measures in place for the ISFSIs. The effectiveness of these security provisions will continue to be the subject of NRC review and inspection.

The NRC staff's review of the William B. McGuire Nuclear Station, Units 1 and 2, Catawba Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2 and 3, PSP, SCP, T&Q Plan submitted in your letter dated April 27, 2004, as supplemented on July 7, 2004, July 13, 2004, July 22, 2004, August 2, 2004, August 9, 2004, August 12, 2004, September 8, 2004, September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004, has focused on ensuring the necessary programmatic elements are contained in these plans in order to provide high assurance that activities involving special nuclear material are not inimical to the common defense and security and do not constitute an unreasonable risk to the public health and safety.

Included as Appendix E in your PSP are the physical security provisions associated with the receipt and storage of unirradiated mixed oxide (MOX) lead fuel assemblies at Catawba. On May 5, 2004, the NRC staff issued a safety evaluation that documented the technical and regulatory disposition of these provisions. As you are aware, the use of MOX lead fuel assemblies at Catawba is subject to ongoing litigation. Included within the scope of the litigation are the physical security measures for the protection of unirradiated MOX fuel. Given the ongoing litigation, NRC approval of MOX security provisions described in Appendix E of your PSP will be provided, should it be appropriate, under separate correspondence.

The NRC staff has determined that subject to subsequent inspection and evaluation, these plans contain the necessary programmatic elements that, when effectively implemented, will provide the required high assurance that William B. McGuire Nuclear Station, Units 1 and 2, Catawba Nuclear Station, Units 1 and 2, Oconee Nuclear Station, Units 1, 2 and 3 will be protected against the revised DBT. The NRC staff, therefore, approves the **PSP, SCP, and T&Q Plan** for William B. McGuire Nuclear Station, Units 1 and 2, Catawba Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2 and 3. However, ultimately the effectiveness of these plans will be judged on your ability to meet regulatory requirements through facility implementing procedures and site practices. As such your facility implementing

H. B. Barron

procedures and practices will continue to be subject to future NRC review and inspection, including NRC-conducted force-on-force exercises.

In addition, the NRC staff noted that your PSP included alternatives to certain requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 73.55. In each case, the NRC staff found that the alternative measures provide an equivalent level of protection to that of the associated requirement and meet the high assurance objective of 10 CFR 73.55(a). The NRC staff, therefore, approves the alternatives shown in the table below. The NRC staff's evaluation is discussed further in the enclosed Safety Evaluation (SE).

Approved Alternatives to the Requirements of 10 CFR Part 73

SE Section	PSP Section	Alternative to 10 CFR	Description
3.6.2	6.2	73.55(c)(2)	Protected Area (PA)/Vital Area (VA) barrier separation requirements
3.6.2	6.2	73.55(c)(3)	Isolation Zones
3.9.4.3	9.4.3	73.55(d)(4)	PA vehicle search requirements
3.9.4.4	9.4.4	73.55(d)(1)	PA personnel search requirements
3.9.5.2	9.5	73.55(d)(4)	PA access control requirements
3.10.1	10.1	73.55(c)(5)	PA illumination requirements
3.13.1	14.1	73.55(c)(1) 73.55(d)(7)(i)(B)	Temporary reclassification of VA to PA status (devitalization)

Finally, consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, administrative license changes to Renewed FOLs Nos. NPF-9 and NPF-17, NPF-35, NPF-52, DPR-38, DPR-47, and DPR-55 are being made to incorporate the reference to the revised PSP, SCP, and T&Q Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter 1.

H. B. Barron

- 4 -

Please replace the enclosed pages to your Renewed FOLs as indicated in the enclosure.

A copy of our SE with regards to your security plans (designated as Safeguards Information) is provided in Enclosure 2.

Sincerely,

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

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

Enclosures: 1. Administrative Change to Renewed FOL Nos. NPF-9, NPF-17, NPF-35,
NPF-52, DPR-38, DPR-47, and DPR-55
2. SE Regarding the Security Plans (**SAFEGUARDS INFORMATION**)

cc w/encl 1 only: See Mailing List
cc w/encls 1 and 2: Mr. David G. Black
Mr. W. T. Byers III
Mr. Terry King

Please replace the enclosed pages to your Renewed FOLs as indicated in the enclosure.

A copy of our SE with regards to your security plans (designated as Safeguards Information) is provided in Enclosure 2.

Sincerely,

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

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

- Enclosures: 1. Administrative Change to Renewed FOL Nos. NPF-9, NPF-17, NPF-35, NPF-52, DPR-38, DPR-47, and DPR
- 2. SE Regarding the Security Plans (**SAFEGUARDS INFORMATION**)

cc w/encl 1 only: See Mailing List
cc w/encls 1 and 2: Mr. David G. Black
Mr. W. T. Byers III
Mr. Terry King

DISTRIBUTION (w/o enc 2):

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Accession No.: ML043120017

*See previous concurrence

OFFICE	SPRT/TL	SPRT/PM	SPRT/LA	SPRT/PL	OGC	NSIR/SC	NRR/SC
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DUKE ENERGY CORPORATION

WILLIAM B. MCGUIRE NUCLEAR STATION, UNIT 1

DOCKET NO. 50-369

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. NPF-9

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. NPF-9 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. The administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. NPF-9

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. NPF-9

DOCKET NO. 50-369

Replace the following page of the Renewed Facility Operating Licenses NPF-9 with the attached revised page as indicated. The revised page is identified by order number and contains marginal lines indicating the area of change.

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(4) Fire Protection Program

Duke Energy Corporation shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report for the facility and as approved in the SER dated March 1978 and Supplements 2, 5 and 6 dated March 1979, April 1981, and February 1983, respectively, and the safety evaluation dated May 15, 1989, subject to the following provision:

Duke may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(5) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 200, are hereby incorporated into this renewed operating license. Duke Energy Corporation shall operate the facility in accordance with the Additional Conditions.

(6) Antitrust Conditions

The license shall comply with the antitrust conditions delineated in Appendix C of this renewed operating license.

D. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contain safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

E. The licensee shall report any violations of the requirements contained in Section 2 Items C.(1), C.(4) and D of this renewed operating license within 24 hours by telephone and confirm by telegram, mailgram, or facsimile transmission to the Director of the Regional Office, or his designate, no later than the first working day following the violation, with a written follow-up report within 14 days.

DUKE ENERGY CORPORATION

WILLIAM B. MCGUIRE NUCLEAR STATION, UNIT 2

DOCKET NO. 50-370,

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. NPF-17

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. NPF-17 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. The administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. NPF-17

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. NPF-17

DOCKET NO. 50-370

Replace the following page of the Renewed Facility Operating Licenses NPF-17 with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

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D. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

- E. The licensee shall report any violation of the requirements contained in Section 2 Items C.(1), C.(4), C.(5) and D of this renewed operating license within 24 hours by telephone and confirm by telegram, mailgram, or facsimile transmission to the NRC Regional Administrator, Region II, or his designate, no later than the first working day following the violation, with a written followup report within 14 days.
- F. The licensee shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
- G. In accordance with the Commission's direction in its Statement of Policy, Licensing and Regulatory Policy and Procedures for Environmental Protection; Uranium Fuel Cycle Impacts, October 29, 1982, this renewed operating license is subject to the final resolution of the pending litigation involving Table S-3. See, Natural Resources Defense Council v. NRC, No. 74-1586 (D.C. cir. April 27, 1982).
- H. The licensee is authorized to receive from the Oconee Nuclear Station, Units 1, 2 and 3, possess, and store irradiated Oconee fuel assemblies containing special nuclear material, enriched to not more than 3.24% by weight U-235 subject to the following conditions:
- a. Oconee fuel assemblies may not be placed in the McGuire Nuclear Station, Units 1 and 2, reactors.
 - b. Irradiated fuel shipped to McGuire Nuclear Station, Units 1 and 2, from Oconee shall have been removed from the Oconee reactor no less than 270 days prior to shipment.

DUKE ENERGY CORPORATION

CATAWBA NUCLEAR STATION, UNIT 1

DOCKET NO. 50-413

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. NPF-35

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. NPF-35 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. The administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. NPF-35

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. NPF-35

DOCKET NO. 50-413

Replace the following page of the Renewed Facility Operating Licenses, with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

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(6) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 180, are hereby incorporated into this renewed operating license. Duke Energy Corporation shall operate the facility in accordance with the Additional Conditions.

- D. The facility requires exemptions from certain requirements of Appendix J to 10 CFR Part 50, as delineated below and pursuant to evaluations contained in the referenced SER and SSERs. These include, (a) partial exemption from the requirement of paragraph III.D.2(b)(ii) of Appendix J, the testing of containment airlocks at times when the containment integrity is not required (Section 6.2.6 of the SER, and SSERs # 3 and #4), (b) exemption from the requirement of paragraph III.A.(d) of Appendix J, insofar as it requires the venting and draining of lines for type A tests (Section 6.2.6 of SSER #3), and (c) partial exemption from the requirements of paragraph III.B of Appendix J, as it relates to bellows testing (Section 6.2.6 of the SER and SSER #3). These exemptions are authorized by law, will not present an undue risk to the public health and safety, are consistent with the common defense and security, and are consistent with certain special circumstances as discussed in the referenced SER and SSERs. These exemptions are, therefore, hereby granted pursuant to 10 CFR 50.12. With the granting of these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.

E. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

F. Reporting to the Commission

Except for Item 2.C.(2), Duke Energy Corporation shall report any violations of the requirements contained in Section 2.C. of this renewed operating license in the following manner: initial notification shall be made within twenty-four (24) hours to the NRC Operations Center via the Emergency Notification System with written follow-up within 30 days in accordance with the procedures described in 10 CFR 50.73 (b), (c) and (e).

DUKE ENERGY CORPORATION
CATAWBA NUCLEAR STATION, UNIT 2

DOCKET NO. 50-414

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. NPF-52

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. NPF-52 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. The administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. NPF-52

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. NPF-52

DOCKET NO. 50-414

Replace the following page of the Renewed Facility Operating Licenses, with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

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(6) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 172, are hereby incorporated into this renewed operating license. Duke Energy Corporation shall operate the facility in accordance with the Additional Conditions.

- D. The facility requires exemptions from certain requirements of Appendix J to 10 CFR Part 50, as delineated below, and pursuant to evaluations contained in the referenced SER and SSER. These include: (a) partial exemption from the requirement of paragraph III.D.2(b)(ii) of Appendix J, the testing of containment airlocks at times when the containment integrity is not required (Section 6.2.6 of SSER #5), (b) exemption from the requirement of paragraph III.A.1(d) of Appendix J, insofar as it requires the venting and draining of lines for type A tests (Section 6.2.6 of SSER #5), and (c) partial exemption from the requirements of paragraph III.B of Appendix J, as it relates to bellows testing (Section 6.2.6 of the SER and SSER #5). These exemptions are authorized by law, will not present an undue risk to the public health and safety, are consistent with the common defense and security, and are consistent with certain special circumstances, as discussed in the referenced SER and SSER. These exemptions are, therefore, hereby granted pursuant to 10 CFR 50.12. With the granting of these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.

E. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

F. Reporting to the Commission

Except for Item 2.C.(2), Duke Energy Corporation shall report any violations of the requirements contained in Section 2.C of this renewed operating license in the following manner: initial notification shall be made within twenty-four (24) hours to the NRC Operations Center via the Emergency Notification System with written follow-up within 30 days in accordance with the procedures described in 10 CFR 50.73 (b), (c), and (e).

- G. The licensees shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.

DUKE ENERGY CORPORATION
OCONEE NUCLEAR STATION, UNIT 1

DOCKET NO.50-269

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. DPR-38

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. DPR-38 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. Except as otherwise noted in the letter dated October 29, 2004, relaxing the requirement of Section III.A.2 of Order EA-03-086, this administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. DPR-38

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. DPR-38

DOCKET NO. 50-269

Replace the following page of the Renewed Facility Operating Licenses, with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

Remove Page

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Insert Page

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December 27, 1984; December 5, 1988; and August 21, 1989 subject to the following provision:

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of fire.

E. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

F. In the update to the UFSAR required pursuant to 10 CFR 50.71(e)(4) scheduled for July, 2001, the licensee shall update the UFSAR to include the UFSAR supplement submitted pursuant to 10 CFR 54.21(d) as revised on March 27, 2000. Until the UFSAR update is complete, the licensee may make changes to the programs described in its UFSAR supplement without prior Commission approval, provided that the licensee evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

G. The licensee's UFSAR supplement submitted pursuant to 10 CFR 54.21(d), as revised on March 27, 2000, describes certain future inspection activities to be completed before the period of extended operation. The licensee shall complete these activities no later than February 6, 2013.

H. Duke shall comply with the commitments of Attachment 2 to letter dated July 29, 2004, associated with TSC 2002-05.

4. This renewed license is effective as of the date of issuance and shall expire at midnight on February 6, 2033.

DUKE ENERGY CORPORATION
OCONEE NUCLEAR STATION, UNIT 2
DOCKET NO.50-270

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. DPR-47

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. DPR-47 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. Except as otherwise noted in the letter dated October 29, 2004, relaxing the requirement of Section III.A.2 of Order EA-03-086, this administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. DPR-47

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. DPR-47

DOCKET NO. 50-270

Replace the following page of the Renewed Facility Operating Licenses, with the attached revised page as indicated. The revised page is identified by order number and contains marginal lines indicating the area of change.

Remove Page

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December 27, 1984; December 5, 1988; and August 21, 1989 subject to the following provision:

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of fire.

E. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

- F. In the update to the UFSAR required pursuant to 10 CFR 50.71(e)(4) scheduled for July, 2001, the licensee shall update the UFSAR to include the UFSAR supplement submitted pursuant to 10 CFR 54.21(d) as revised on March 27, 2000. Until the UFSAR update is complete, the licensee may make changes to the programs described in its UFSAR supplement without prior Commission approval, provided that the licensee evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.
- G. The licensee's UFSAR supplement submitted pursuant to 10 CFR 54.21(d), as revised on March 27, 2000, describes certain future inspection activities to be completed before the period of extended operation. The licensee shall complete these activities no later than February 6, 2013.
- H. Duke shall comply with the commitments of Attachment 2 to letter dated July 29, 2004, associated with TSC 2002-05.
4. This renewed license is effective as of the date of issuance and shall expire at midnight on October 2, 2033.

DUKE ENERGY CORPORATION
OCONEE NUCLEAR STATION, UNIT 3
DOCKET NO. 50-287

ADMINISTRATIVE LICENSE CHANGE TO RENEWED FACILITY OPERATING LICENSE

License No. DPR-55

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. Consistent with Order EA-03-086, the Order requiring compliance with the revised design basis threat, (DBT Order) issued on April 29, 2003, conforming administrative changes to Renewed Facility Operating Licenses (FOLs) are required to ensure implementation of the DBT Order requirements. Therefore, an administrative license change to Renewed FOL No. DPR-55 is being made to incorporate the reference to the revised Physical Security Plan, Safeguards Contingency Plan, and Training and Qualification Plan required by the DBT Order. These changes comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this administrative license change can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this administrative license change will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this administrative license change is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the Renewed FOL is changed, as indicated in the Attachment.
3. Except as otherwise noted in the letter dated October 29, 2004, relaxing the requirement of Section III.A.2 of Order EA-03-086, this administrative license change is effective as of its date of issuance and shall be implemented on or before October 29, 2004.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John A. Nakoski, Chief
Security Plan Review Team
Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Attachment: Changes to Renewed FOL No. DPR-55

Date of Issuance: October 29, 2004

CHANGES TO RENEWED FACILITY OPERATING LICENSE NO. DPR-55

DOCKET NO. 50-287

Replace the following page of the Renewed Facility Operating Licenses, with the attached revised page as indicated. The revised page is identified by revision date and contains marginal lines indicating the area of change.

Remove Page

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December 27, 1984; December 5, 1988; and August 21, 1989 subject to the following provision:

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of fire.

E. Physical Protection

Duke Energy Corporation shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains safeguards information protected under 10 CFR 73.21, is entitled: "Duke Energy Physical Security Plan" submitted by letter dated September 8, 2004, and supplemented on September 30, 2004, October 15, 2004, October 21, 2004, and October 27, 2004.

F. In the update to the UFSAR required pursuant to 10 CFR 50.71(e)(4) scheduled for July, 2001, the licensee shall update the UFSAR to include the UFSAR supplement submitted pursuant to 10 CFR 54.21(d) as revised on March 27, 2000. Until the UFSAR update is complete, the licensee may make changes to the programs described in its UFSAR supplement without prior Commission approval, provided that the licensee evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

G. The licensee's UFSAR supplement submitted pursuant to 10 CFR 54.21(d), as revised on March 27, 2000, describes certain future inspection activities to be completed before the period of extended operation. The licensee shall complete these activities no later than February 6, 2013.

H. Duke shall comply with the commitments of Attachment 2 to letter dated July 29, 2004, associated with TSC 2002-05.

4. This renewed license is effective as of the date of issuance and shall expire at midnight on July 19, 2034.