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Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Attention: David Matthews, Director
Division of Regulatory Improvement Programs

Subject: Duke Energy Corporation
Plans for Submitting a Combined Construction and Operating License
(COL) Application

The purpose of this letter is to update the NRC Staff regarding Duke Energy Corporation's (Duke's) plans for development of a Combined Construction and Operating License (COL) application, to notify the Staff regarding Duke's selection of a reactor technology, and to request allocation of Staff resources to pre-application interactions with Duke. Duke has completed its technology evaluation, and has decided to develop a COL application for two AP-1000 reactors. The selection of a site is in progress and on schedule for completion by the end of calendar year 2005. While detailed schedule information is in development, Duke's target schedule for submittal of a COL application remains consistent with our previous discussions (i.e., late 2007 or early 2008).

By letter dated March 4, 2005 (Barron to US NRC Document Control Desk, *Plans for Submitting a Combined Construction and Operating License [COL] Application*), Duke notified the Staff of Duke's intent to prepare a COL application, including a preliminary schedule for award of a contract for support of an application beginning in May 2005. Subsequently, on March 14, 2005, Duke personnel met with the Staff to discuss additional details of Duke's plans. As a result of a study of the scope, schedule, and costs for preparing a COL application, Duke determined that selection of a site and a reactor technology should be conducted separately from preparation of the COL application, and prior to selection of a contractor to support that activity. Accordingly, award of a contract for COL application support was deferred until later in 2005.

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Duke wishes to initiate the pre-application discussions mentioned in our previous letter, and to request allocation of Staff resources for this purpose. We propose to meet at your convenience to discuss these interactions. Please contact Peter Hastings at (980) 373-7820 to discuss details of such a meeting, or if you have any questions.

Sincerely,



Henry B. Barron

xc: William Beckner, USNRC/HQ
Laura Dudes, USNRC/HQ
Frank Gillespie, USNRC/HQ

Bryan Dolan
Peter Hastings
John Thrasher