

DUKE POWER COMPANY LLC

NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

SALUDA RIVER ELECTRIC COOPERATIVE, INC.

DOCKET NO. 50-413

CATAWBA NUCLEAR STATION, UNIT 1

RENEWED FACILITY OPERATING LICENSE

Renewed License No. NPF-35

1. The U.S. Nuclear Regulatory Commission (Commission) having previously made the findings set forth in License No. NPF-35 issued on January 17, 1985, has now found that:
  - A. The application for renewed operating license filed by the Duke Energy Corporation\* acting for itself, North Carolina Electric Membership Corporation, and Saluda River Electric Cooperative, Inc., (the licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
  - B. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for Catawba Nuclear Station, Unit 1 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D. below);
  - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license 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 set forth in 10 CFR Chapter I; (except as exempted from compliance in Section 2.D. below);

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\* Duke Energy Corporation has converted to Duke Power Company LLC. References to "Duke" are to Duke Power Company LLC, which is an owner and the operator of Catawba Nuclear Station, Unit 1, and one of the "licensees."

- E. Duke Power Company LLC\* is technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter 1
  - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements", of the Commission's regulations;
  - G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
  - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Renewed Facility Operating License No. NPF-35 is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied, and;
  - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70.
2. Based on the foregoing findings and the Partial Initial Decisions issued by the Atomic Safety and Licensing Boards dated June 22, September 18, and November 27, 1984, regarding this facility and satisfaction of conditions therein imposed, except as hereinafter set forth, and the Commission's vote on January 17, 1985, Facility Operating License No. NPF-31 issued on December 6, 1984, superseded by Facility Operating License No. NPF-35 issued on January 17, 1985, is superseded by Renewed Facility Operating License No. NPF-35, hereby issued to Duke Power Company LLC, the North Carolina Electric Membership Corporation, and the Saluda River Electric Cooperative, Inc., to read as follows:
- A. This renewed operating license applies to the Catawba Nuclear Station, Unit 1, a pressurized water reactor and associated equipment (the facility) owned by Duke Power Company LLC, the North Carolina Electric Membership Corporation, and the Saluda River Electric Cooperative, Inc. The facility is located on the licensees' site in York County, South Carolina, on the shore of Lake Wylie approximately 6 miles north of Rock Hill, South Carolina, and is described in the Updated Final Safety Analysis Report, as supplemented and amended, and in the Environmental Report, as supplemented and amended.
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

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\*Duke Power Company LLC is authorized to act as agent for the North Carolina Electric Membership Corporation and the Saluda River Electric Cooperative, Inc., and has exclusive responsibility and control over the physical construction, operation and maintenance of the facility.

- (1) Duke Power Company LLC, pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in York County, South Carolina, in accordance with the procedures and limitations set forth in this renewed operating license;
  - (2) North Carolina Electric Membership Corporation and Saluda River Electric Cooperative, Inc., to possess the facility at the designated location in York County, South Carolina, in accordance with the procedures and limitations set forth in this renewed operating license;
  - (3) Duke Power Company LLC, pursuant to the Act and 10 CFR Part 70 to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;
  - (4) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
  - (5) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
  - (6) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility authorized herein, and;
  - (7) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of McGuire Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2 and 3.
- C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level  
Duke Power Company LLC is authorized to operate the facility at reactor core full steady state power level of 3411 megawatts thermal (100%) in accordance with the conditions specified herein.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 229, which are attached hereto, are hereby incorporated into this renewed operating license. Duke Power Company LLC shall operate the facility in accordance with the Technical Specifications.

(3) Updated Final Safety Analysis Report

The Updated Final Safety Analysis Report supplement submitted pursuant to 10 CFR 54.21(d), as revised on December 16, 2002, describes certain future activities to be completed before the period of extended operation. Duke shall complete these activities no later than December 6, 2024, and shall notify the NRC in writing when implementation of these activities is complete and can be verified by NRC inspection.

The Updated Final Safety Analysis Report supplement as revised on December 16, 2002, described above, shall be included in the next scheduled update to the Updated Final Safety Analysis Report required by 10 CFR 50.71(e)(4), following issuance of this renewed operating license. Until that update is complete, Duke may make changes to the programs described in such supplement without prior Commission approval, provided that Duke evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

(4) Antitrust Conditions

Duke Power Company LLC shall comply with the antitrust conditions delineated in Appendix C to this renewed operating license.

(5) Fire Protection Program (Section 9.5.1, SER, SSER #2, SSER #3, SSER #4, SSER #5)\*

Duke Power Company LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report, as amended, for the facility and as approved in the SER through Supplement 5, 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 a fire.

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\*The parenthetical notation following the title of this renewed operating license condition denotes the section of the Safety Evaluation Report and/or its supplement wherein this renewed license condition is discussed.

(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 Power Company LLC 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 Power Company LLC 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 Power Company LLC 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).

APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. NPF-35

Duke Power Company LLC shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
159	This amendment requires the licensee to use administrative controls, as described in the licensee's letter of March 7, 1997, and evaluated in the staff's safety evaluation dated April 29, 1997, to restrict the dose-equivalent iodine levels to 0.46 microCurie per gram (in lieu of the limit in TS Section 3.4.8.a), and to 26 microCurie per gram (in lieu of the limit of TS Figure 3.4-1), until this license condition is removed by a future amendment.	Immediately upon issuance of the amendment.
173	The licensee is authorized to relocate certain requirements included in appendix A to licensee-controlled documents. Implementation of this amendment shall include the relocation of these requirements to the appropriate documents as described in the licensee's letters dated May 27, 1997, as amended by letters dated March 9, March 20, April 20, June 3, June 24, July 7, July 21, August 5, September 8, and September 15, 1998, and evaluated in the NRC staff's Safety Evaluation associated with this amendment.	All relocation to be completed by January 31, 1999.

DUKE POWER COMPANY LLC

NORTH CAROLINA MUNICIPAL POWER AGENCY NO. 1

PIEDMONT MUNICIPAL POWER AGENCY

DOCKET NO. 50-414

CATAWBA NUCLEAR STATION, UNIT 2

RENEWED FACILITY OPERATING LICENSE

Renewed License No. NPF-52

1. The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. NPF-52 issued on May 15, 1986, has now found that:
  - A. The application for renewed operating license filed by the Duke Energy Corporation\* acting for itself, North Carolina Municipal Power Agency No. 1 and Piedmont Municipal Power Agency (the licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I; and all required notifications to other agencies or bodies have been duly made;
  - B. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for Catawba Nuclear Station, Unit 2 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D. below);
  - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license 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 set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D. below);

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\* Duke Energy Corporation has converted to Duke Power Company LLC. References to "Duke" are to Duke Power Company LLC, which is the operator of Catawba Nuclear Station, Unit 2, and one of the "licensees."

- E. Duke Power Company LLC\* is technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
  - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
  - G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
  - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Renewed Facility Operating License No. NPF-52 is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied, and;
  - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. Based on the foregoing findings and the July 26, 1985, and the November 21, 1985, affirmations by the Atomic Safety and Licensing Appeal Board of the Partial Initial Decisions issued by the Atomic Safety and Licensing Boards dated June 22, September 18, and November 27, 1984, regarding this facility and satisfaction of conditions therein imposed, and pursuant to approval by the Nuclear Regulatory Commission at a meeting held on May 14, 1986, Facility Operating License No. NPF-48, issued on February 24, 1986, superseded by Facility Operating License No. NPF-52 issued on May 15, 1986, is superseded by Renewed Facility Operating License No. NPF-52, hereby issued to Duke Power Company LLC, the North Carolina Municipal Power Agency No. 1, and Piedmont Municipal Power Agency to read as follows:
- A. This renewed operating license applies to the Catawba Nuclear Station, Unit 2, a pressurized water reactor and associated equipment (the facility) owned by the North Carolina Municipal Power Agency No. 1 and Piedmont Municipal Power Agency and operated by Duke Power Company LLC. The facility is located on the licensees' site in York County, South Carolina, on the shore of Lake Wylie approximately 6 miles north of Rock Hill, South Carolina, and is described in the Final Safety Analysis Report, as supplemented and amended, and in the Environmental Report, as supplemented and amended;
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

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\*Duke Power Company LLC is authorized to act as agent for the North Carolina Municipal Power Agency No. 1 and Piedmont Municipal Power Agency, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

- (1) Duke Power Company LLC, pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in York County, South Carolina, in accordance with the procedures and limitations set forth in this renewed operating license;
  - (2) North Carolina Municipal Power Agency No. 1 and Piedmont Municipal Power Agency, pursuant to the Act and 10 CFR Part 50, to possess the facility at the designated location in York County, South Carolina, in accordance with the procedures and limitations set forth in this renewed operating license;
  - (3) Duke Power Company LLC, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
  - (4) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40, and 70 to receive, possess, and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
  - (5) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
  - (6) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility authorized herein; and
  - (7) Duke Power Company LLC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of McGuire Nuclear Station, Units 1 and 2, and Oconee Nuclear Station, Units 1, 2, and 3.
- C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level  
  
Duke Power Company LLC is authorized to operate the facility at a reactor core full steady state power level of 3411 megawatts thermal (100%) in accordance with the conditions specified herein.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 225, which are attached hereto, are hereby incorporated into this renewed operating license. Duke Power Company LLC shall operate the facility in accordance with the Technical Specifications.

(3) Updated Final Safety Analysis Report

The Updated Final Safety Analysis Report supplement submitted pursuant to 10 CFR 54.21(d), as revised on December 16, 2002, describes certain future activities to be completed before the period of extended operation. Duke shall complete these activities no later than February 24, 2026, and shall notify the NRC in writing when implementation of these activities is complete and can be verified by NRC inspection.

The Updated Final Safety Analysis Report supplement as revised on December 16, 2002, described above, shall be included in the next scheduled update to the Updated Final Safety Analysis Report required by 10 CFR 50.71(e)(4), following issuance of this renewed operating license. Until that update is complete, Duke may make changes to the programs described in such supplement without prior Commission approval, provided that Duke evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

(4) Antitrust Conditions

Duke Power Company LLC shall comply with the antitrust conditions delineated in Appendix C to this renewed operating license.

(5) Fire Protection Program (Section 9.5.1, SER, SSER #2, SSER #3, SSER #4, SSER #5)\*

Duke Power Company LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report, as amended, for the facility and as approved in the SER through Supplement 5, 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 a fire.

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\*The parenthetical notation following the title of this renewed operating license condition denotes the section of the Safety Evaluation Report and/or its supplements wherein this renewed license condition is discussed.

(6) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 224, are hereby incorporated into this renewed operating license. Duke Power Company LLC 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 Power Company LLC 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 Power Company LLC 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.

APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. NPF-52

Duke Power Company LLC shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
151	This amendment requires the licensee to use administrative controls, as described in the licensee's letter of March 7, 1997, and evaluated in the staff's safety evaluation dated April 29, 1997, to restrict the dose-equivalent iodine levels to 0.46 microCurie per gram (in lieu of the limit in TS Section 3.4.8.a), and to 26 microCurie per gram (in lieu of the limit of TS Figure 3.4-1), until this license condition is removed by a future amendment.	Immediately upon issuance of the amendment.
165	The licensee is authorized to relocate certain requirements included in appendix A to licensee-controlled documents. Implementation of this amendment shall include the relocation of these requirements to the appropriate documents, as described in the licensee's letters dated May 27, 1997, as amended by letters dated March 9, March 20, April 20, June 3, June 24, July 7, July 21, August 5, September 8, and September 15, 1998, and evaluated in the NRC staff's Safety Evaluation associated with this amendment.	All relocation to be completed by January 31, 1999.

DUKE POWER COMPANY LLC

DOCKET NO. 50-369

MCGUIRE NUCLEAR STATION, UNIT 1

RENEWED FACILITY OPERATING LICENSE

Renewed License No. NPF-9

1. The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. NPF-9 issued on June 12, 1981, has now found that:
  - A. The application for renewed operating license filed by the Duke Energy Corporation\* complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;
  - B. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21 (c), such that there is reasonable assurance that the activities authorized by the renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the McGuire Nuclear Station, Unit 1 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission;
  - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license 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 set forth in 10 CFR Chapter I;
  - E. The licensee is technically and financially qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;

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\* Duke Energy Corporation has converted to Duke Power Company LLC, which is the owner and operator of McGuire Nuclear Station, Unit 1. References to the "licensee" or "Duke" are to Duke Power Company LLC.

- F. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
  - G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
  - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Renewed Facility Operating License No. NFP-9 is in accordance with 10 CFR Part 51, of the Commission's regulations and all applicable requirements have been satisfied; and,
  - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70.
2. Based on the foregoing findings, and pursuant to approval by the Nuclear Regulatory Commission at a meeting on June 9, 1981, the License for Fuel-Loading and Zero Power Testing issued on January 23, 1981, as amended, is superseded by Renewed Facility Operating License No. NPF-9 which is hereby issued to Duke Power Company LLC to read as follows:
- A. This renewed operating license applies to the McGuire Nuclear Station, Unit 1, a pressurized water reactor and associated equipment (the facility) owned and operated by Duke Power Company LLC. The facility is located on the licensee's site in Mecklenburg County, North Carolina, on the shore of Lake Norman approximately 17 miles northwest of Charlotte, North Carolina and is described in the Updated Final Safety Analysis Report, as supplemented and amended, and in the Environmental Report, as supplemented and amended.
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Duke Power Company LLC:
    - (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in Mecklenburg County, North Carolina, in accordance with the procedures and limitations set forth in the renewed operating license;
    - (2) Pursuant to the Act and 10 CFR Part 70 to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;
    - (3) Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

- (4) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
- (5) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproducts and special nuclear materials as may be produced by the operation of McGuire Nuclear Station, Units 1 and 2, and;
- (6) Pursuant to the Act and 10 CFR Parts 30 and 40, to receive, possess and process for release or transfer such byproduct material as may be produced by the Duke Training and Technology Center.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

The licensee is authorized to operate the facility at a reactor core full steady state power level of 3411 megawatts thermal (100%).

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 232, are hereby incorporated into this renewed operating license. The licensee shall operate the facility in accordance with the Technical Specifications.

(3) Updated Final Safety Analysis Report

The Updated Final Safety Analysis Report supplement submitted pursuant to 10 CFR 54.21(d), as revised on December 16, 2002, describes certain future activities to be completed before the period of extended operation. Duke shall complete these activities no later than June 12, 2021, and shall notify the NRC in writing when implementation of these activities is complete and can be verified by NRC inspection.

The Updated Final Safety Analysis Report supplement as revised on December 16, 2002, described above, shall be included in the next scheduled update to the Updated Final Safety Analysis Report required by 10 CFR 50.71(e)(4), following issuance of this renewed operating license. Until that update is complete, Duke may make changes to the programs described in such supplement without prior Commission approval, provided that Duke evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

(4) Fire Protection Program

Duke Power Company LLC 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 Power Company LLC shall operate the facility in accordance with the Additional Conditions.

(6) Antitrust Conditions

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

D. Physical Protection

Duke Power Company LLC 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 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.

APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. NPF-9

Duke Power Company LLC shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
184	<p>The schedule for the performance of new and revised surveillance requirements shall be as follows:</p> <p>For surveillance requirements (SRs) that are new in Amendment No. 184 the first performance is due at the end of the first surveillance interval that begins at implementation of Amendment No. 184. For SRs that existing prior to Amendment No. 184, including SRs with modified acceptance criteria and SRs whose intervals of performance are being extended, the first performance is due at the end of the first surveillance interval that begins on the date the surveillance was last performed prior to implementation of amendment No. 184. For SRs that existed prior to Amendment No. 184, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of Amendment No. 184.</p>	Within 90 days of the date of this amendment.
188	The maximum rod average burnup for any rod shall be limited to 60 GWd/mtU until the completion of an NRC environmental assessment supporting an increased limit.	Within 30 days of date of this amendment

DUKE POWER COMPANY LLC  
DOCKET NO. 50-370  
MCGUIRE NUCLEAR STATION, UNIT 2  
RENEWED FACILITY OPERATING LICENSE

Renewed License No. NPF-17

1. The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. NPF-17 issued on March 3, 1983, has now found that:
  - A. The application for renewed operating license filed by the Duke Energy Corporation\* complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;
  - B. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21 (c), such that there is reasonable assurance that the activities authorized by the renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the McGuire Nuclear Station, Unit 2 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
  - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission;
  - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license 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 set forth in 10 CFR Chapter I;
  - E. The licensee is technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;

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\* Duke Energy Corporation has converted to Duke Power Company LLC, which is the owner and operator of McGuire Nuclear Station, Unit 2. References to the "licensee" or "Duke" are to Duke Power Company LLC.

- F. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements", of the Commission's regulations;
  - G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
  - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Renewed Facility Operating License No. NPF-17 is in accordance with 10 CFR Part 51, of the Commission's regulations and all applicable requirements have been satisfied; and,
  - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70.
2. Based on the foregoing findings and the Initial Decisions issued by the Atomic Safety and Licensing Board dated April 18, 1979, and May 26, 1981, and the Decision of the Atomic Safety and Licensing Appeal Board dated March 30, 1982, regarding this facility, Renewed Facility Operating License No. NPF-17 is hereby issued to Duke Power Company LLC to read as follows:
- A. This renewed operating license applies to the McGuire Nuclear Station, Unit 2, a pressurized water reactor and associated equipment (the facility) owned and operated by Duke Power Company LLC. The facility is located on the site in Mecklenburg County, North Carolina, on the shore of Lake Norman approximately 17 miles northwest of Charlotte, North Carolina, and is described in the Updated Final Safety Analysis Report, as supplemented and amended, and in the Environmental Report, as supplemented and amended.
  - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Duke Power Company LLC:
    - (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in Mecklenburg County, North Carolina, in accordance with the procedures and limitations set forth in this renewed operating license;
    - (2) Pursuant to the Act and 10 CFR Part 70 to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;
    - (3) Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

- (4) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
  - (5) Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproducts and special nuclear materials as may be produced by the operation of McGuire Nuclear Station, Units 1 and 2; and,
  - (6) Pursuant to the Act and 10 CFR Parts 30 and 40, to receive, possess and process for release or transfer such byproduct material as may be produced by the Duke Training and Technology Center.
- C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
- (1) Maximum Power Level  
  
The licensee is authorized to operate the facility at a reactor core full steady state power level of 3411 megawatts thermal (100%).
  - (2) Technical Specifications  
  
The Technical Specifications contained in Appendix A, as revised through Amendment No. 214, are hereby incorporated into this renewed operating license. The licensee shall operate the facility in accordance with the Technical Specifications.
  - (3) Updated Final Safety Analysis Report  
  
The Updated Final Safety Analysis Report supplement submitted pursuant to 10 CFR 54.21(d), as revised on December 16, 2002, describes certain future activities to be completed before the period of extended operation. Duke shall complete these activities no later than March 3, 2023, and shall notify the NRC in writing when implementation of these activities is complete and can be verified by NRC inspection.  
  
The Updated Final Safety Analysis Report supplement as revised on December 16, 2002, described above, shall be included in the next scheduled update to the Updated Final Safety Analysis Report required by 10 CFR 50.71(e)(4), following issuance of this renewed operating license. Until that update is complete, Duke may make changes to the programs described in such supplement without prior Commission approval, provided that Duke evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59, and otherwise complies with the requirements in that section.

(4) Fire Protection Program

Duke Power Company LLC 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:

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 a fire.

(5) Protection of the Environment

Before engaging in additional construction or operational activities which may result in a significant adverse environmental impact that was not evaluated or that is significantly greater than that evaluated in the Final Environmental Statement dated April 1976, the licensee shall provide written notification to the Office of Nuclear Reactor Regulation.

(6) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 181, are hereby incorporated into this renewed operating license. Duke Power Company LLC shall operate the facility in accordance with the Additional Conditions.

(7) Antitrust Conditions

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

Physical Protection

Duke Power Company LLC 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, Unit 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.

APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. NPF-17

Duke Power Company LLC shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
166	<p>The schedule for the performance of new and revised surveillance requirements shall be as follows:</p> <p>For surveillance requirements (SRs) that are new in Amendment No. 166 the first performance is due at the end of the first surveillance interval that begins at implementation of Amendment No. 166. For SRs that existing prior to Amendment No. 166, including SRs with modified acceptance criteria and SRs whose intervals of performance are being extended, the first performance is due at the end of the first surveillance interval that begins on the date the surveillance was last performed prior to implementation of amendment No. 166. For SRs that existed prior to Amendment No. 166, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of Amendment No. 166.</p>	Within 90 days of the date of this amendment.
169	The maximum rod average burnup for any rod shall be limited to 60 GWd/mtU until the completion of an NRC environmental assessment supporting an increased limit.	Within 30 days of date of amendment

DUKE POWER COMPANY LLC

DOCKET NO. 50-269

OCONEE NUCLEAR STATION, UNIT 1

RENEWED FACILITY OPERATING LICENSE

Renewed License No. DPR-38

The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. DPR-38 issued on February 6, 1973, has now found that:

- a. The application to renew License No. DPR-38 filed by Duke Energy Corporation\* complies 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, and all required notifications to other agencies or bodies have been duly made;
- b. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by the renewed license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the Oconee Nuclear Station, Unit 1 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
- c. There is reasonable assurance: (i) that the activities authorized by this renewed license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the applicable regulations set forth in 10 CFR Chapter I, except as exempted from compliance;
- d. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements;"
- e. The renewal of this license will not be inimical to the common defense and security or the health and safety of the public; and
- f. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs, and considering available alternatives, the renewal of this license is in accordance with 10 CFR Part 51 and all applicable requirements have been satisfied.

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\* Duke Energy Corporation has converted to Duke Power Company LLC, which is the owner and operator of Oconee Nuclear Station, Unit 1. References to the "licensee" are to Duke Power Company LLC.

On the basis of the foregoing findings regarding this facility, Facility Operating License No. DPR-38, issued on February 6, 1973, is superseded by Renewed Facility Operating License No. DPR-38, which is hereby issued to Duke Power Company LLC, to read as follows:

1. This license applies to the Oconee Nuclear Station, Unit 1, a pressurized water reactor and associated equipment (the facility) owned and operated by Duke Power Company LLC. The facility is located in eastern Oconee County, about eight miles northeast of Seneca, South Carolina, and is described in the "Updated Final Safety Analysis Report" (UFSAR) as supplemented and amended and the Environmental Report as supplemented and amended.
2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Duke Power Company LLC (the licensee):
  - A. Pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location on the Oconee Nuclear Station Site in accordance with the procedures and limitations set forth in this license;
  - B. Pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the UFSAR as supplemented and amended;
  - C. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess, and use at any time byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration and as fission detectors in amounts as required;
  - D. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form for sample analysis or instrument and equipment calibration or associated with radioactive apparatus or components;
  - E. Pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the Oconee Nuclear Station, Units 1, 2 and 3.
3. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I, Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50 and Section 70.32 of

Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

A. Maximum Power Level

The licensee is authorized to operate the facility at steady state reactor core power levels not in excess of 2568 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 349, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

C. This license is subject to the following antitrust conditions:

Applicant makes the commitments contained herein, recognizing that bulk power supply arrangements between neighboring entities normally tend to serve the public interest. In addition, where there are net benefits to all participants, such arrangements also serve the best interests of each of the participants. Among the benefits of such transactions are increased electric system reliability, a reduction in the cost of electric power, and minimization of the environmental effects of the production and sale of electricity.

Any particular bulk power supply transaction may afford greater benefits to one participant than to another. The benefits realized by a small system may be proportionately greater than those realized by a larger system. The relative benefits to be derived by the parties from a proposed transaction, however, should not be controlling upon a decision with respect to the desirability of participating in the transaction. Accordingly, applicant will enter into proposed bulk power transactions of the types hereinafter described which, on balance, provide net benefits to applicant. There are net benefits in a transaction if applicant recovers the cost of the transaction (as defined in ¶1 (d) hereof) and there is no demonstrable net detriment to applicant arising from that transaction.

1. As used herein:

- (a) "Bulk Power" means electric power and any attendant energy, supplied or made available at transmission or sub-transmission voltage by one electric system to another.
- (b) "Neighboring Entity" means a private or public corporation, a governmental agency or authority, a municipality, a cooperative, or a lawful association of any of the foregoing owning or operating, or

6. To increase the possibility of achieving greater reliability and economy of electric generation and transmission facilities, applicant will discuss load projections and system development plans with any neighboring entity(ies).
7. When applicant's plans for future nuclear generating units (for which application will hereafter be made to the Nuclear Regulatory Commission) have reached the stage of serious planning, but before firm decisions have been made as to the size and desired completion date of the proposed nuclear units, applicant will notify all neighboring entities, including distribution systems with peak loads smaller than applicant's, that applicant plans to construct such nuclear units. Neither the timing nor the information provided need be such as to jeopardize obtaining the required site at the lowest possible cost.
8. The foregoing commitments shall be implemented in a manner consistent with the provisions of the Federal Power Act and all other lawful local, State and Federal regulation and authority. Nothing in these commitments is intended to determine in advance the resolution of issues which are properly raised at the Federal Energy Regulatory Commission concerning such commitments, including allocation of costs or the rates to be charged. Applicant will negotiate (including the execution of a contingent statement of intent) with respect to the foregoing commitments with any neighboring entity including distribution systems where applicable engaging in or proposing to engage in bulk power supply transactions, but applicant shall not be required to enter into any final arrangement prior to resolution of any substantial questions as to the lawful authority of an entity to engage in the transactions. In addition, applicant shall not be obligated to enter into a given bulk power supply transaction if: (1) to do so would violate, or incapacitate it from performing any existing lawful contract it has with a third party; (2) there is contemporaneously available to it, a competing or alternative arrangement which affords it greater benefits which would be mutually exclusive of such arrangement; (3) to do so would adversely affect its system operations or the reliability of power supply to its customers; or (4) if to do so would jeopardize applicant's ability to finance or construct on reasonable terms facilities needed to meet its own anticipated system requirements.

D. Fire Protection

Duke Power Company LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the UFSAR for the facility and as approved in the SER's dated August 11, 1978, and April 8, 1983; October 5, 1978, and June 9, 1981 Supplements to the SER dated August 11, 1978; and Exemptions dated February 2, 1982; August 31, 1983;

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 a fire.

E. Physical Protection

Duke Power Company LLC 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 Power Company LLC 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 POWER COMPANY LLC

DOCKET NO. 50-270

OCONEE NUCLEAR STATION, UNIT 2

RENEWED FACILITY OPERATING LICENSE

Renewed License No. DPR-47

The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. DPR-47 issued on October 6, 1973, has now found that:

- a. The application to renew License No. DPR-47 filed by Duke Energy Corporation\* complies 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, and all required notifications to other agencies or bodies have been duly made;
- b. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by the renewed license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the Oconee Nuclear Station, Unit 2 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
- c. There is reasonable assurance: (i) that the activities authorized by this renewed license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the applicable regulations set forth in 10 CFR Chapter I, except as exempted from compliance;
- d. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements;"
- e. The renewal of this license will not be inimical to the common defense and security or the health and safety of the public; and
- f. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs, and considering available alternatives, the renewal of this license is in accordance with 10 CFR Part 51 and all applicable requirements have been satisfied.

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\* Duke Energy Corporation has converted to Duke Power Company LLC, which is the owner and operator of Oconee Nuclear Station, Unit 2. References to the "licensee" are to Duke Power Company LLC.

On the basis of the foregoing findings regarding this facility, Facility Operating License No. DPR-47, issued on October 6, 1973, is superseded by Renewed Facility Operating License No. DPR-47, which is hereby issued to Duke Power Company LLC, to read as follows:

1. This license applies to the Oconee Nuclear Station, Unit 2, a pressurized water reactor and associated equipment (the facility) owned and operated by Duke Power Company LLC. The facility is located in eastern Oconee County, about eight miles northeast of Seneca, South Carolina, and is described in the "Updated Final Safety Analysis Report" (UFSAR) as supplemented and amended and the Environmental Report as supplemented and amended.
2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Duke Power Company LLC (the licensee):
  - A. Pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location on the Oconee Nuclear Station Site in accordance with the procedures and limitations set forth in this license;
  - B. Pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel in accordance with the limitations for storage and amounts required for reactor operation, as described in the UFSAR as supplemented and amended;
  - C. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess, and use at any time byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration and as fission detectors in amounts as required;
  - D. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form for sample analysis or instrument and equipment calibration or associated with radioactive apparatus or components;
  - E. Pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the Oconee Nuclear Station, Units 1, 2 and 3.
3. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I, Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50 and Section 70.32 of

Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

A. Maximum Power Level

The licensee is authorized to operate the facility at steady state reactor core power levels not in excess of 2568 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 351, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

C. This license is subject to the following antitrust conditions:

Applicant makes the commitments contained herein, recognizing that bulk power supply arrangements between neighboring entities normally tend to serve the public interest. In addition, where there are net benefits to all participants, such arrangements also serve the best interests of each of the participants. Among the benefits of such transactions are increased electric system reliability, a reduction in the cost of electric power, and minimization of the environmental effects of the production and sale of electricity.

Any particular bulk power supply transaction may afford greater benefits to one participant than to another. The benefits realized by a small system may be proportionately greater than those realized by a larger system. The relative benefits to be derived by the parties from a proposed transaction, however, should not be controlling upon a decision with respect to the desirability of participating in the transaction. Accordingly, applicant will enter into proposed bulk power transactions of the types hereinafter described which, on balance, provide net benefits to applicant. There are net benefits in a transaction if applicant recovers the cost of the transaction (as defined in ¶1(d) hereof) and there is no demonstrable net detriment to applicant arising from that transaction.

1. As used herein:

- (a) "Bulk Power" means electric power and any attendant energy, supplied or made available at transmission or sub-transmission voltage by one electric system to another.
- (b) "Neighboring Entity" means a private or public corporation, a governmental agency or authority, a municipality, a cooperative, or a lawful association of any of the foregoing owning or operating, or

6. To increase the possibility of achieving greater reliability and economy of electric generation and transmission facilities, applicant will discuss load projections and system development plans with any neighboring entity(ies).
7. When applicant's plans for future nuclear generating units (for which application will hereafter be made to the Nuclear Regulatory Commission) have reached the stage of serious planning, but before firm decisions have been made as to the size and desired completion date of the proposed nuclear units, applicant will notify all neighboring entities, including distribution systems with peak loads smaller than applicant's, that applicant plans to construct such nuclear units. Neither the timing nor the information provided need be such as to jeopardize obtaining the required site at the lowest possible cost.
8. The foregoing commitments shall be implemented in a manner consistent with the provisions of the Federal Power Act and all other lawful local, State and Federal regulation and authority. Nothing in these commitments is intended to determine in advance the resolution of issues which are properly raised at the Federal Energy Regulatory Commission concerning such commitments, including allocation of costs or the rates to be charged. Applicant will negotiate (including the execution of a contingent statement of intent) with respect to the foregoing commitments with any neighboring entity including distribution systems where applicable engaging in or proposing to engage in bulk power supply transactions, but applicant shall not be required to enter into any final arrangement prior to resolution of any substantial questions as to the lawful authority of an entity to engage in the transactions. In addition, applicant shall not be obligated to enter into a given bulk power supply transaction if: (1) to do so would violate, or incapacitate it from performing any existing lawful contract it has with a third party; (2) there is contemporaneously available to it, a competing or alternative arrangement which affords it greater benefits which would be mutually exclusive of such arrangement; (3) to do so would adversely affect its system operations or the reliability of power supply to its customers; or (4) if to do so would jeopardize applicant's ability to finance or construct on reasonable terms facilities needed to meet its own anticipated system requirements.

D. Fire Protection

Duke Power Company LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the UFSAR for the facility and as approved in the SER's dated August 11, 1978, and April 28, 1983; October 5, 1978, and June 9, 1981 Supplements to the SER dated August 11, 1978; and Exemptions dated February 2, 1982; August 31, 1983;

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 a fire.

E. Physical Protection

Duke Power Company LLC 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 Power Company LLC 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 POWER COMPANY LLC

DOCKET NO. 50-287

OCONEE NUCLEAR STATION, UNIT 3

RENEWED FACILITY OPERATING LICENSE

Renewed License No. DPR-55

The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. DPR-55 issued on July 19, 1974, has now found that:

- a. The application to renew License No. DPR-55 filed by Duke Energy Corporation\* complies 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, and all required notifications to other agencies or bodies have been duly made;
- b. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by the renewed license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the Oconee Nuclear Station, Unit 3 (facility or plant), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
- c. There is reasonable assurance: (i) that the activities authorized by this renewed license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the applicable regulations set forth in 10 CFR Chapter I, except as exempted from compliance;
- d. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements;"
- e. The renewal of this license will not be inimical to the common defense and security or the health and safety of the public; and
- f. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs, and considering available alternatives, the renewal of this license is in accordance with 10 CFR Part 51 and all applicable requirements have been satisfied.

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\* Duke Energy Corporation has converted to Duke Power Company LLC, which is the owner and operator of Oconee Nuclear Station, Unit 3. References to the "licensee" are to Duke Power Company LLC.

On the basis of the foregoing findings regarding this facility, Facility Operating License No. DPR-55, issued on July 19, 1974, is superseded by Renewed Facility Operating License No. DPR-55, which is hereby issued to Duke Power Company LLC, to read as follows:

1. This license applies to the Oconee Nuclear Station, Unit 3, a pressurized water reactor and associated equipment (the facility) owned and operated by Duke Power Company LLC. The facility is located in eastern Oconee County, about eight miles northeast of Seneca, South Carolina, and is described in the "Updated Final Safety Analysis Report" (UFSAR) as supplemented and amended and the Environmental Report as supplemented and amended.
2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Duke Power Company LLC (the licensee):
  - A. Pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location on the Oconee Nuclear Station Site in accordance with the procedures and limitations set forth in this license;
  - B. Pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the UFSAR as supplemented and amended;
  - C. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess, and use at any time byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration and as fission detectors in amounts as required;
  - D. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form for sample analysis or instrument and equipment calibration or associated with radioactive apparatus or components;
  - E. Pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the Oconee Nuclear Station, Units 1, 2 and 3.
3. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I, Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50 and Section 70.32 of

Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

A. Maximum Power Level

The licensee is authorized to operate the facility at steady state reactor core power levels not in excess of 2568 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 349, are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

C. This license is subject to the following antitrust conditions:

Applicant makes the commitments contained herein, recognizing that bulk power supply arrangements between neighboring entities normally tend to serve the public interest. In addition, where there are net benefits to all participants, such arrangements also serve the best interests of each of the participants. Among the benefits of such transactions are increased electric system reliability, a reduction in the cost of electric power, and minimization of the environmental effects of the production and sale of electricity.

Any particular bulk power supply transaction may afford greater benefits to one participant than to another. The benefits realized by a small system may be proportionately greater than those realized by a larger system. The relative benefits to be derived by the parties from a proposed transaction, however, should not be controlling upon a decision with respect to the desirability of participating in the transaction. Accordingly, applicant will enter into proposed bulk power transactions of the types hereinafter described which, on balance, provide net benefits to applicant. There are net benefits in a transaction if applicant recovers the cost of the transaction (as defined in ¶1(d) hereof) and there is no demonstrable net detriment to applicant arising from that transaction.

1. As used herein:

- (a) "Bulk Power" means electric power and any attendant energy, supplied or made available at transmission or sub-transmission voltage by one electric system to another.
- (b) "Neighboring Entity" means a private or public corporation, a governmental agency or authority, a municipality, a cooperative, or a lawful association of any of the foregoing owning or operating, or

6. To increase the possibility of achieving greater reliability and economy of electric generation and transmission facilities, applicant will discuss load projections and system development plans with any neighboring entity(ies).
7. When applicant's plans for future nuclear generating units (for which application will hereafter be made to the Nuclear Regulatory Commission) have reached the stage of serious planning, but before firm decisions have been made as to the size and desired completion date of the proposed nuclear units, applicant will notify all neighboring entities, including distribution systems with peak loads smaller than applicant's, that applicant plans to construct such nuclear units. Neither the timing nor the information provided need be such as to jeopardize obtaining the required site at the lowest possible cost.
8. The foregoing commitments shall be implemented in a manner consistent with the provisions of the Federal Power Act and all other lawful local, State and Federal regulation and authority. Nothing in these commitments is intended to determine in advance the resolution of issues which are properly raised at the Federal Energy Regulatory Commission concerning such commitments, including allocation of costs or the rates to be charged. Applicant will negotiate (including the execution of a contingent statement of intent) with respect to the foregoing commitments with any neighboring entity including distribution systems where applicable engaging in or proposing to engage in bulk power supply transactions, but applicant shall not be required to enter into any final arrangement prior to resolution of any substantial questions as to the lawful authority of an entity to engage in the transactions. In addition, applicant shall not be obligated to enter into a given bulk power supply transaction if: (1) to do so would violate, or incapacitate it from performing any existing lawful contract it has with a third party; (2) there is contemporaneously available to it, a competing or alternative arrangement which affords it greater benefits which would be mutually exclusive of such arrangement; (3) to do so would adversely affect its system operations or the reliability of power supply to its customers; or (4) if to do so would jeopardize applicant's ability to finance or construct on reasonable terms facilities needed to meet its own anticipated system requirements.

D. Fire Protection

Duke Power Company LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the UFSAR for the facility and as approved in the SER's dated August 11, 1978, and April 28, 1983; October 5, 1978, and June 9, 1981 Supplements to the SER dated August 11, 1978; and Exemptions dated February 2, 1982; August 31, 1983;

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 a fire.

- E. Physical Protection

Duke Power Company LLC 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 Power Company LLC 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.