



10 CFR 50.80
10 CFR 50.90

JAMES R. MORRIS, VICE PRESIDENT

Duke Energy Carolinas, LLC
Catawba Nuclear Station
4800 Concord Road / CN01VP
York, SC 29745

803-701-4251
803-701-3221 fax

September 26, 2008

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

E. J. Leeds, Director, Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Mail Stop 0-13 D13
Washington, DC 20555-0001

Subject: Duke Energy Carolinas, LLC (Duke)
Catawba Nuclear Station, Unit 1, Docket No. 50-413
Notification Concerning Conditions Required for Approval of License Transfer

On September 25, 2008, the Nuclear Regulatory Commission (NRC) issued an Order to Duke approving the transfer of the Catawba Nuclear Station, Unit 1, Renewed Facility Operating License No. NPF-35 and Conforming Amendment in connection with the transfer from Saluda River Electric Cooperative, Inc. (SREC)'s non-operating undivided ownership interest in Catawba Nuclear Station Unit 1 to Duke, a current owner and the operating licensee, and North Carolina Electric Membership Corporation (NCEMC), a current owner. The Order approves the transfer subject to the following conditions:

- (1) At the time of closing of the license transfer, SREC shall transfer to Duke Energy Carolinas, LLC's, Master Decommissioning Trust, the proportional amount of SREC's decommissioning funds corresponding to the proportionate ownership interest being transferred (approximately 13.49 percent of SREC's 18.75 percent interest in Catawba 1).
- (2) At the time of closing of the license transfer, SREC shall transfer to the NCEMC decommissioning fund, the proportional amount of SREC's decommissioning funds corresponding to the proportionate ownership interest being transferred (approximately 5.26 percent of SREC's 18.75 percent interest in Catawba 1).

The order also requires Duke inform the Director of the Office of Nuclear Reactor Regulation (NRR) in writing of receipt of all regulatory approvals no later than two (2) business days prior to the date of the closing of the direct transfer.

The purpose of this letter is to 1) confirm that the transfer of SREC's decommissioning funds to Duke and NCEMC will be completed at the time of closing as reflected in the Order, and (2) notify the Director of NRR, in accordance with the Order, that Duke has received all regulatory approvals required to complete the transfer.

ADD
NER

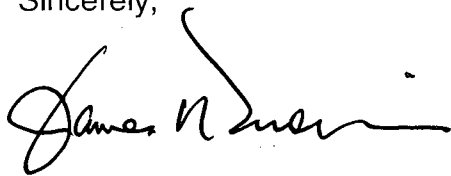
SREC will transfer to Duke at the time of closing on September 30, 2008 the proportional amount of SREC's decommissioning funds reflecting the proportionate ownership interest being transferred. Also, SREC will transfer to NCEMC, at closing, the proportional amount of SREC's decommissioning funds reflecting the proportionate ownership interest being transferred.

Duke received final regulatory approval on July 2, 2008 from the Public Service Commission of South Carolina, Docket No. 2008-117-E. Approval from the Federal Energy Regulatory Commission was received on September 24, 2008, Docket No. EC08-94-000. Duke is in compliance with the termination of the 30-day waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

Attached is a letter dated September 25, 2008 from American Nuclear Insurers in regard to the SREC license transfer confirming the nuclear liability insurance for Catawba.

There are no regulatory commitments in the correspondence. If you have any questions or require any additional information, please contact Kathryn B. Nolan at (704) 382-8869.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Morris". The signature is fluid and cursive, with a long horizontal stroke at the end.

James R. Morris

Attachment

xc:

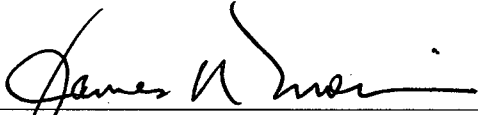
L. A. Reyes, Region II Administrator
U.S. Nuclear Regulatory Commission
Sam Nunn Atlanta Federal Center, 23 T85
61 Forsyth St., SW
Atlanta, GA 30303-8931

J. F. Stang, Jr., Senior Project Manager (CNS & MNS)
U. S. Nuclear Regulatory Commission
11555 Rockville Pike
Mail Stop 0-8 G9A
Rockville, MD 20852-2738

A. T. Sabisch
NRC Senior Resident Inspector
Catawba Nuclear Station

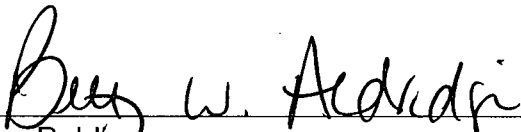
S. E. Jenkins, Section Manager
Division of Waste Management
South Carolina Department of Health and Environmental Control
2600 Bull St.
Columbia, SC 29201

James R. Morris affirms that he is the person who subscribed his name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.



James R. Morris

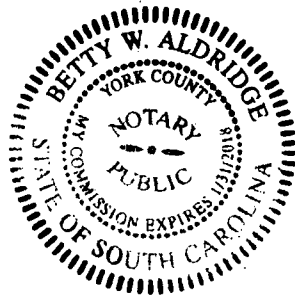
Subscribed and sworn to me: 9-26-08
Date



Notary Public

My Commission Expires: 1/31/2018
Date

SEAL



bxc:

J. R. Morris – CN01VP
K. B. Nolan – EC07H
R. L. Gill, Jr. – EC05P
R. D. Hart – CN01RC
D. V. Keiser – EC05Z
T. K. Pasour – CN01RC
L. B. Jones – EC05P
NCMPA-1
SREC
PMPA
NCEMC
CNS Master File – CN04DM (File CN 801.01)
RGC Date File – CN01RC
ELL
D. Repka – Winston & Strawn LLP

ATTACHMENT
AMERICAN NUCLEAR INSURERS
SEPTEMBER 25, 2008



UNDERWRITING DEPARTMENT
Richard Jones, Director

September 25, 2008

Mr. Ira Dinitz
Indemnity Specialist
U.S. Nuclear Regulatory Commission
Mail Stop 12D3
1 White Flint North
Rockville, MD 20852

**Duke Power Company LLC
Catawba Nuclear Station**

Dear Ira,

This letter is in regard to the Saluda River Electric Cooperative, Inc. license transfer relating to the Catawba Nuclear Station.

American Nuclear Insurers confirms that we write nuclear liability insurance for the Catawba Nuclear Station under the forms listed below. All of the cited forms show Duke Power Company LLC as the first Named Insured. The insurance is purchased to satisfy the requirements of financial protection as set forth in Section 170b of the Atomic Energy Act of 1954, as amended, and the requirements of 10 CFR Part 140.

Policy/Certificate	Type of Coverage
NF-0281	Facility Form
N-0097	Certificate to the Secondary Financial Protection Master Policy
N-0106	Certificate to the Secondary Financial Protection Master Policy
NW-0637	Certificate to the Master Worker Policy

Ira, if you need further information, please let me know.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Richard Jones', written over a light blue horizontal line.

American Nuclear Insurers ■ 95 Glastonbury Blvd ■ Glastonbury, CT 06033-4438

RJones@NuclearInsurance.com ■ Voice: (860) 682-1301 Extension: 233 ■ Fax: (860) 659-0002