October 10, 2008

Mr. T. C. Geer
Vice President, Nuclear Engineering
Duke Energy Corporation
526 Church St
Charlotte, NC 28202

SUBJECT: CATAWBA NUCLEAR STATION, UNITS 1 AND 2, AND MCGUIRE NUCLEAR STATION, UNITS 1 AND 2, RE: DUKE POWER COMPANY, LLC., REQUEST FOR WITHHOLDING INFORMATION FROM PUBLIC DISCLOSURE, REVISION 1 TO METHODOLOGY REPORT DPC-NE-1005-P, NUCLEAR DESIGN METHODOLOGY USING CASMO-4/SIMULATE-3 MOX (TAC NOS. MD7407, MD7408, MD7409 AND MD7410)

Dear Mr. Geer:

By letter dated May 4, 2007, to the U.S. Nuclear Regulatory Commission (NRC), Duke Energy Corporation (Duke, the licensee) submitted an affidavit dated May 8, 2007, executed by you, requesting that the information contained in the following document be withheld from public disclosure pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 2, Section 2.390:

DPC-NE-1005-P, Revision 1, Duke Power Nuclear Design Methodology Using CASMO-4/SIMULATE-3 MOX

The affidavit stated that the submitted information should be considered exempt from mandatory public disclosure for the following reasons:

(i) The information sought to be withheld from public disclosure is owned by Duke and has been held in confidence by Duke and its consultants.

(ii) The information is of a type that is customarily held in confidence by Duke. The information consists of analysis methodology details, analysis results, supporting data, and aspects of development programs, relative to a method of analysis that provides a competitive advantage to Duke.

(iii) The information was transmitted to the NRC in confidence and under the provisions of 10 CFR 2.390, it is to be received in confidence by the NRC.

(iv) The information sought to be protected is not available in public to the best of our knowledge and belief.

(v) The proprietary information sought to be withheld in the submittal is that which is marked in the proprietary version of Revision 1 to the Duke methodology report DPC-NE-1005-P, *Nuclear Design Methodology Using CASMO-4/SIMULATE-3 MOX.* This information enables Duke to:

(a) Support license amendment and Technical Specification revision request for its McGuire and Catawba reactors.

(b) Perform nuclear design calculations on McGuire and Catawba reactor cores containing low enriched uranium fuel with and without gadolinia.

(vi) The proprietary information sought to be withheld from public disclosure has substantial commercial value to Duke.

(a) Duke uses this information to reduce vendor and consultant expenses associated with supporting the operation and licensing of nuclear power plants.

(b) Duke can sell the information to nuclear utilities, vendors, and consultants for the purpose of supporting the operation and licensing of nuclear power plants.

(c) The subject information could only be duplicated by competitors at similar expense to that incurred by Duke.

We have reviewed your application and the material in accordance with the requirements of 10 CFR 2.390 and, on the basis of your statements, have determined that the submitted information sought to be withheld contains proprietary commercial information and should be withheld from public disclosure.

Therefore, the version(s) of the submitted information marked as proprietary will be withheld from public disclosure pursuant to 10 CFR 2.390(b)(5) and Section 103(b) of the Atomic Energy Act of 1954, as amended.

Withholding from public inspection shall not affect the right, if any, of persons properly and directly concerned to inspect the documents. If the need arises, we may send copies of this information to our consultants working in this area. We will, of course, ensure that the consultants have signed the appropriate agreements for handling proprietary information.

If the basis for withholding this information from public inspection should change in the future such that the information could then be made available for public inspection, you should promptly notify the NRC. You also should understand that the NRC may have cause to review this determination in the future, for example, if the scope of a Freedom of Information Act request includes your information. In all review situations, if the NRC makes a determination adverse to the above, you will be notified in advance of any public disclosure.

If you have any questions regarding this matter, I may be reached at 301-415-1345.

Sincerely,

/RA/

John Stang, Senior Project Manager
Plant Licensing Branch II-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-413, 50-414,
50-369 and 50-370

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/RA/

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