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February 25, 2009

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

Subject: Duke Energy Carolinas, LLC
William States Lee III Nuclear Station - Project Number 742
Annual Update for William States Lee III
Nuclear Station Units 1 and 2 Combined License Application

- References:
1. Letter from Bryan J. Dolan (Duke Energy) to R. William Borchardt (NRC), *Application for Combined License for William States Lee III Nuclear Station Units 1 and 2*, dated December 12, 2007
 2. Letter from Joelle L. Starefos (NRC) to Bryan J. Dolan (Duke Energy), *Acceptance Review for the William States Lee III Nuclear Station Units 1 and 2 Combined License Application*, dated February 25, 2008
 3. Letter from Bryan J. Dolan (Duke Energy) to NRC Document Control Desk, *Departures Report Update for Combined License Application for William States Lee III Nuclear Station Units 1 and 2*, dated October 3, 2008

This letter provides the Duke Energy updates to the William States Lee III Combined License (COL) application required by 10 CFR 50.71(e)(3)(iii) and 10 CFR Part 52, Appendix D, Subsections X.B.1 and X.B.3.b. This update includes the annual update of the docketed Final Safety Analysis Report and the semi-annual update of the Departures Report (COL application, Part 2 and Part 7, respectively). Additionally, Parts 1, 4, 9, 10 and 11 of the COL application submitted by Duke Energy (Reference 1) and accepted by the Nuclear Regulatory Commission (NRC) (Reference 2) are also updated. Revisions to the COL application are identified by change bars positioned in the right hand margin for text and by the revision number for figures.

This update includes changes identified by previous correspondence, including responses to requests for additional information, through December 23, 2008, as well as various other updates such as miscellaneous errata items, standard and plant specific changes necessary to reflect the incorporation by reference of the AP1000 generic Design Control Document (DCD) Revision 17, and standard and plant-specific changes necessary to reflect the incorporation by reference of some template revisions submitted by the Nuclear Energy Institute (NEI). NEI templates are updated after the final NRC approved version of the template is issued. In addition to the above mentioned changes, Part 1 has been revised to include changes related to corporate

offices, financial, and cost information through December 23, 2008, including updated information from Duke Energy's 2008 Integrated Resource Plan, provided to the NRC by letter dated November 4, 2008.

The WLS COL application is comprised of several parts. Each of these is identified below along with indication of any revision contained in this document update.

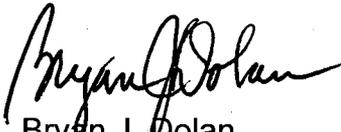
- Part 1 General and Financial Information (Revision 1 included)
- Part 2 Final Safety Analysis Report (Revision 1 included)
- Part 3 Environmental Report (Revision 0, December 12, 2007, not included in this update)
- Part 4 Technical Specifications (Revision 1 included)
Part 4 was originally submitted as a "clean copy" ready for issuance with the Combined License. This update includes change bars to show where the revisions have been made to support NRC review. A clean copy will be prepared once the review is complete on a schedule necessary to support the issuance of the Combined License.
- Part 5 Emergency Planning (Revision 1, February 8, 2008, not included in this update)
- Part 6 [Not used in this application; reserved for applications requesting Limited Work Authorization]
- Part 7 Departures and Exemption Requests (Revision 1 included)
Reference 3 identified no additions, deletions, or changes to the Lee Nuclear Station Departures Report during the first reporting period.
- Part 8 Safeguards / Security Plans (Revision 0, December 12, 2007, not included in this update)
- Part 9 Withheld Information (Revision 1 included)
- Part 10 Proposed License Conditions, including Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) (Revision 1 included)
- Part 11 Enclosures (Revision 1 included)

A document identifying each change, as well as its source or basis, is being provided as an aid to the NRC reviewers and will be submitted by separate letter.

This application update contains no Restricted Data or other defense information requiring separation in accordance with 10 CFR 50.33(j). Part 9 of this application update contains the information that Duke Energy is requesting the NRC to withhold from public disclosure in accordance with the requirements of 10 CFR 2.390, including sensitive, unclassified, non-safeguards information (SUNSI). Appropriate affidavits are included with this letter.

A complete set of updated application documents (by Part as identified above) is provided in electronic file format on the enclosed disk (Enclosure 1). Application documents (by Part) that are not updated are not included on the enclosed disk. Appropriate pre-submission checks have been successfully performed on the files for both disks to ensure compliance with the guidelines provided on the NRC web site and they have been found acceptable for electronic submittal. The disk includes a "packing slip" describing its contents, pursuant to NRC instructions for electronic filing.

If you have any questions or need any additional information, please contact Peter Hastings, Nuclear Plant Development, Licensing Manager, at (980) 373-7820.



Bryan J. Dolan
Vice President
Nuclear Plant Development

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Enclosure:

Combined License Application Annual Update for William States Lee III Nuclear Station; Parts 1, 2, 4, 7, 9, 10 and 11 (Electronic Submittal 3) (Non-Public)

AFFIDAVIT OF BRYAN J. DOLAN

1. I am Vice President, Nuclear Plant Development, and as such have the responsibility for reviewing the information sought to be withheld from public disclosure in connection with and am authorized to apply for its withholding on behalf of Duke Energy Carolinas, LLC (Duke).
2. I am making this affidavit in conformance with the provisions of 10 CFR 2.390 of the regulations of the Nuclear Regulatory Commission (NRC) and in conjunction with Duke's application for withholding which accompanies this affidavit.
3. I have knowledge of the criteria used by Duke in designating information as sensitive, proprietary, or confidential.
4. Pursuant to the provision of paragraph (a)(4) of 10 CFR 2.390, the following is furnished for consideration by the NRC in determining whether the information sought to be withheld from public disclosure should be withheld.
 - a. The information sought to be withheld from public disclosure is owned by Duke and has been held in confidence by Duke and its consultants.
 - b. The information sought to be protected is not available to the public to the best of our knowledge and belief.
 - c. The information is of the type that would customarily be held in confidence by Duke. This financial information consists of Duke's projection for construction, fuel supply, and operating costs. Public disclosure of this information is likely to cause harm to Duke because it would allow contractors, vendors, and competitors to understand Duke's competitive position and schedule prior to securing the related contracts and services.
 - d. The proprietary information sought to be withheld from public disclosure is identified in Part 9 of the COL application and is marked as proprietary as it appears in the application.
 - e. 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.

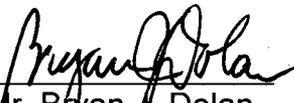

Mr. Bryan J. Dolan

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AFFIDAVIT OF BRYAN J. DOLAN

5. Pursuant to the provisions of paragraphs (a)(6) and (a)(9) of 10 CFR 2.390, the following information is furnished for consideration by the NRC in determining whether the information sought to be withheld from public disclosure should be withheld.
 - a. The information is of the type that would customarily be held in confidence by Duke. The COL application contains geological and geophysical information and data, including maps, concerning wells. Some of the data concerning wells also contains associated personal identifiers.
 - b. The proprietary information sought to be withheld from public disclosure is identified in Part 9 of the COL application and is marked as proprietary as it appears in the application.
 - c. 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.

6. Pursuant to the provisions of paragraph (d)(1) of 10 CFR 2.390 and 10 CFR 9.17(a), the following information is furnished for consideration by the NRC in determining whether the information sought to be withheld from public disclosure should be withheld.
 - a. The information is of the type that would customarily be held in confidence by Duke. The COL application contains sensitive, unclassified, non-safeguards physical security information. Public disclosure of this information is likely to cause harm to Duke because it would identify details or features of the plant that could be an aid to a potential adversary. In addition, through the course of developing the COL application in accordance with Regulatory Guide 1.206, "Combined License Application for nuclear Power Plants," Duke has identified certain information that might identify potential vulnerabilities to the critical infrastructure.
 - b. The proprietary information sought to be withheld from public disclosure is identified in Part 9 of the COL application and is marked as proprietary as it appears in the application.
 - c. 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.


Mr. Bryan J. Dolan

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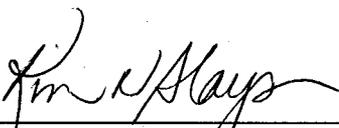
AFFIDAVIT OF BRYAN J. DOLAN

Bryan J. Dolan, being duly sworn, states that he is Vice President, Nuclear Plant Development, Duke Energy Carolinas, LLC, that he is authorized on the part of said Company to sign and file with the U. S. Nuclear Regulatory Commission this combined license application for the William States Lee III Nuclear Station, and that all the matter and facts set forth herein are true and correct to the best of his knowledge.



Bryan J. Dolan, Vice President

Subscribed and sworn to me: 2/25/2009
Date



Notary Public

My commission expires: 4/19/2010
Date



xc (w/out enclosure):

Loren Plisco, Deputy Regional Administrator, Region II
Stephanie M. Coffin, Acting Deputy Division Director, DNRL
Mark Tonacci , Acting Branch Chief, DNRL
Brian Anderson, Project Manager, DNRL
Ravi Joshi, Project Manager DNRL
Tanya Sims, Project Manager DNRL
Manny Comar, Project Manager DNRL
Sujata Goetz, Project Manager DNRL

xc (w/ enclosure):

Brian Hughes, Senior Project Manager, DNRL