

June 8, 2010

MEMORANDUM TO: Robert D. Carlson, Chief
Financial Analysis Branch
Division of Policy and Rulemaking
Office of Nuclear Reactor Regulation

FROM: Aaron L. Szabo, Financial Analyst **/RA/**
Financial Analysis Branch
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Office of Nuclear Reactor Regulation

SUBJECT: THE NUCLEAR REGULATORY COMMISSION STAFF
"SPOT-CHECK" REVIEW OF DUKE ENERGY'S OWNERSHIP
INTEREST OF CATAWBA NUCLEAR STATION UNITS 1 AND 2,
MCGUIRE NUCLEAR STATION UNITS 1 AND 2, AND OCONEE
NUCLEAR STATION UNITS 1, 2 AND 3 ON MAY 20, 2010 –
FINDING OF NO POTENTIAL ISSUES IN BANK STATEMENTS

Pursuant to SECY-07-0197, the Nuclear Regulatory Commission (NRC) staff has been instructed to perform "Spot-checks" on licensees to ensure that the amount reported to the Nuclear Regulatory Commission (NRC) in the Decommissioning Funding Status (DFS) Report is equivalent to the amount the licensee has in their bank account, as of December 31 of the preceding year. After providing at least 10 days prior notice, the NRC Staff, on May 20, 2010, performed the "Spot-check" at 526 South Church Street, Charlotte, North Carolina, where Duke Energy holds/receives the original bank statements for Catawba Nuclear Station Units 1 and 2 (Catawba 1 and 2), McGuire Nuclear Station Units 1 and 2 (McGuire 1 and 2) and Oconee Nuclear Station Units 1, 2 and 3 (Oconee 1, 2 and 3).

After the NRC staff's "Spot-check" of Catawba 1 and 2, McGuire 1 and 2 and Oconee 1, 2 and 3 at the location of the original bank statements, the NRC staff found no issues related to the amount reported to the NRC in the 2009 DFS Report and the stated amount in the bank statements dated December 31, 2008. The bank statements of Duke Energy were divided between qualified bank accounts and non-qualified bank accounts. The total of all of the accounts was not equivalent to the amount provided to the NRC in the 2009 DFS Report.

Duke Energy provided the NRC staff with documentation of the reason for the discrepancy between the total amount in the bank statements, as of December 31, 2008, and the amount reported to the NRC in the 2009 DFS Report. The NRC allows for commingling of both non-radiological and radiological funds in the same bank account. Duke Energy provided the NRC Staff with the distribution between radiological and non-radiological.

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The internal documentation provides that the amount designated to the NRC for radiological decommissioning in the December 31, 2008, bank statement is equivalent to the amount reported to the NRC in the DFS Report.

Because no issues were found in the NRC staff's "Spot-check" of Catawba 1 and 2, McGuire 1 and 2 and Oconee 1, 2 and 3, this memo serves to close out the "Spot-Check" in relation to Duke Energy's ownership interest in the above-stated units.

Docket No(s). 50-413, 50-414, 50-369,
50-370, 50-269,
50-270, 50-287

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The internal documentation provides that the amount designated to the NRC for radiological decommissioning in the December 31, 2008, bank statement is equivalent to the amount reported to the NRC in the DFS Report.

Because no issues were found in the NRC staff's "Spot-check" of Catawba 1 and 2, McGuire 1 and 2 and Oconee 1, 2 and 3, this memo serves to close out the "Spot-Check" in relation to Duke Energy's ownership interest in the above-stated units.

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