



PO Box 1551
411 Fayetteville Street Mall
Raleigh NC 27602

10 CFR 50.4
10 CFR 50.80
10 CFR 72.4
10 CFR 72.50

Serial: RA-11-025
September 2, 2011

United States Nuclear Regulatory Commission
ATTENTION: Document Control Desk
Washington, DC 20555-0001

BRUNSWICK STEAM ELECTRIC PLANT, UNIT NOS. 1 AND 2
DOCKET NOS. 50-325 AND 50-324 / RENEWED LICENSE NOS. DPR-71 AND DPR-62

BRUNSWICK STEAM ELECTRIC PLANT
INDEPENDENT SPENT FUEL STORAGE INSTALLATION
DOCKET NO. 72-6

CRYSTAL RIVER UNIT 3 NUCLEAR GENERATING PLANT
DOCKET NO. 50-302 / LICENSE NO. DPR-72

SHEARON HARRIS NUCLEAR POWER PLANT, UNIT NO. 1
DOCKET NO. 50-400 / RENEWED LICENSE NO. NPF-63

H. B. ROBINSON STEAM ELECTRIC PLANT, UNIT NO. 2
DOCKET NO. 50-261 / RENEWED LICENSE NO. DPR-23

H.B. ROBINSON STEAM ELECTRIC PLANT, UNIT NO. 2
INDEPENDENT SPENT FUEL STORAGE INSTALLATION
DOCKET NO. 72-3 / RENEWED LICENSE NO. SNM-2502

H.B. ROBINSON STEAM ELECTRIC PLANT, UNIT NO. 2
INDEPENDENT SPENT FUEL STORAGE INSTALLATION
DOCKET NO. 72-60

**SUBJECT: RESPONSE TO REQUEST FOR ADDITIONAL INFORMATION REGARDING
APPLICATION FOR NRC CONSENT TO INDIRECT LICENSE TRANSFER FOR
THE PROPOSED MERGER OF DUKE ENERGY CORPORATION AND
PROGRESS ENERGY INC.**

References:

1. Progress Energy letter from James Scarola to the Nuclear Regulatory Commission (NRC) Document Control Desk titled, *Application for Approval of Indirect Transfers of Control of Licenses Pursuant to 10 CFR § 50.80 and 10 CFR § 72.50*, dated March 30, 2011. (ML11110A031))
2. NRC e-mail from Brenda L. Mozafari titled, *CPL and FPL Indirect License Transfer (TAC No. ME5970)*, dated July 22, 2011

**Attachment 2 to Enclosure 1 of this letter contains
Confidential Information – Withhold in Accordance with 10 CFR 2.390
Upon removal of Attachment 2 to Enclosure 1, this letter is decontrolled.**

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NMSS

Ladies and Gentlemen:

Carolina Power & Light Company (CP&L) and Florida Power Corporation (FPC) submitted the *Application for Approval of Indirect Transfers of Control of Licenses Pursuant to 10 CFR § 50.80 and 10 CFR § 72.50*, dated March 30, 2011, for the licensees listed above via Reference 1. A Request for Additional Information (RAI), Reference 2, was received on July 22, 2011. CP&L and FPC's response to the RAI is enclosed.

Enclosure 1 contains the CP&L and FPC response to the RAI. Enclosure 2 contains an affidavit required in accordance with 10 CFR 2.390(b)(1)(ii). Attachment 2 to Enclosure 1 contains confidential information, therefore CP&L and FPC request withholding of the information in accordance with 10 CFR 2.390(a)(4). Enclosure 3 contains a redacted version of Attachment 2 to Enclosure 1.

The post-merger organizational charts provided are as currently planned. The Quality Assurance Program descriptions and Conduct of Operations sections in each facility's Updated Final Safety Analysis Report (UFSAR) address the organizational structure, functional responsibilities, levels of authority and interfaces. Changes to the organizational structure or conduct of operations are evaluated in accordance with 10 CFR 50.54(a) to ensure no reduction in commitments are made without prior NRC approval. Revised UFSAR organizational structure descriptions are submitted to the NRC in accordance with 10 CFR 50.71(e).

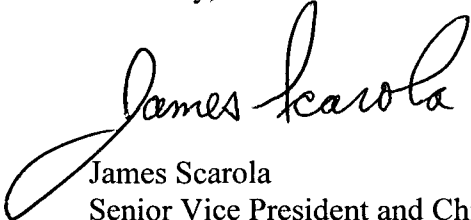
In addition, CP&L and FPC are required to satisfy the qualification requirements in Regulatory Guide 1.8, *Personnel Selection and Training*, as discussed in Chapter 1 of each facility's UFSAR.

This document contains no new regulatory commitments.

Please contact Donna Alexander at (919) 546-5357 if you have any additional questions.

I declare under the penalty of perjury that the foregoing is true and correct. Executed on September 2, 2011.

Sincerely,



James Scarola
Senior Vice President and Chief Nuclear Officer
Carolina Power & Light Company
Florida Power Corporation

DBA

Enclosures:

1. Response to Request for Additional Information Regarding Application for NRC Consent to Indirect License Transfer for the Proposed Merger of Duke Energy Corporation and Progress Energy, Inc. (Enclosure 1, Attachment 2, contains Confidential Information – Withhold in Accordance with 10 CFR 2.390)

2. Affidavit for Withholding
3. Redacted Version of Enclosure 1, Attachment 2, Duke Energy Corporation and Progress Energy, Inc. Organization Charts Post Merger

cc: USNRC – Region II
USNRC Resident Inspector – BSEP, Unit Nos. 1 and 2
USNRC Resident Inspector – CR3
USNRC Resident Inspector – SHNPP, Unit No. 1
USNRC Resident Inspector – HBRSEP, Unit No. 2
USNRC - Director of the Office of Nuclear Reactor Regulation
USNRC - Director, Division of Spent Fuel Storage and Transportation, Office of Nuclear
Material Safety and Safeguards

Susan Uttal, Esq., NRC OGC
Thomas Fredrichs, Senior Level Advisor for Financial Matters, NRR
John Stang, NRR Project Manager – ONS, Unit Nos. 1, 2 and 3
Jon Thompson, NRR Project Manager – CNS, Unit Nos. 1 and 2; MNS Unit Nos. 1 and 2
Farideh Saba, NRR Project Manager – BSEP, Unit Nos. 1 and 2; CR3
Brenda Mozafari, NRR Project Manager – SHNPP, Unit No. 1; HBRSEP, Unit No. 2
Lara S. Nichols, Esq., Duke Energy Corporation, Vice President – Legal
David T. Conley, Esq., Progress Energy Service Company, LLC, Senior Counsel
John H. O'Neill, Jr., Esq., Pillsbury Winthrop Shaw Pittman LLP

United States Nuclear Regulatory Commission
Enclosure 1 to RA-11-025

Enclosure 1

**Response to Request for Additional Information
Regarding Application for NRC Consent to Indirect License Transfer for the
Proposed Merger of Duke Energy Corporation and Progress Energy, Inc.**

**(Enclosure 1, Attachment 2, contains
Confidential Information – Withhold in Accordance with 10 CFR 2.390)**

**Response to Request for Additional Information
Regarding Application for NRC Consent to Indirect License Transfer for the
Proposed Merger of Duke Energy Corporation and Progress Energy, Inc.**

In Attachment 3, “Pre- and Post- Merger Simplified Organization Charts”, the application provides simplified charts showing pre and post merger organization structures for Duke Energy and Progress Energy. However, more details are needed to complete our review.

- 1. Provide detailed corporate organization charts for Duke Energy and Progress Energy prior to the license transfer listing all corporate and technical entities. The detailed organization flow chart should describe the structure, functions, and responsibilities of the onsite organization established to operate and maintain the plant.**

Response:

The requested organization charts are provided in Attachment 1 of this enclosure.

- 2. Provide detailed corporate organization charts for Duke Energy and Progress Energy after the license transfer including all corporate and technical entities. The detailed organization chart should include the new corporate structure of Duke Energy and Progress Energy that will occur after the license transfer is complete including the board of directors and principal officers.**

Response:

The requested organization charts are provided in Attachment 2 of this enclosure. The post-merger organization charts provided are as currently planned. The Quality Assurance Program descriptions and Conduct of Operations sections in each facility’s Updated Final Safety Analysis Report (UFSAR) address the organizational structure, functional responsibilities, levels of authority and interfaces. Changes to the organizational structure or conduct of operations are evaluated in accordance with 10 CFR 50.54(a) to ensure no reduction in commitments are made without prior NRC approval. Revised FSAR organizational structure descriptions are submitted to the NRC in accordance with 10 CFR 50.71(e).

In addition, CP&L and FPC are required to satisfy the qualification requirements in Regulatory Guide 1.8, *Personnel Selection and Training*, as discussed in Chapter 1 of each facility’s Updated Final Safety Analysis Report.

The Board of Directors are as listed in the Attachment 4 of the Progress Energy letter from James Scarola to the Nuclear Regulatory Commission (NRC) Document Control Desk titled, *Application for Approval of Indirect Transfers of Control of Licenses Pursuant to 10 CFR § 50.80 and 10 CFR § 72.50*, dated March 30, 2011. (ML11110A031)).

United States Nuclear Regulatory Commission
Enclosure 1, Attachment 1 to RA-11-025

Enclosure 1, Attachment 1

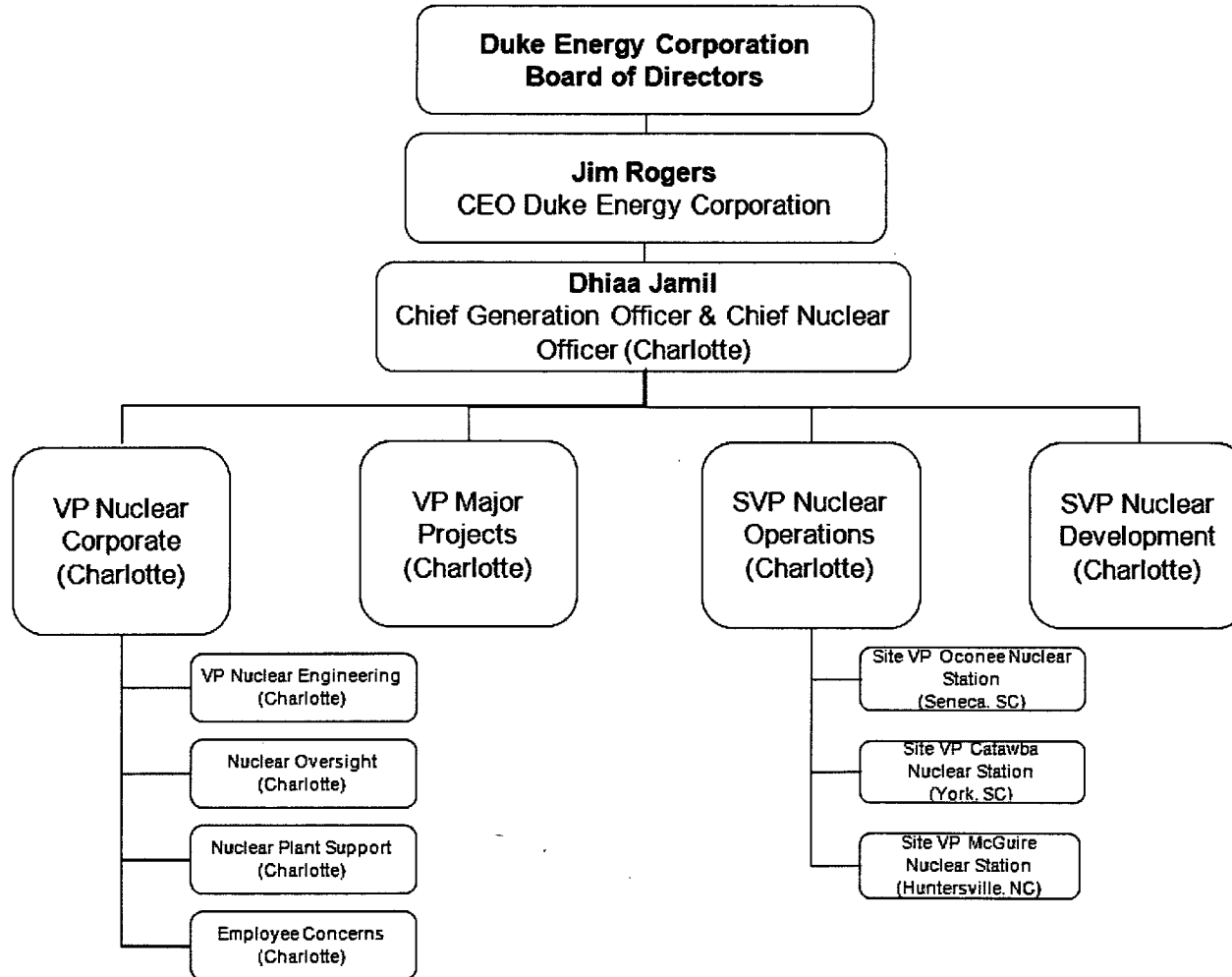
Duke Energy Corporation and Progress Energy, Inc.

Organization Charts

Prior to Merger

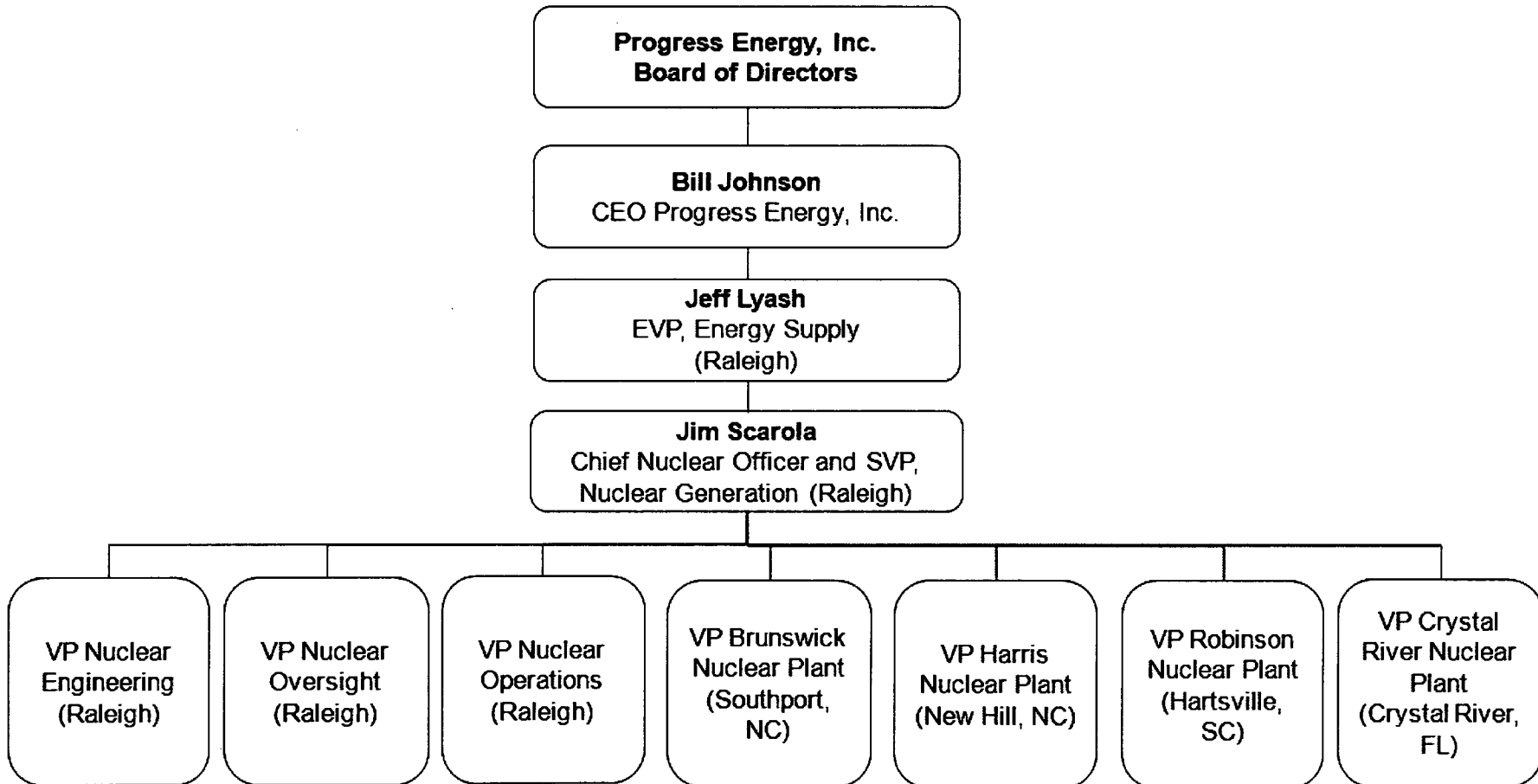


Duke Energy Nuclear Operations - Current Organization Structure



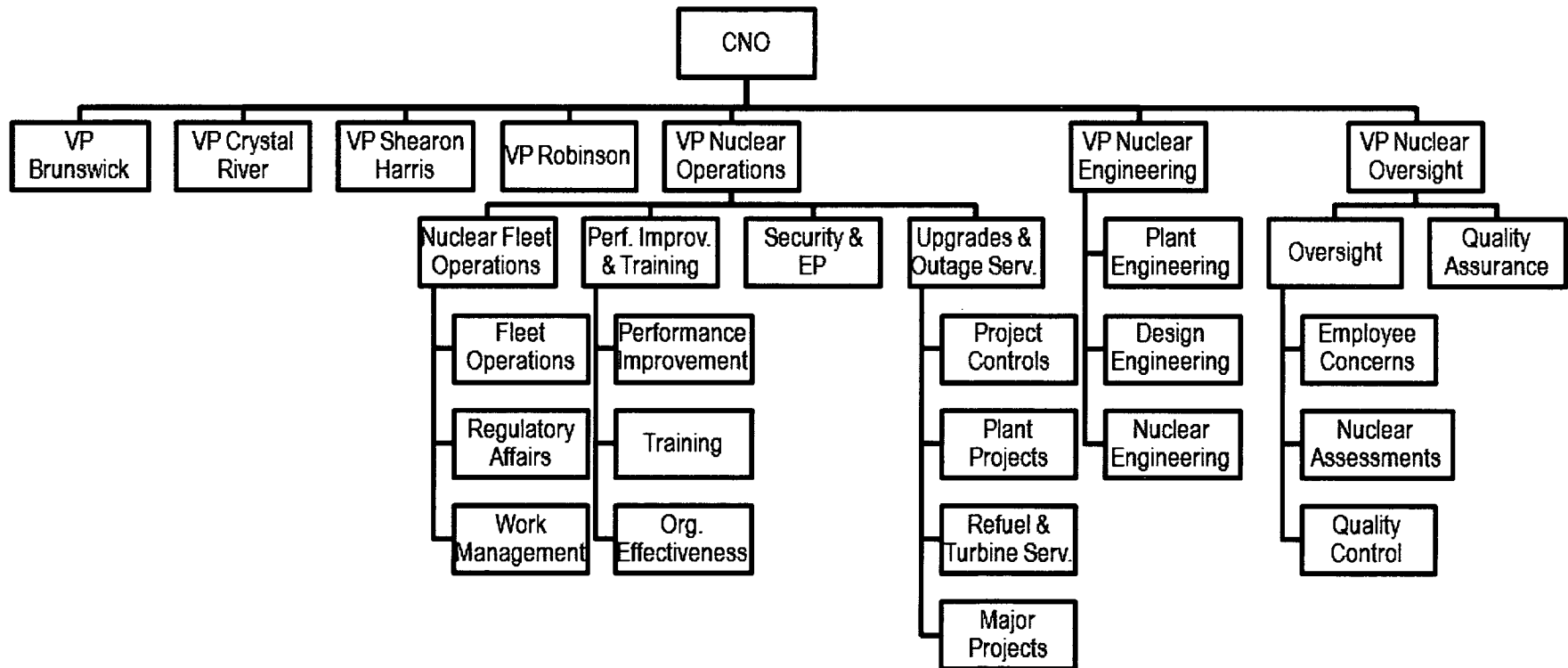


Progress Energy Nuclear Operations - Current Organization Structure



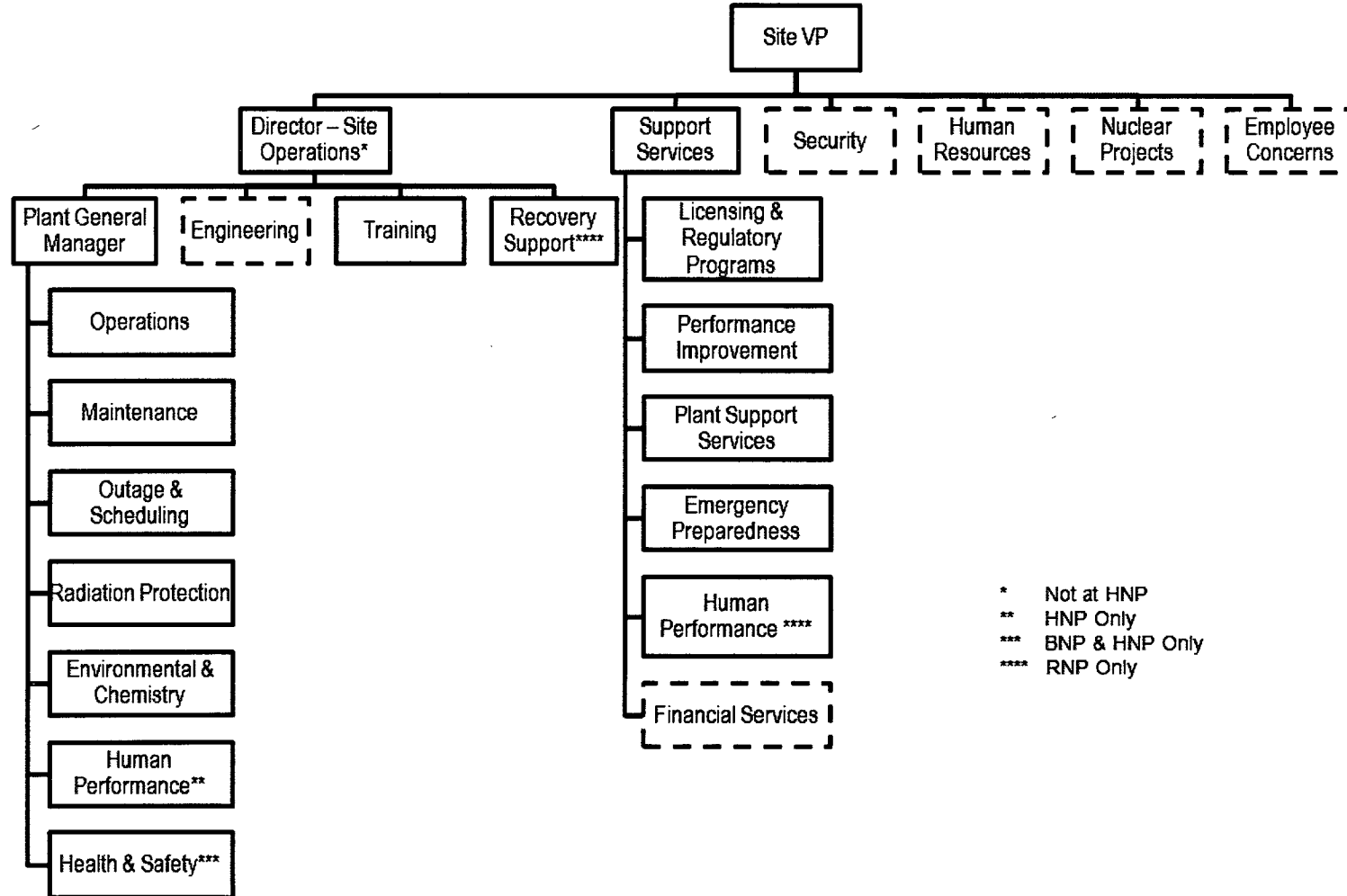


Current Progress Energy Nuclear Organization Structure Tier 3





Current Progress Energy Nuclear Organization Structure Tier 4



United States Nuclear Regulatory Commission
Enclosure 2 to RA-11-025

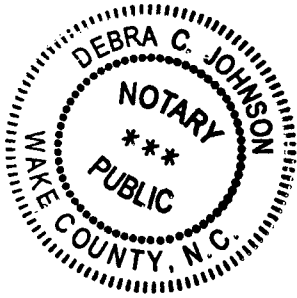
Enclosure 2
Affidavit for Withholding

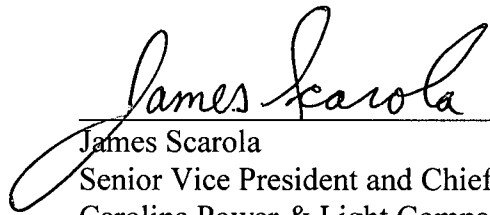
AFFIDAVIT OF JAMES SCAROLA

I, James Scarola, Senior Vice President and Chief Nuclear Officer, do hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of Carolina Power & Light Company and Florida Power Corporation, applicants before the Nuclear Regulatory Commission (“NRC”) for consent to indirect transfers of control of certain NRC licenses (“Applicants”). The indirect transfers of control will result from the proposed merger of Duke Energy Corporation (“Duke Energy”) and Progress Energy, Inc. (“Progress Energy”). Applicants are operating subsidiaries of Progress Energy. I am further authorized to review information submitted to the NRC and apply for the withholding of information from disclosure.
2. The following organizational charts, which are being provided to the NRC in Enclosure 1, Attachment 2, of transmittal letter RA-11-025 dated September 2, 2011, from James Scarola, should be withheld from public disclosure in their entireties because they contain confidential commercial information:
 - Nuclear Generation Organization Design Tier 3
 - Nuclear Generation Organization Design Tier 4
3. The above listed organizational charts should be withheld from public disclosure because they are confidential commercial information (10 CFR 2.390(a)(4)) prepared by Applicants and Duke Energy, the disclosure of which would adversely affect Applicants.
4. The organization charts that the Applicants seek to be withheld from public disclosure have been held in confidence by the Applicants and are the type of documents typically held in confidence by the Applicants. These organizational charts are not available to the public by any means known to the Applicants and are not widely available to employees of Applicants. These organizational charts are being transmitted to the Commission in confidence.
5. The following paragraphs detail the specific reasons why the records should not be disclosed.
 - The new Duke Energy Organizational Structure reveals changes to employee positions within the Applicants’ organizations.
 - These changes have not been shared with affected employees, outside of the integration team formed by Progress Energy and Duke Energy, much less the public.
 - The premature release of this information could harm the Applicants’ ability to retain talent, and thus, impact the Applicants’ competitive position.

6. Applicants will advise the NRC Staff when these organizational charts are made public and at that time will withdraw the request for withholding confidential information from public disclosure.



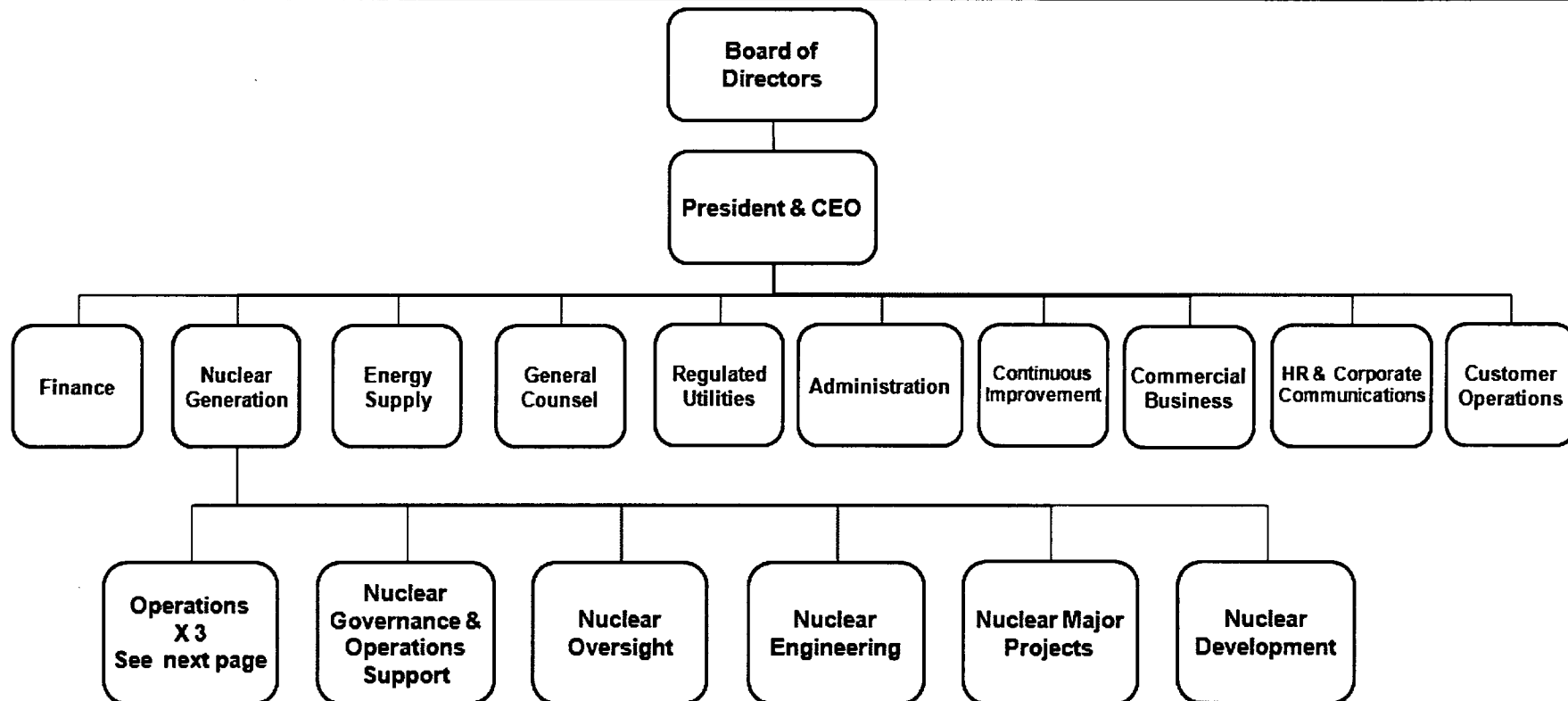

James Scarola
Senior Vice President and Chief Nuclear Officer
Carolina Power & Light Company
Florida Power Corporation

Subscribed and sworn before me,
A Notary Public in and for the
State of North Carolina
This 2nd day of September, 2011
my commission expires 8/8/2014

United States Nuclear Regulatory Commission
Enclosure 3 to RA-11-025

Enclosure 3
Redacted Version of
Enclosure 1, Attachment 2, Duke Energy Corporation and Progress Energy, Inc.
Organization Charts
Post Merger

New Duke Tier 2 Organization Chart





(a)(4)



(a)(4)