

June 5, 1997

Mr. M. S. Tuckman
Senior Vice President
Nuclear Generation
Duke Power Company
P. O. Box 1006
Charlotte, NC 28201

SUBJECT: DUKE POWER COMPANY'S PROPOSED ACQUISITION OF PANENERGY CORPORATION
(TAC M98352, M98353, M98354, M98355, M98356, M98357, M98358)

Dear Mr. Tuckman:

In a letter of January 6, 1997 (erroneously dated 1996), you informed the NRC staff that Duke Power Company (DPC) proposed to acquire PanEnergy Corporation (PanEnergy), which is a company engaged in natural gas pipeline operation, natural gas delivery, production of natural gas liquids, and other related energy services. The staff reviewed your letter and a prospectus dated March 13, 1997.

The staff has performed a threshold review in consideration of 10 CFR 50.80 and has concluded that the proposed restructuring of DPC through its acquisition of, and merger with, PanEnergy does not involve a transfer, direct or indirect, of the operating licenses for DPC's nuclear plants. Furthermore, the staff has concluded that the merger will not adversely affect DPC's financial or technical qualifications with respect to the operation and decommissioning of the Oconee, McGuire, or Catawba nuclear stations. Also, there do not appear to be any problematic antitrust or foreign ownership issues related to these licenses that would result from DPC's acquisition of PanEnergy or the transactions to facilitate such. Thus, the proposed transactions will not affect the qualifications of the licensee, and the transactions appear to be otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission. Accordingly, the staff has no basis to object to the transactions. However, as the staff has discussed with you on May 30, 1997, you need to submit a request for amendment to all the operating licenses to reflect the name change.

This completes our effort on your submittal.

Sincerely,
ORIGINAL SIGNED BY D. LABARGE FOR:
Herbert N. Berkow, Director
Project Directorate II-2
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Handwritten initials: JRO
|||

Docket Nos. 50-413, 50-414, 50-369, 50-370,
50-269, 50-270, 50-287

Enclosure: Safety Evaluation

cc w/encl: See next page

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DATE	6/15/97	5/30/97	6/15/97	6/15/97	5/30/97	6/13/97	6/15/97

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*See previous concurrence

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

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Sincerely,

A handwritten signature in dark ink, appearing to read "H. Berkow".

Herbert N. Berkow, Director
Project Directorate II-2
Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

Docket Nos. 50-413, 50-414, 50-369, 50-370,
50-269, 50-270, 50-287

Enclosure: Safety Evaluation

cc w/encl: See next page

Catawba Nuclear Station
McGuire Nuclear Station
Oconee Nuclear Station

cc:

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