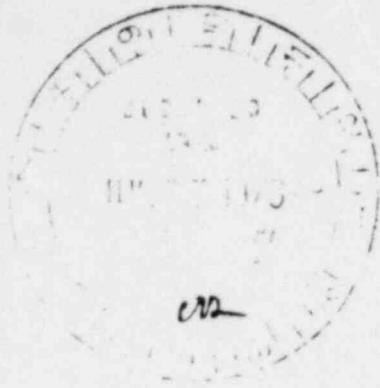


EXHIBIT NUMBER 50-269A, 270A, 287A
PROD. & UTIL. EAC 369A, 370A



UNITED STATES OF AMERICA
ATOMIC ENERGY COMMISSION

| | | |
|---------------------------|---|---------------------|
| In the Matter of |) | |
| |) | Docket Nos. 50-269A |
| DUKE POWER COMPANY |) | 50-270A |
| |) | 50-287A |
| (Oconee Units 1, 3 and 3, |) | 50-369A |
| McGuire Units 1 and 2) |) | 50-370A |

Affidavit of Sherwood H. Smith, Jr.

Sherwood H. Smith, Jr., being first duly sworn, deposes and says:

1. I am Senior Vice President and General Counsel of Carolina Power & Light Company. Carolina Power & Light Company is a public utility engaged in the business of generating, transmitting, distributing and selling electric energy to the public in North Carolina and South Carolina in accordance with the regulations of the North Carolina Utilities Commission, the South Carolina Public Service Commission and the Federal Power Commission.
2. I have reviewed the subject matter of the subpoena duces tecum served on Carolina Power & Light Company on December 1, 1972, which had been issued by the Atomic Safety and Licensing Board in this proceeding at the request of the United States Department of Justice. On the basis of my knowledge of the corporate structure, I determined that the following individuals in addition to myself, are responsible for administration of relationships between Carolina Power & Light Company and its neighboring utilities and, therefore, would be most likely to have knowledge of this subject:

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- (a) Shearon Harris, Chairman and President.
- (b) J. A. Jones, Executive Vice President.
- (c) W. J. Ridout, Senior Vice President.
- (d) Paul S. Colby, Consultant and former Senior Vice President.
- (e) Charles F. Rouse, Consultant and former Vice President.
- (f) Samuel Behrends, Jr., Vice President, Rates & Regulations.
- (g) Raymond S. Talton, Vice President, System Engineering and Construction.
- (h) E. M. Geddie, Vice President, Division Operations.
- (i) N. Crowson Cameron, Manager, Governmental Marketing Services.

3. I have discussed with each of these individuals the subpoena duces tecum and the various items of correspondence pertaining to its scope, and asked them to review any files which they believed would probably contain the appropriate documents.

4. Each of these individuals has reported to me that they or their staffs have undertaken to search those files in which they believed it probable that such documents, if any existed, might be found. As a result of this search, documents pertaining to four situations have been found that might come within the scope of the subpoena, to wit:

(1) Agreement by this Company that, at the request of Piedmont Electric Membership Corporation, this Company would discontinue providing service to Piedmont EMC at the existing Yanceyville, North Carolina, point of delivery, so that Piedmont might obtain electric power for this part of Piedmont's service area from Duke Power Company;

(a) Letter dated August 6, 1971, from N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company, to Earl J. Ross, Manager, Piedmont Electric Membership Corporation;

(b) Letter dated June 29, 1971, from Earl J. Ross, Manager, Piedmont Electric Membership Corporation, to N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company;

(c) Letter dated February 12, 1969, from Earl J. Ross, Manager, Piedmont Electric Membership Corporation, to W. Paul Lyman, Executive Assistant to the General Marketing Manager, Carolina Power & Light Company;

(d) Letter dated November 1, 1968, from W. Paul Lyman, Executive Assistant to the General Marketing Manager, Carolina Power & Light Company, to Earl J. Ross, Manager, Piedmont Electric Membership Corporation;

(2) Agreement by this Company (1964) with Wake Electric Membership Corporation that this Company would not object to Wake EMC obtaining a point of delivery from Duke Power Company to take care of the Wake EMC's service area located in Durham County that was presently being served with power purchased from this Company;

(a) Letter dated October 30, 1964, from W. Paul Lyman, Industrial Sales Manager, Carolina Power & Light Company, to J. L. Shearon, Manager, Wake Electric Membership Corporation;

(b) Letter dated October 28, 1964, from J. L. Shearon, Manager, Wake Electric Membership Corporation, to W. Paul Lyman, Carolina Power & Light Company;

(3) Negotiations with Piedmont Electric Membership Corporation concerning electric service at high voltage delivery for Piedmont EMC by this Company at Roxboro, North Carolina, with regard to which Piedmont is still considering whether or not to elect to take high voltage delivery from this Company at its existing points of delivery or whether to switch its power requirements for the area in Person County from this Company to Duke Power Company;

(a) Letter dated August 17, 1972, from N. Crowson Cameron, Manager, Governmental Marketing Services, Carolina Power & Light Company, to Joe S. Zoller, Rural Electrification Administration, United States Department of Agriculture;

(b) Letter dated July 28, 1972, from Joe S. Zoller, Rural Electrification Administration, United States Department of Agriculture, to N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company;

(c) Letter dated July 13, 1972, from N. Crowson Cameron, Manager, Governmental Marketing Services, Carolina Power & Light Company, to Alton P. Wall, EPIC, Inc.;

(d) Letter dated June 30, 1972, from Alton P. Wall, EPIC, Inc., to N. Crowson Cameron, Manager of Governmental Sales, Carolina Power & Light Company;

(e) Letter dated May 2, 1972, from Earl J. Ross, Manager, Piedmont Electric Membership Corporation, to Joe S. Zoller, Rural Electrification Administration, United States Department of Agriculture;

(f) Letter dated April 18, 1972, from N. Crowson Cameron, Manager, Governmental Marketing Services, Carolina Power & Light Company, to Joe S. Zoller, Rural Electrification Administration, United States Department of Agriculture;

(g) File memorandum of N. Crowson Cameron dated April 5, 1972;

(h) Letter dated April 5, 1972, from Shearon Harris, Carolina Power & Light Company, to David A. Hamil, Administrator, Rural Electrification Administration, United States Department of Agriculture;

(i) Letter dated March 20, 1972, from David A. Hamil, Administrator, Rural Electrification Administration, United States Department of Agriculture, to Shearon Harris, President, Carolina Power & Light Company;

(j) Letter dated March 16, 1972, from Joe S. Zoller, Rural Electrification Administration, United States Department of Agriculture, to N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company;

(k) Letter dated November 10, 1971, from Earl J. Ross, Manager, Piedmont Electric Membership Corporation, to William H. Grigg, Vice President and General Counsel, Duke Power Company;

(l) Letter dated July 22, 1971, from N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company, to Alton P. Wall, North Carolina Electric Membership Corporation;

(m) Letter dated July 12, 1971, from Alton P. Wall, North Carolina Electric Membership Corporation, to N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company;

(n) File memorandum of N. Crowson Cameron dated June 22, 1971;

(o) Letter dated June 21, 1971, from N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company, to Earl J. Ross, Manager, Piedmont Electric Membership Corporation;

(p) Letter dated June 18, 1971, from N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company, to Earl J. Ross, Manager, Piedmont Electric Membership Corporation;

(q) Memorandum dated June 1, 1971, from N. Crowson Cameron to Sherwood H. Smith, Jr.;

(r) Letter dated May 27, 1971, from William T. Crisp, Crisp, Twiggs & Bolch, Raleigh, North Carolina, to Alton P. Wall, et al;

(s) Letter dated April 13, 1970, from N. Crowson Cameron to W. R. Thompson, et al;

(t) Letter dated April 10, 1970, from Earl J. Ross, Manager, Piedmont Electric Membership Corporation, to N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company;

(u) Letter dated February 11, 1970, from N. Crowson Cameron, Governmental Sales Manager, Carolina Power & Light Company, to Earl J. Ross, Manager, Piedmont Electric Membership Corporation;

(v) Letter dated February 3, 1970, from Earl J. Ross, Manager, Piedmont Electric Membership Corporation, to N. Crowson Cameron, Industrial Sales Manager, Carolina Power & Light Company;

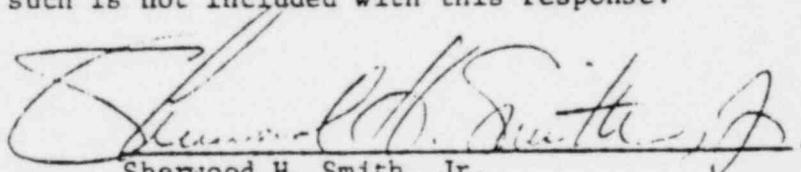
(4) Two letters to Mr. Joseph J. Saunders, United States Department of Justice, containing statements reflecting the Company's bulk power supply policy.

(a) Letter dated August 7, 1972, from Sherwood H. Smith, Jr., Senior Vice President and General Counsel, to Joseph J. Saunders, United States Department of Justice;

(b) Letter dated August 18, 1972, from Sherwood H. Smith, Jr., Senior Vice President and General Counsel, to Joseph J. Saunders, United States Department of Justice;

5. Copies of the documents identified above as a result of this search falling within the scope of documents requested in the subpoena duces tecum are enclosed herewith. While there conceivably could be other notes or memoranda concerning the above transactions, the attachments hereto set forth fully and in detail the Company's actions with respect thereto. We know of no instance where a wholesale customer of Duke Power Company has inquired about service from this Company, but as shown by the

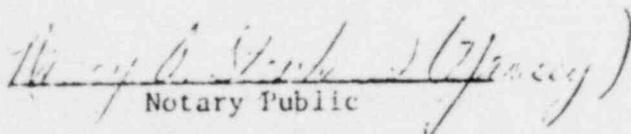
enclosed attachments, there have been three instances where a wholesale customer of this Company has inquired about changing from this Company to Duke Power Company for a portion of its power supply. Under the 1965 North Carolina and 1970 South Carolina area assignment laws, there have been numerous conferences, maps, agreements, applications and orders involving this Company, other regulated utilities and the REA Cooperatives regarding the assignment of retail service areas in North Carolina and South Carolina, but it is not understood that such information is within the scope of the subpoena and such is not included with this response.



Sherwood H. Smith, Jr.
Senior Vice President & General Counsel
Carolina Power & Light Company

June 18, 1973

Subscribed and sworn to before me
this 18th day of June, 1973.



Notary Public

My commission expires:

June 29, 1976

