



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

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ANTI-TRUST

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Docket Nos. 50-413A
50-414A

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DISTRIBUTION SERVICES
BRANCH
DISTRIBUTION
SERVICES UNIT

Duke Power Company
ATTN: Mr. Carl Horn, Jr.
Chairman, Board & Chief
Executive Officer
P. O. Box 33189
Charlotte, North Carolina 28242

Gentlemen:

With reference to the construction permit application for Catawba Nuclear Station, Units No. 1 and No. 2, the Attorney General has furnished the Commission additional antitrust advice pursuant to section 105c of the Atomic Energy Act of 1954, as amended. A copy of the Attorney General's letter dated October 29, 1980, is enclosed for your information.

We are also transmitting to the Office of the Federal Register a copy of the Attorney General's advice for publication. It should be noted that pursuant to section 2.714 of the Commission's Rules of Practice, 10 CFR Part 2, a petition for leave to intervene and request for hearing on the antitrust aspects of the application may be filed by any person whose interest may be affected within thirty (30) days after publication of the notice in the Federal Register.

Sincerely,

Jerome Saltzman, Chief
Utility Finance Branch
Division of Engineering
Office of Nuclear Reactor
Regulation

Enclosure:
Attorney General's Letter

cc: J. Michael McGarry, III, Esq.

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United States Department of Justice

WASHINGTON, D.C. 20530

29 OCT 1980

ASSISTANT ATTORNEY GENERAL
ANTITRUST DIVISION

Howard K. Shapar
Executive Legal Director
United States Nuclear
Regulatory Commission
Washington, D.C. 20555

Re: Duke Power Company
Catawba Nuclear Station
Units 1 and 2
NRC Docket Nos. 50-413A and 50-414A

Dear Mr. Shapar:

You have requested our advice pursuant to Section 105(c) of the Atomic Energy Act of 1954, as amended, in connection with the purchase of ownership interests in Duke Power Company's (Duke) Catawba Nuclear Station, Unit 1 by North Carolina Electric Membership Corporation (NCMEC) and the Saluda River Electric Cooperative (Saluda River).

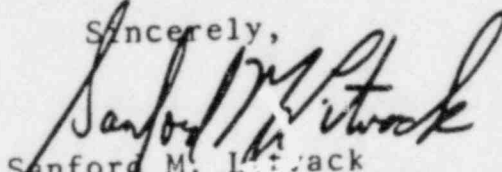
Duke's participation in the above captioned nuclear units was the subject of an antitrust review conducted by the Department of Justice (Department) in 1973. As a result of that review, the Department recommended that a hearing be held to determine whether Duke's proposed activities under the subject license would create or maintain a situation inconsistent with the antitrust laws. Because Duke was willing to have certain conditions attached to its license for the Catawba plant, the Department recommended that the antitrust proceeding it had initiated be terminated. The sale of 75% ownership in Unit 1 (56.25% to NCMEC, and 18.75% to Saluda River) was the result of the discussions between Duke and the cooperative systems in its service area that occurred after the cessation of those proceedings.

Our review of the information submitted for antitrust review purposes, including responses to our requests for relevant data from over seventy neighboring electric systems, provides no basis at this time to conclude that the participation in the Catawba Station, Unit 1, by NCMEC and

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Saluda River would create or maintain a situation inconsistent with the antitrust laws. Accordingly, it is the Department's view that no antitrust hearing is necessary with respect to the subject transfer of ownership interests.

Sincerely,



Sanford M. Lutzack
Assistant Attorney General
Antitrust Division