



May 29, 2008

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-0001

Subject: Duke Energy Carolinas, LLC (Duke)
Catawba Nuclear Station, Unit 1, Docket No. 50-413
Statement of Decommissioning Trust Funds

Reference: Letter, James R. Morris (Duke) to U.S. Nuclear Regulatory Commission (NRC), Application for Order Approving Transfer of Control of License and for Conforming License Amendment Pursuant to 10 CFR 50.80 and 10 CFR 50.90, December 20, 2007

In the reference above, Duke provided the NRC staff with information concerning existing decommissioning funding assurance for Duke's share of Catawba Nuclear Station. The contractual agreements for joint ownership of Catawba include a capacity exchange between the two units which entitles each of the co-owners to a specific portion of the electric power and energy produced by the station as a whole. In recognition of this exchange arrangement, each co-owner has agreed, in the Catawba Restated Operating and Fuel Agreement, to bear a corresponding portion of the cost of decommissioning Catawba Nuclear Station. Therefore, all owners, regardless of which unit of Catawba they have an ownership interest in, have a responsibility to provide decommissioning funding for both Catawba units proportional to their ownership interest.

The NRC staff has requested Duke provide a statement of the decommissioning funds for Catawba Unit 1 solely. In order to correctly identify funds that will be redistributed in the transfer of control of license, Unit 2 information must also be provided. Therefore, 2007 decommissioning fund totals for Catawba Unit 1 and Unit 2 are found in the attachments. Validation of this information is also provided.

This correspondence contains no regulatory commitments. If you have any questions about this matter, please contact Kathryn B. Nolan at (704) 382-8869.

Sincerely,

Ronald A. Jones

Attachments

RONALD A. JONES
SVP, Nuclear Operations
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XC:

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A. T. Sabisch
NRC Senior Resident Inspector
Catawba Nuclear Station

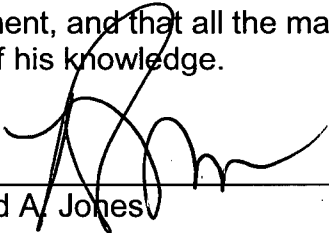
S. E. Jenkins, Section Manager
Division of Waste Management
South Carolina Department of Health and Environmental Control
2600 Bull St.
Columbia, SC 29201

B. O. Hall, Section Chief
Division of Environmental Health, Radiation Protection Section
North Carolina Department of Environment and Natural Resources
1645 Mail Service Center
Raleigh, NC 27699

DECOMMISSIONING FUNDS - END OF YEAR 12/31/07

	Total Funds
Duke Energy Carolinas, LLC	
Catawba Unit 1	<u>\$32,892,647.73</u>
Catawba Unit 2	<u>\$36,332,544.24</u>

Ronald A. Jones affirms that he is the person who subscribed his name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.

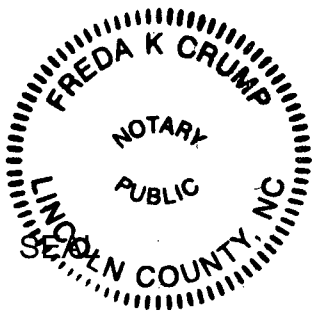


Ronald A. Jones

Subscribed and sworn to me: May 29, 2008
Date

Freda K. Crump
Notary Public


My Commission Expires: August 17, 2011
Date



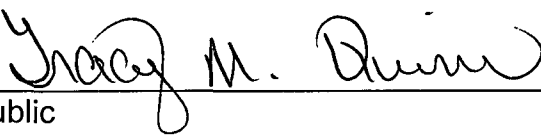
DECOMMISSIONING FUNDS - END OF YEAR 12/31/07

	Total Funds
Piedmont Municipal Power Agency	
Catawba Unit 1	<u>23,686,353.06</u>
Catawba Unit 2	<u>24,755,606.76</u>

Steven Ruark affirms that he is the person who subscribed his name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.

Signature: 

Subscribed and sworn to me: May 15, 2008
Date


Notary Public

My Commission Expires: January 15, 2014
Date

SEAL

DECOMMISSIONING FUNDS - END OF YEAR 12/31/07

	Total Funds
North Carolina Electric Membership Corporation	
Catawba Unit 1	<u>\$104,160,027</u>
Catawba Unit 2	<u>For Combined Units 1 & 2</u>

Robert B. Schwentker affirms that he is the person who subscribed his name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.

NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATION

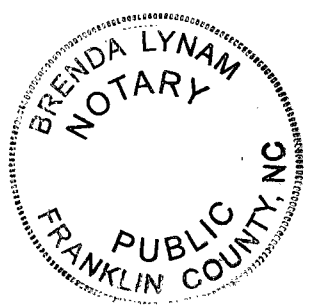
Signature: *Robert B. Schwentker*
Robert B. Schwentker
Senior Vice President & General Counsel

Subscribed and sworn to me: May 15, 2008
Date

Brenda Lynam
Notary Public *Brenda Lynam*

My Commission Expires: 11-18-08
Date

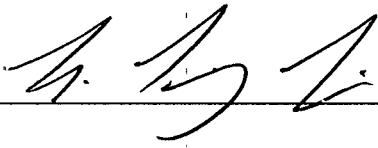
SEAL




DECOMMISSIONING FUNDS - END OF YEAR 12/31/07

	Total Funds
North Carolina Municipal Power Agency 1	
Catawba Unit 1	\$101,940,723
Catawba Unit 2	\$97,784,108

_____ F. Timothy Tunis _____ affirms that he/she is the person who subscribed his/her name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.

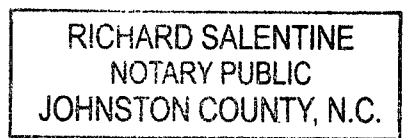
Signature: 

Subscribed and sworn to me: 5/21/08
Date


Notary-Public

My Commission Expires: 1/10/11
Date

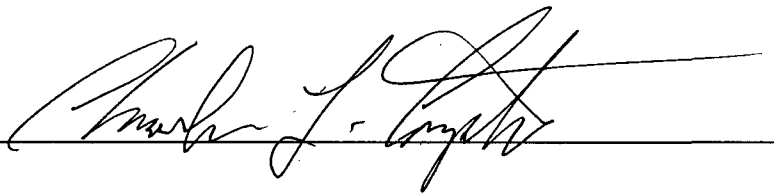
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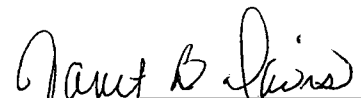
DECOMMISSIONING FUNDS - END OF YEAR 12/31/07

Saluda River Electric Cooperative, Inc.	Total Funds	
	Book Value	Market Value
Catawba Unit 1	\$30,224,781.05	<u>\$30,207,511.68</u>
Catawba Unit 2	\$29,775,561.87	<u>\$29,758,292.64</u>

Charles L Compton affirms that he/she is the person who subscribed his/her name to the foregoing statement, and that all the matters and facts set forth herein are true and correct to the best of his knowledge.

Signature: 

Subscribed and sworn to me: 5-22-2008
Date


Notary Public

My Commission Expires: 3-5-2014
Date

SEAL