RELATED CORRESPONDENCE

UNITLD STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of	)	
	)	
DUKE POWER COMPANY	)	Docket Nos. STN 50-488
	)	50-489
(Perkins Nuclear Station, Units 1, 2 and 3)	)	50-490

AFFIDAVIT OF W. H. OWEN

W. H. Owen, Senior Vice President, Engineering and Construction, Duke Power Company, having first been duly sworn, hereby states as follows:

On June 15, 1979, my testimony was filed with the North Carolina Utilities Commission (NCUC) in Docket No. E-100 Sub 35. The purpose of this testimony was to discuss Duke's long-range construction schedules and plans, including the need for flexibility to accommodate changing demands, expanding regulatory restraints and increasing lead times for all types of generating capacity. In that testimony I indicated that no final commitments have been made for generation beyond the planned 1989 in-service date for Cherokee Unit 2, although the Company's load forecast indicates that additional generating capacity will be required. My Exhibit 1 to that testimony reflected the operation of Perkins 1 or Cherokee 3 in the Summer of 1991, Cherokee 3 or Perkins 1 in the Summer of 1993, and Perkins 2

1171 020

in 1995. I am informed that the intervenors in the Perkins proceedings (STN 50-488, 50-489 & 50-490) "moved to dismiss the Perkins proceedings based on recent decisions by Duke to postpone indefinitely the construction of Perkins Units 1, 2 and 3." This interpretation by the intervenors is incorrect.

Our interest in building Perkins has not changed. My testimony described the firm commitments already scheduled through 1989. Our current load forecast clearly identifies the need for additional generating capacity after 1989 and the NCUC Public Staff confirms this need. Duke continues to believe that nuclear power generation is superior to currently available alternatives and that the Perkins units remain an important and viable option for the post-1989 period. Duke has already made a definite financial commitment to Perkins considering site acquisition, site hearings, licensing, and engineering efforts to date. Duke has already performed much work and expects to perform the necessary work to meet the planned commercial date for Perkins 1. Definite economic advantages accrue by building Perkins since Perkins is part of a six unit standardized approach.

Naturally if the load for Duke does not develop, or if financial constraints or political and regulatory activities preclude construction of Perkins, then Duke would not construct

Perkins. However, the Duke forecast shows Perkins 1 to be operational as early as 1991 and as late as 1993. The North Carolina Utilities Commission Public Staff, in its report of June 1979, reflects Perkins 1 operational in the Summer of 1990, Cherokee 3 in the Summer of 1992, Perkins 2 in the Summer of 1993, and Perkins 3 in the Summer of 1994. The North Carolina Utilities Commission's Order of December 1978 reflects Perkins 1 in the Summer of 1989, Cherokee 3 in the Summer of 1990, and Perkins 2 in the Summer of 1992.

The application for a construction permit has been pending for five years. Orderly business decisions require that Duke be assured of a construction permit. Duke's willingness to build Perkins has not changed.

W. H. Owen

Subscribed and sworn to before me
this 26th day of July, 1979.

Notary Public

My Commission expires: 12-3-79