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May 10, 2000

U.S. Nuclear Regulatory Commission
Document Control Desk
Washington, D.C. 20555

Re: Docket Numbers 50-423 and 50-443
- Application for Indirect License Transfers

Boston

Fort Lauderdale

Haddonfield, NJ

Harrisburg

Philadelphia

Pittsburgh

Washington, D.C.

Gentlemen:

Set forth below is information as to the basis for recovery by The United Illuminating Company ("UI") of decommissioning costs.

- (1) UI has no rates in New Hampshire and no customers in New Hampshire. Seabrook is in New Hampshire, but its costs are supported by UI's Connecticut rates.
- (2) With respect to decommissioning costs, UI is both a cost of service utility and a no bypass utility.
- (3) With respect to prior levels of decommissioning, costs have been included in rates on a cost of service basis, within cost-based rates, designed to provide full recovery under section 16-19 of the Connecticut statutes and consistent with 16-19e ratemaking principles. Future decommissioning costs are to be included in the systems benefits charge (16-2451), which is a non-bypassable charge. The systems benefits charge also includes unfunded storage and disposal costs for spent nuclear fuel generated before January 1, 2000.

Please advise me if you need any additional information.

Very truly yours,



Barton Z. Cowan

BZC:pak

Cc: Service List

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

Before me, the undersigned notary public, this day personally appeared Barton Z. Cowan, Counsel for the United Illuminating Company, to me known, who being duly sworn according to law, deposes and says: that the statements sworn to in this letter are correct and accurate to the best of his knowledge.

Barton Z. Cowan

Subscribed and sworn to before me
this 14th day of May, 2000.

Jeanne C. Fryer
Notary Public

Notarial Seal
Jeanne C. Fryer, Notary Public
Pittsburgh, Allegheny County
My Commission Expires Apr. 15, 2002
Member, Pennsylvania Association of Notaries