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L-2001-181
10 CFR 50.75

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

Re: St. Lucie Units 1 and 2
Docket Nos. 50-335, 50-389
Turkey Point Units 3 and 4
Docket Nos. 50-250, 50-251
Proposed Transfer of Nonqualified Decommissioning Trust Fund
From Florida Power & Light Company to a Wholly-Owned Subsidiary

The purpose of this letter is to advise the NRC Staff of additional commitments by Florida Power & Light Company (FPL) in support of the proposed transfer of FPL's nonqualified decommissioning fund ("the fund") to a wholly-owned subsidiary of FPL, KPB Financial Corporation (KPB), a Delaware corporation. The proposed transfer was described in FPL letter L-2000-247 dated November 28, 2000, as supplemented by FPL letter L-2000-264 dated December 22, 2000.

In connection with the proposed transfer and throughout the period that KPB holds the fund, FPL makes the following additional commitments to the NRC in order to provide further assurance that the fund will be available for decommissioning at the cessation of permanent operations:

1. Contributions to the fund will consist of cash and marketable securities only.
2. Except for investments tied to market indices or other non-nuclear sector mutual funds, (1) investment in the securities or other obligations of FPL, KPB, or their affiliates, successors, and assigns is prohibited, and (2) investments in any entity owning one or more nuclear plants is prohibited. Any investments in the securities of FPL, KPB, or their affiliates, successors, and assigns, or in the securities of any entity owning one or more nuclear power plants permitted under the previous sentence shall be limited to not more than five percent of the total current market value of the fund.
3. With the exception of (a) disbursements for ordinary administrative costs, (b) disbursements and transfers to FPL's qualified decommissioning funds, and (c) disbursements related to activities for which decommissioning collections were authorized by the Florida Public Service Commission and do not fall within the NRC's definition of "decommissioning" in 10 CFR 50.2 and 10 CFR 50.75(c) n.1, disbursements and transfers from the fund related to the decommissioning of St. Lucie and Turkey Point are prohibited without thirty days prior notice from the Trustee to the Director, Nuclear Reactor Regulation.

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4. The trustee, manager, investment advisor, or other person directing investment of the fund will adhere to the "prudent investor" standard in 18 CFR 35.32(a)(3).

Should you have any questions concerning FPL's plans for transferring its nonqualified decommissioning fund to KPB, please contact Mitchell Ross, FPL counsel, at (561) 691-7126.

Sincerely yours,



J. A. Stall
Senior Vice President, Nuclear
and Chief Nuclear Officer
Nuclear Division

cc: NRC Regional Administrator – Region II Office
Senior Resident Inspector – St. Lucie Plant
Senior Resident Inspector – Turkey Point Plant
Robert Wood – NRC Senior Licensing Financial Policy Advisor