

10 CFR §§ 50.80 and 50.90

September 26, 2001
NMP1L 1614

U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Attention: Document Control Desk

Re: Nine Mile Point Unit Nos. 1 and 2
Docket Nos. 50-220 and 50-410
Facility Operating License Nos. DPR-63 and NPF-69
TAC Nos. MB 2860 and MB 2861

Application for a Supplemental Order and
Conforming Administrative License Amendments

Ladies and Gentlemen:

During review of the captioned application, the Nuclear Regulatory Commission ("NRC") Staff requested clarification of certain information regarding decommissioning funding for Nine Mile Point Unit 2 ("NMP2") assuming a phased closing. The following material documents the information provided to the NRC reviewer on September 25, 2001:

- At the initial closing, NMP LLC will provide the additional funding assurance for NMP2 in an amount equal to that set forth on p. 25 of the Application dated February 1, 2001, Attachment 1 (proprietary version), in the form of a parental guarantee.
- At the initial closing (assumed to be October 15, 2001, for purposes of this response), the Unit 2 owners closing at that time will transfer to the buyer their accumulated decommissioning trust funds for NMP2. At a minimum, the following amounts in their decommissioning trust funds will be transferred (\$ million):

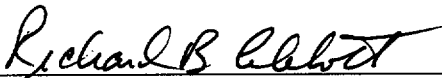
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Niagara Mohawk Power Corporation	85.6
Rochester Gas and Electric Corporation	35.1
Central Hudson Gas & Electric Corporation	<u>11.3</u>
Total	132.0

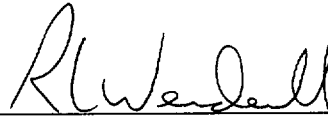
Certain of these amounts could increase slightly if the actual closing date were later than that assumed. The funds to be transferred are not specifically earmarked for non-radiological decommissioning or spent fuel storage. Thus, the entire amount being transferred is available for NRC-required radiological decommissioning purposes.

Should the NRC require additional information concerning this letter, please contact Stephen A. Mormann, Vice President and Treasurer, Constellation Nuclear, LLC, 39 W. Lexington Street, Baltimore, MD 21201 or Carl D. Terry, Vice President Quality Assurance Nuclear, Niagara Mohawk Power Corporation, Nine Mile Point Nuclear Station, P.O. Box 63, Lycoming, NY 13093-0063.

Sincerely,



Richard B. Abbott
Vice President Nuclear Engineering
Niagara Mohawk Power Corporation

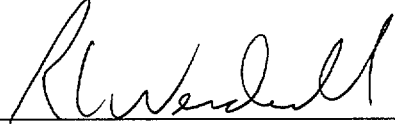


Raymond L. Wenderlich
Vice President
Constellation Nuclear

AFFIRMATION

I, Raymond T. Wenderlich, being duly sworn, state that I am Vice President Constellation Nuclear, that I am authorized to sign and file the enclosed Application with the Nuclear Regulatory Commission on behalf of Constellation Nuclear, and that the statements made and the matters set forth therein pertaining to Constellation Nuclear are true and correct to the best of my knowledge, information, and belief.

Constellation Nuclear

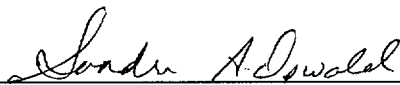


Raymond L. Wenderlich
Vice President

STATE OF New York

COUNTY OF Oswego

Subscribed and sworn to me, a Notary Public, in and for the County and State above named, this 26th day of September, 2001.



My Commission Expires: 10/25/01

SANDRA A. OSWALD
Notary Public, State of New York
No. 01OS6032276
Qualified in Oswego County
Commission Expires 10/25/01

AFFIRMATION

I, Richard B. Abbott, being duly sworn, state that I am Vice President Nuclear Engineering, that I am authorized to sign and file the enclosed Application with the Nuclear Regulatory Commission on behalf of NMPC, and that the statements made and the matters set forth therein pertaining to NMPC are true and correct to the best of my knowledge, information, and belief.

Niagara Mohawk Power Corporation

Richard B. Abbott

Richard B. Abbott
Vice President Nuclear Engineering

STATE OF New York
COUNTY OF Oswego

Subscribed and sworn to me, a Notary Public, in and for the County and State above named, this 26th day of September, 2001.

Sandra A. Oswald

My Commission Expires: 10/25/01

SANDRA A. OSWALD
Notary Public, State of New York
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