



DOCKETS: 07260001
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Corporate Environmental Programs
 General Electric Company
 3135 Easton Turnpike, Fairfield, CT 06431

March 4, 2002

Director, Office of Nuclear Material and Safeguards
 U. S. Nuclear Regulatory Commission
 Washington, D.C. 20555

SUBJECT: GENERAL ELECTRIC COMPANY SELF-GUARANTEE OF FUNDS FOR
 DECOMMISSIONING

I am the Chief Financial Officer of the General Electric Company (GE), 1 River Road, Schenectady, NY 12345, a corporation. This letter is in support of the firm's use of the financial test to demonstrate financial assurance, as specified in 10 CFR 70 AND 10 CFR 72. This firm has no parent company holding majority control of its voting stock.

This firm guarantees, through the Self-Guarantee, submitted to demonstrate compliance under 10 CFR 70 and 10CFR 72, the decommissioning of the following facilities owned and operated by this firm. The current cost estimates or certified amounts for decommissioning, so guaranteed, are shown for each facility:

NRC License No.	Name & Address of Licensee	Address of Licensed Activity	(\$ in thousands) Cost Estimate
DPR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	10,700
R-33	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	1,500
TR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	20,000
DR-10	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	16,500
SNM-960	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	25,400
SNM-2500	General Electric Company Morris Operation 7555 East Collins Rd. Morris, IL 60450	GE Nuclear Energy Morris Operation 7555 East Collins Rd. Morris, IL 60450	33,200
Total Cost Estimate:			\$ 107,300

I hereby certify that General Electric Company is currently a going concern, and that it possesses positive tangible net worth in the amount of \$23,175,000.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 2001. A copy of the firm's most recent financial statements is enclosed.

This firm is required to file a Form 10K with the U.S. Securities and Exchange Commission (SEC) for the latest fiscal year. The firm has at least one class of equity securities registered under the Securities Exchange Act of 1934.

The firm satisfies the following self-guarantee test:

1.	Current decommissioning cost estimates or certified amounts:		<i>(Dollars in Thousands)</i>
	a. Decommissioning amounts covered by this self-guarantee		<u>\$107,300</u>
	b. All decommissioning amounts covered by other NRC or Agreement State parent company guarantees or self-guarantees		<u>\$ 81,759</u>
	c. All amounts covered by parent company guarantees, self-guarantees, or financial tests of other Federal or State agencies (e.g., EPA)		<u>131,605</u>
	TOTAL		<u>\$ 320,664</u>
2.	Current bond rating of most recent unsecured issuance of this firm Rating: <u>Aaa</u> Name of rating service: <u>Moody's</u>		
3.	Date of issuance of bond: <u>12/14/00</u>		
4.	Date of maturity of bond: <u>12/01/10</u>		
*5.	Tangible net worth** (if any portion of estimates for decommissioning is included in total liabilities on your firm's financial statements, you may add the amount of that portion to this line)		<u>\$ 23,175,000</u>
*6.	Total assets in United States (required only if less than 90 percent of firm's assets are located in the United States)		<u>\$315,179,000</u>
		<u>Yes</u>	<u>No</u>
7.	Is line 5 at least 10 times line 1?	X	
8.	Are at least 90 percent of firm's assets located in the United States? If not, complete line 9		X
9.	Is line 6 at least 10 times line 1?	X	
10.	Is the rating specified on line 2 "A" or better?	X	
11.	Does the licensee have at least one class of equity securities registered under the Securities Exchange Act of 1934?	X	

* Denotes figures derived from financial statements.

** Tangible net worth is defined as net worth minus goodwill, patents, trademarks, and copyrights.

I hereby certify that the contents of this letter is true and correct to the best of my knowledge.

Keith S. Sherin
Keith S. Sherin
Senior Vice President – Finance

3-4-02
Date

**GENERAL ELECTRIC COMPANY SELF GUARANTEE
OF DECOMMISSIONING FUNDING**

Guarantee made this 4th day of March, 2002 by the General Electric Company, a corporation organized under the laws of the State of New York herein referred to as "guarantor," to the U.S. Nuclear Regulatory Commission (NRC), beneficiary, on behalf of ourselves as licensee.

Recitals

1. The guarantor has full authority and capacity to enter into this guarantee under its bylaws, articles of incorporation, and the laws of the State of New York, its State of incorporation. Guarantor has approval from its Board of Directors to enter into this guarantee.

2. This guarantee is being issued to comply with regulations issued by the NRC, an agency of the U.S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974. NRC has promulgated regulations in Title 10, Chapter I of the Code of Federal Regulations, Part 70 and Part 72 which require that a holder of, or an applicant for, a materials license issued pursuant to 10 CFR 70 and 10CFR 72 provide assurance that funds will be available when needed for required decommissioning activities.

3. The guarantee is issued to provide financial assurance for decommissioning activities for the following licenses:

NRC License No.	Name & Address of Licensee	Address of Licensed Activity	(\$ in thousands) Cost Estimate
DPR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	10,700
R-33	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	1,500

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SNM-960	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	25,400
SNM-2500	General Electric Company Morris Operation 7555 East Collins Rd. Morris, IL 60450	GE Nuclear Energy Morris Operation 7555 East Collins Rd. Morris, IL 60450	33,200

as required by 10 CFR 70 and 10 CFR 72. The decommissioning costs for these activities are as indicated above.

4. The guarantor meets or exceeds the financial test criteria in Financial Test II (10 CFR Part 30 App. A Section II.A.2) and agrees to comply with all notification requirements as specified in 10 CFR Part 70 and Appendix A to 10 CFR Part 30.

The guarantor meets the following financial test:

- (a) Tangible net worth at least 10 times the current decommissioning cost estimates for all decommissioning activities for which the company is responsible as a self-guaranteeing licensee as and a parent-guarantor; and
- (b) Assets located in the United States amounting to at least 90 percent of total assets or at least 10 times the current decommissioning cost estimates for all decommissioning activities for which the company is responsible as a self-guaranteeing licensee and as a parent-guarantor; and
- (c) At least one class of equity securities registered under the Security Exchange Act of 1934; and
- (d) A current rating for its most recent bond issuance of AAA, AA, or A as issued by Standard & Poors" or Aaa, Aa, or A as issued by Moody's.

5. The guarantor does not have a parent company holding majority control of its voting stock.
6. Decommissioning activities as used below refer to the activities required by 10 CFR 70 and 10 CFR 72 for decommissioning of the facilities identified above.
7. Pursuant to the guarantor's authority to enter into this guarantee, the guarantor guarantees to the NRC that the guarantor shall:
 - (a) carry out the required decommissioning activities, as required by License Numbers DPR-1, R-33, TR-1, DR-10, SNM-960 and SNM-2500. or
 - (b) set up a trust fund in favor of the above identified beneficiary in the amount of the current cost estimate for these activities.
8. The guarantor agrees to submit revised financial statements, financial test data, and a special auditor's report and reconciling schedule annually within 90 days of the close of its fiscal year.
9. The guarantor agrees that if, at the end of any fiscal year before termination of this self-guarantee, it fails to meet the self-guarantee test criteria, it shall send, by certified mail, immediate notice to the NRC that the licensee intends to provide alternative financial assurance as specified in 10 CFR 70 and/or 10CFR 72. Within 120 of such notice, the guarantor shall establish such financial assurance.
10. The guarantor also agrees to notify the beneficiary promptly if the ownership of the licensed activity is transferred, and to maintain this guarantee until the new licensee provides alternative financial assurance acceptable to the beneficiary.
11. The guarantor agrees that if it determines, at any time other than as described in Recital 9, that it no longer meets the self-guarantee test criteria or it is disallowed from continuing as a self-guarantor, it shall establish alternative financial assurance as specified in 10 CFR Part 70 or 10 CFR 72, as applicable, within 30 days

12. The guarantor, as well as its successors and assigns, agree to remain bound jointly and severally under this guarantee notwithstanding any or all of the following: amendment or modification of license or NRC-approved decommissioning funding plan for that facility, the extension or reduction of the time of performance of required activities, or any other modification or alteration of an obligation of the licensee pursuant 10 CFR 70 or 10 CFR 72.
13. The guarantor agrees that it shall be liable for all litigation costs incurred by the beneficiary, NRC, in any successful effort to enforce the agreement against the guarantor.
14. The guarantor agrees to remain bound under this self-guarantee for as long as it, as licensee, must comply with the applicable financial assurance requirements of 10 CFR 70 and 10 CFR 72, for the previously listed facilities, except that the guarantor may cancel this self-guarantee by sending notice by certified mail to the NRC, such cancellation to become effective no earlier than 120 days after receipt of such notice by the NRC, as evidenced by the return receipt.
15. The guarantor agrees that if it, as licensee, fails to provide alternative financial assurance as specified in 10 CFR 70 and / or 10 CFR 72, as applicable, and obtain written approval of such assurance from the NRC within 90 days after a notice of cancellation by the guarantor is received by the NRC from the guarantor, the guarantor shall make full payment under the self-guarantee.
16. The guarantor expressly waives notice of acceptance of this self-guarantee by the NRC. The guarantor also expressly waives notice of amendments or modification of the decommissioning requirements.
17. If the guarantor files financial reports with the U.S. Securities and Exchange Commission, then it shall promptly submit them to its independent auditor and to the NRC during each year in which th.s guarantee is in effect.

18. The guarantor agrees that if, at any time before termination of this self-guarantee, its most recent bond issuance ceases to be rated in the category of "A" or above by either Standard & Poor's or Moody's, it shall provide notice in writing of such fact to the NRC with 20 days after publication of the change by the rating service.

I hereby certify that this guarantee is true and correct to the best of my knowledge.

General Electric Company

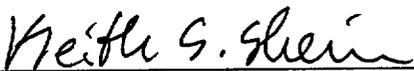
Keith S. Sherin
Keith S. Sherin Date
Senior Vice President - Finance

Witness of Notary
Adrian C. Jones

CERTIFICATION

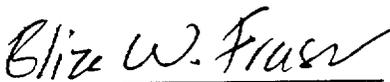
I, Keith S. Sherin, Senior Vice President - Finance, of the General Electric Company, do hereby certify that the attached Minute #10855 entitled "Execution of Contracts and Other Instruments" is a true and correct copy of a portion of the minutes of the meeting of the board of Directors of General Electric Company held on April 26, 1988, which minutes were approved by the Board of Directors at its meeting on May 27, 1988, and revised on December 20, 1991.

Dated this 4th day of March 2002



Keith S. Sherin
Senior Vice President-Finance

ATTEST:



Attesting Secretary

BOARD OF DIRECTORS MEETING
April 26, 1988

(Revised December 20, 1991)

10855 EXECUTION OF CONTRACTS AND OTHER INSTRUMENTS

The Chairman reminded the Board that the resolution dealing with the execution of contracts and other instruments on behalf of the Company had last been reviewed and revised by the Board in June, 1985, at which time the resolution had been modified to reflect changes in the Company's organization and to change its form to make periodic organization updating unnecessary under ordinary circumstances.

The Chairman noted that the principal purpose of this resolution is to indicate to persons outside the Company the individuals within the Company who have authority to sign various documents.

In view of the Board's determination to limit the individuals elected as officers of the Company (and authorize the Chairman of the Board to appoint and remove persons as non-corporate Operational Officers), he indicated that it would be advisable to consider revising and clarifying this resolution to take account of these clarifications and related matters.

The Chairman pointed out that, like the existing resolution, the proposed resolution would not confer any authority to approve transactions underlying the documents to be signed over and above that which is possessed by the signer either by virtue of the

April 26, 1988

powers inherent in that individual's position with the Company or by virtue of a delegation of authority to that individual by the Board of Directors or higher management.

Following discussion, it was

RESOLVED, that

(A) Any contract, lease, license, assignment, bond or other obligation, conveyance, power of attorney, guarantee, proxy, court pleading, release, tax return and related documents, or other instruments may be executed on behalf of this Company by the Chairman of the Board, a Vice Chairman of the Board, an Executive Vice President, a Senior Vice President, a Vice President reporting directly to the Chairman or a Vice Chairman of the Board, the Comptroller, the Treasurer, the Secretary or any Vice President who is a corporate staff officer of the Company, all of the above-named individuals being hereinafter called "Authorized Persons".

In addition to the foregoing, any Operational Officer may sign any instrument of the type described in this Paragraph (A) which relates to the component or function to which such Operational Officer is assigned, and any Manager, or formally designated Acting Manager, of any Division or Department level organization component may sign any such instrument which relates to that component. Each Operational Officer and each such Manager or Acting Manager is authorized to delegate to others, authority to execute on behalf of the Company, the types of contracts or other instruments which relate to the function or component to which such Operational Officer, Manager or Acting Manager is assigned which are of the same types as the contracts and other instruments listed in Paragraph (C) below.

(B) The Chairman of the Board and each of the Vice Chairmen of the Board is authorized to delegate to others authority to execute contracts and other instruments on behalf of the Company as he considers necessary and in the best interest of the Company.

(C) Each Authorized Person is hereby authorized to delegate to others authority to execute on behalf of the Company the following types of contracts and other instruments which relate to the function or component for which such Authorized Person is responsible:

- 1 Sales, purchase and consignment contracts, bids therefor, (including contracts providing for or relating to a

franchise for the distribution or resale of this Company's products) and documents in connection therewith, including bids to and contracts with any Municipal, County or State Government, or with the Government of the United States or a foreign country, or with any agency or department of any such Government and bonds to secure the performance of such bids and contracts.

2. Installation, erection, and service contracts and bids therefor and documents in connection therewith (including but not limited to installation, erection, and service contracts and bids therefor with any Municipal, County or State Government, or with the Government of the United States or a foreign country, or with any agency or department of any such Government) and bonds to secure the performance of any such contract or bid.
3. Assignments, waivers of lien, releases, guaranties, mortgages, indentures, credit agreements and such other agreements, documents or other instruments as may be necessary or advisable, relating to either direct or indirect financing in connection with sales by the Company, or the collection of debts, and proofs of claims and other instruments to be filed or used in any bankruptcy or insolvency proceedings.
4. Contracts, leases, deeds, or other instruments relating to real property or to any improvements thereon.
5. Powers of Attorney authorizing agents and attorneys to acquire and dispose of motor vehicles on behalf of the Company and to file all necessary applications, execute all necessary documents, and take all other necessary actions in connection therewith.
6. Powers of Attorney authorizing agents and attorneys to transact business of the Company with the U.S. Customs Service and with customs authorities in other countries.

(D) The Senior Vice President - Finance and the Vice President and Treasurer are each severally authorized to delegate to others authority to execute on behalf of the Company the following types of instruments and in connection therewith to establish, as appropriate, Company-wide procedures:

1. Agreements or other instruments relating to the investment of funds of the Company, including but not limited to, instruments pertaining to the purchase, sale, exchange, assignment, conversion, transfer, custody or

- loan of any securities or properties, (b) establishment and operation of bank accounts, (c) authorizations to purchase or sell currencies (including contracts for future delivery), (d) financial contracts (e) applications for letters of credit, (f) issuance of stock certificates and replacement of certificates that are lost, stolen or destroyed, and (g) share owner proxies, consents, waivers and releases.
2. Checks, drafts, other payment authorizations and notes payable of the Company. Except as provided below, any such authorization shall require countersignatures and stipulate that no one individual may both sign and countersign the same instrument. Any delegation hereunder may provide that the individual authorized to sign or countersign may effect his or her signature by means of a facsimile signature. It shall not, however, be mandatory for any authorization hereunder to require signatures and countersignatures with respect to (a) checks or drafts drawn on dividend, payroll, or working fund accounts, (b) depository transfers or endorsements to the account or credit of the Company or (c) transfers between Company bank accounts.
 3. Guarantees of indebtedness of foreign or domestic affiliates of the Company and guarantees of contingent obligations of such affiliates in connection with bank guarantees of commercial transactions.

(E) The Senior Vice President - Finance and the Vice President and Comptroller are each severally authorized to delegate to others authority to execute on behalf of the Company, the following types of contracts and other instruments:

1. Federal, State or local tax returns and related documents, to be filed in the United States or foreign countries,
2. Reports of collections from employees and taxes due from the Company under the Federal Insurance Contributions Act, Federal Unemployment Tax Act, and the unemployment compensation laws of each of the states, the District of Columbia and Puerto Rico, as well as any related claims for refunds and reports thereunder,
3. Applications, claims, surrender and other forms in connection with the General Electric Supplemental Life Insurance Program,

Paragraph (A) or pursuant to Paragraphs (B), (C), (D), (E) or (F) above may be redelegated by the persons to whom such delegations are made who in turn may authorize further redelegation; provided, however, that no such initial or subsequent redelegation shall be made except in conformity with the limitations imposed thereon by the initial delegation plus any restrictions contained in subsequent redelegations.

(I) The Secretary, the Associate Corporate Secretary and any Attesting Secretary are each severally authorized to affix the Corporate Seal to and attest to contracts and other instruments executed by persons acting pursuant to the authority granted by Paragraphs (A) or (G) above or pursuant to authority delegated in accordance with Paragraphs (A), (B), (C), (D), (E), (F) or (H) above. The Secretary, the Associate Corporate Secretary and any Attesting Secretary are also each severally authorized to certify as to the provisions of this Resolution, as to the incumbency of any person in any position within the Company and as to the terms of any delegation under this Resolution.

(J) Resolution #10502 dated June 28, 1985 is superseded effective as of April 26, 1988.

April 26, 1988



Stamford Square
3001 Summer Street
Stamford, CT 06905

Independent Accountants' Report
on Applying Agreed-Upon Procedures

The Board of Directors
General Electric Company:

We have performed the procedures listed below, which were agreed to by the Board of Directors and Management of General Electric Company ("the Company"), solely to assist you in connection with the filing of selected financial information included in the "Self-Guarantee Test" section of your letter dated March 4, 2002 to the United States Nuclear Regulatory Commission. The Company's management is responsible for the selected financial information. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board of Directors and Management of General Electric Company. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- Decommissioning Amount - We compared the dollar amount of decommissioning amounts covered by the self-guarantee, \$107,300 thousand, in Item 1.a to the amount of the Total Cost Estimate for decommissioning, so guaranteed, in the second paragraph of the letter dated March 4, 2002, from the Chief Financial Officer of the Company to United States Nuclear Regulatory Commission, and found such amounts to be in agreement.
- Bond Rating - We compared the Aaa bond rating in Item 2 to the April 2001 Moody's long term debt rating and we compared the date of issuance of bond in Item 3 and date of maturity of bond in Item 4 to the original bond prospectus dated December 14, 2000, and found them to be in agreement.
- Tangible Net Worth - We compared the dollar amount of tangible net worth, \$23,175,000 thousand, as shown in Item 5, to the difference between Total Share Owners' Equity, \$54,824,000 thousand, and Intangible Assets, \$31,649,000 thousand, each reflected in the Statement of Financial Position on page 44 of the Company's 2001 Annual Report, and found such amounts to be in agreement.
- Total Assets in the United States - We compared the Company's Total Assets in the United States, \$315,179,000 thousand, as shown in Item 6, to the Company's Total Assets in the United States, reflected in Note 28 - Geographic Segment Information on page 88 of the Company's 2001 Annual Report, and found such amounts to be in agreement.
- Is Line 5 at Least 10 Times Line 1? - We multiplied the amount in line 1 by 10 and found that the amount in line 5 is at least 10 times the amount in line 1. Accordingly, we agree with the Company's response of "Yes" in Item 7.





Page 2

- Are at Least 90% of Firm's Assets Located in the United States? - We divided the Company's Total Assets in the United States, \$315,179,000 thousand, reflected in Note 28 - Geographic Segment Information on page 88 of the Company's 2001 Annual Report, by the Company's Total Assets, \$495,023,000 thousand, reflected in the Statement of Financial Position on page 44 of the Company's 2001 Annual Report, and found that the Company's Total Assets in the United States were less than 90% of the Company's Total Assets. Accordingly, we agree with the Company's response of "No" in Item 8.
- Is Line 6 at Least 10 Times Line 1? - We multiplied the amount in line 1 by 10 and found that the amount in line 6 is at least 10 times the amount in line 1. Accordingly, we agree with the Company's response of "Yes" in Item 9.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the selected financial information. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Board of Directors and Management of General Electric Company, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 4, 2002



*Corporate Environmental Programs
General Electric Company
3135 Easton Turnpike, Fairfield, CT 06431*

March, 2002

Financial Assurance

Please direct all inquiries and responses related to the attached submission to:

Gregory McNicholas
Corporate Environmental Programs
General Electric Company
3135 Easton Turnpike
Fairfield, CT 06431

(203) 373-3583 Phone
(203) 373-3342 Fax

Thank you.