



**Nuclear Management Company, LLC**  
**Prairie Island Nuclear Generating Plant**  
1717 Wakonade Dr. East  
Welch MN 55089

July 24, 2002

10 CFR 140.21

Director of Nuclear Reactor Regulation  
U. S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, DC 20555

**PRAIRIE ISLAND NUCLEAR GENERATING PLANT**  
Docket No. 50-282 License No. DPR-42  
50-306 DPR-60

**Guarantee of Payment of Deferred Premiums**

Federal regulation 10 CFR 140.21 and item 154 of Regulatory Guide 10.1 Rev 4, requires each licensee to provide evidence of maintaining a method to guarantee payment of deferred premiums for each licensed operating reactor. Regulatory Guide 9.4 provides guidelines for the guarantee method of submitting financial statements showing that a cash flow can be generated and would be available for payment of retrospective premiums within three months after submission of a request for payment.

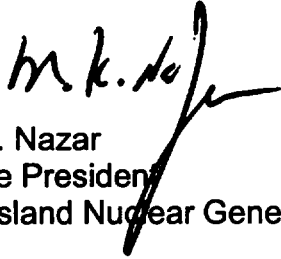
In accordance with the above requirements, the Nuclear Management Company, acting as agent for Xcel Energy, is hereby submitting the required 2001 actual and 2002 projected cash flow statements for the Prairie Island Nuclear Generating Plant. The proprietary information is appropriately marked as provided by 10 CFR 2.790(b)(1), and with the required affidavit to support withholding the proprietary information from public disclosure.

As noted above, portions of the 2002 cash flow information are considered company confidential, and as such we request that it be withheld from public disclosure pursuant to 10 CFR 2.790(b)(1). The affidavit to support this request is provided as Attachment 1. Proprietary and non-proprietary versions of the cash flow information are provided by Attachment 2 and Attachment 3 respectively.

**Attachment 2 Contains Proprietary Information**

M004

If you have any questions with regard to this information, please call John Lentz at 612-215-5387 or Dale Vincent at 651-388-1121.

A handwritten signature in black ink, appearing to read "m.k. nazar", written over the printed name and title.

Mano K. Nazar  
Site Vice President  
Prairie Island Nuclear Generating Plant

**Attachments:**

1. Affidavit to Request Withholding of Proprietary Information from Public Disclosure
2. 2001 Actual Cash Flow and 2002 Projected Cash Flow (Proprietary Version)
3. 2001 Actual Cash Flow and 2002 Projected Cash Flow (Non-Proprietary Version)

cc: Regional Administrator-III, NRC  
Prairie Island NRR Project Manager, NRC  
Prairie Island Resident Inspector, NRC  
Minnesota Department of Commerce (without attachments)

**Prairie Island Nuclear Generating Plant**

**Attachment 1**

**Affidavit to Request Withholding of Proprietary  
Information from Public Disclosure**

**UNITED STATES NUCLEAR REGULATORY COMMISSION**

**NUCLEAR MANAGEMENT COMPANY**

**PRAIRIE ISLAND NUCLEAR GENERATING PLANT**

**DOCKET Nos. 50-282  
50-306**

**Request to Withhold Proprietary Information from Public Disclosure**

Nuclear Management Company, a Wisconsin corporation acting as agent for Xcel Energy, hereby requests that Attachment 2 to the letter entitled "Guarantee of Payment of Deferred Premiums" dated July 24, 2002, be withheld from public disclosure due to its proprietary nature. The details of this request are provided in the following affidavit:

**AFFIDAVIT**

I, Mano K. Nazar, being duly sworn, depose and state as follows:

- (1) I am Site Vice President, Prairie Island Nuclear Generating Plant, Nuclear Management Company ("NMC") and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld consists of portions of the 2002 Projected Cash Flow that is included in Attachment 2 to NMCs July 24, 2002 letter to the NRC entitled "Guarantee of Payment of Deferred Premiums". Attachment 2, a one page document, has the words "Proprietary Information" on the bottom of the page.
- (3) In making this application for withholding of proprietary information of which it is the owner, Xcel Energy Company (formerly known as Northern States Power Company (NSP)) and NMC rely upon the exemption from disclosure set forth in the NRC regulation 10 CFR 2.790(b)(1) for confidential financial information.
- (4) Justification for the request for withholding from public disclosure is provided by addressing the five items identified in 10 CFR 2.790(b)(4).

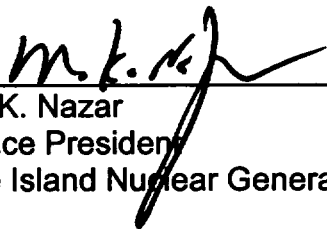
To the best of my knowledge and belief:

- a. This Information is considered company confidential and has been held in confidence by Xcel Energy and NMC.

- b. This information is of the type customarily held in confidence by Xcel Energy and NMC and the rationale basis is that it would provide an unfair advantage to competitors if it were disclosed.
- c. This information is transmitted in confidence to the NRC and the purpose of this request is to maintain its confidentiality.
- d. The 2002 projected cash flow information is not available from public sources.
- e. Public disclosure of the information sought to be withheld is likely to cause harm to Xcel Energy's and NMC's competitive position and reduce the availability of profit-making opportunities.

This letter contains no restricted or other defense information.

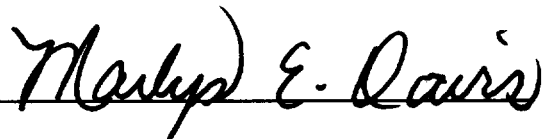
NUCLEAR MANAGEMENT COMPANY, LLC

By   
Mano K. Nazar  
Site Vice President  
Prairie Island Nuclear Generating Plant

State of Minnesota

County of Goodhue

On this 24<sup>th</sup> day of July, 2002, before me a notary public acting in said County, personally appeared Mano K. Nazar, Site Vice President, Prairie Island Nuclear Generating Plant, and being first duly sworn acknowledged that he is authorized to execute this document on behalf of Nuclear Management Company, LLC, that he knows the contents thereof, and that to the best of his knowledge, information, and belief the statements made in it are true.





NORTHERN STATES POWER COMPANY MINNESOTA

2001 Actual Cash Flow and  
2002 Projected Cash Flow

Related to Prospective Premiums for  
Monticello, Prairie Island I and Prairie Island II  
Nuclear Generating Units

(Dollars in Thousands)

	<u>2001 Actual Total</u>	<u>2002 Projected Total</u>
Net Income After Taxes	207,865	<b>Withheld from public disclosure per Affidavit</b>
Less Dividends Paid	(167,237)	
Retained Earnings	40,628	
Adjustments:		
Depreciation	400,646	
Deferred Income Taxes & Investment Tax Credits	2,368	
Allowance for Funds Used During Construction	<u>4,898</u>	
Total Adjustments	<u>407,912</u>	
Internal Cash Flow	<u>448,540</u>	
Average Quarterly Cash Flow	<u>112,135</u>	

Percentage Ownership in All Operating Nuclear Units	Monticello	100%
	Prairie Island I	100%
	Prairie Island II	100%

Maximum Total Contingent Liability for Secondary Financial Protection	\$264,285,000/accident \$ 30,000,000 maximum payment/year
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Cash and Banking  
John Lentz  
4/30/2002

**NON-PROPRIETARY VERSION**