



Palo Verde Nuclear  
Generating Station

**Gregg R. Overbeck**  
Senior Vice President  
Nuclear

TEL (623) 393-5148  
FAX (623) 393-6077

**10 CFR 50.75(f)(1)**

Mail Station 7602  
P.O. Box 52034  
Phoenix, AZ 85072-2034

**102-04823 – GRO/TNW/DWG**  
August 1, 2002

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Mail Station P1-37  
Washington, DC 20555

Dear Sirs:

- Reference:
1. APS Letter No. 102-04266-JML/SAB/RKB, dated March 30, 1999, from J. M. Levine, APS, to NRC, "Status of Decommissioning Funding"
  2. APS Letter No. 102-04550-GRO/SAB/RKB, dated March 29, 2001, from G. R. Overbeck, APS, to NRC, "Status of Decommissioning Funding"

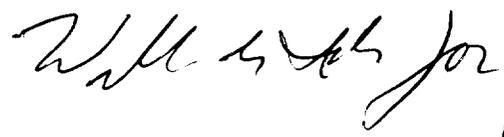
**Subject: Palo Verde Nuclear Generating Station (PVNGS)  
Units 1, 2, and 3  
Docket Nos. STN 50-528/529/530  
Re-Submittal of Decommissioning Funding Status**

In accordance with the requirements of 10 CFR 50.75(f)(1), Arizona Public Service Company (APS) is required to submit the status of the decommissioning funding for PVNGS Units 1, 2, and 3 once every two years.

As discussed in a telephone conversation with members of the NRC staff on July 25, 2002, APS is re-submitting the March 1999 and March 2001 reports on the status of decommissioning funding for PVNGS Units 1, 2, and 3 to clarify the confidentiality status of these reports. In attachments A and B you will find an update to the original submittals with the confidentiality request deleted. There are no other changes to these submittals.

This letter does not make any commitments to the NRC. If you have any questions, please contact Thomas N. Weber at (623) 393-5764.

Sincerely,



William H. Johnson  
A001

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Decommissioning Funding Status Submittal Update for PVNGS Units 1, 2, and 3  
Page 2

GRO/TNW/DWG/kg

Attachments:

- A. Updated APS Letter No. 102-04266-JML/SAB/RKB, dated March 30, 1999, from J. M. Levine, APS, to NRC, "Status of Decommissioning Funding"
- B. Updated APS Letter No. 102-04550-GRO/SAB/RKB, dated March 29, 2001, from G. R. Overbeck, APS, to NRC, "Status of Decommissioning Funding"

cc: E. W. Merschoff [Region IV]  
J. N. Donohew [NRR Project Manager] + (send electronic and paper)  
D. G. Naujock [NRR Project Manager]  
N. L. Salgado [PVNGS]

## **Attachment A**

**Updated APS Letter No. 102-04266-JML/SAB/RKB, dated March 30, 1999, from J. M. Levine, APS, to NRC, "Status of Decommissioning Funding"**



Palo Verde Nuclear  
Generating Station

James M. Levine  
Senior Vice President  
Nuclear

TEL (602)393-5300  
FAX (602)393-6077

Mail Station 7602  
P.O. Box 52034  
Phoenix, AZ 85072-2034

102-04266-JML/SAB/RKB  
March 30, 1999

10 CFR 50.75(f)(1)

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Mail Station P1-37  
Washington, DC 20555

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)  
Units 1, 2, and 3  
Docket Nos. STN 50-528/529/530  
Status of Decommissioning Funding**

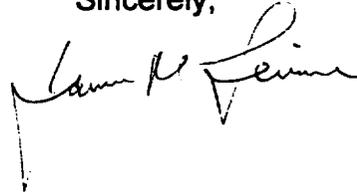
In accordance with the requirements of 10 CFR 50.75(f)(1), Arizona Public Service Company (APS) is submitting the status of the decommissioning funding for PVNGS Units 1, 2, and 3 in Enclosure 1. This report and its appendices contain the status of decommissioning funding for each unit and for each of the owners of the Palo Verde Units. APS is relying upon the 1998 Annual Funding Status Report from each Participant in providing the information in this report with respect to each Participant's current funds, as well as future funding plans and assumptions.

~~Please note that the information provided in Appendix A to Enclosure 1 is a proprietary compilation of financial and commercial information. An Affidavit in support of the request that this information be withheld from public disclosure pursuant to 10 CFR 2.790(b)(1), is provided as Enclosure 2.~~ Deleted per APS Letter 102-04823, dated August 1, 2002

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Status of Decommissioning Funding for PVNGS Units 1, 2, and 3  
Page 2

If you have any questions, please contact Scott A. Bauer at (602) 393-5978.  
This letter does not make any commitments to the NRC.

Sincerely,



JML/SAB/RKB/rh

Enclosure 1: 1998 Decommissioning Funding Status Report for Palo Verde  
Nuclear Generating Station Units 1, 2 & 3

~~Enclosure 2: Affidavit of James M. Levine Requesting Information Be Withheld~~

~~From Public Disclosure~~ Deleted per APS Letter 102-04823, dated August 1, 2002

cc:	E. W. Merschhoff	w/attachments
	M. B. Fields	w/o attachments
	J. H. Moorman	w/attachments
	A. V. Godwin [ARRA]	w/o attachments
	R. S. Wood	w/attachments

**Enclosure 1**

**1998 Decommissioning Funding Status Report for  
Palo Verde Nuclear Generating Station Units 1, 2 & 3**

**1998 DECOMMISSIONING FUNDING STATUS REPORT**

10 CFR 50.75(f)(1)

(For The Year Ending December 31, 1998)

**PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2 & 3**

Submitted on Behalf of

Arizona Public Service Company  
Salt River Project Agricultural Improvement and Power District  
El Paso Electric Company  
Southern California Edison Company  
Public Service Company of New Mexico  
Southern California Public Power Authority  
Los Angeles Department of Water and Power

Dated: March 24, 1999

## **OVERVIEW**

This Decommissioning Funding Status Report is being submitted pursuant to 10 CFR 50.75(f)(1) by Arizona Public Service Company (APS) as the operator of Palo Verde Nuclear Generating Station (PVNGS), Units 1, 2 & 3. APS is submitting this report on behalf of the seven Participants in PVNGS:

	<b>Participant</b>	<b>% Share of Each Unit</b>
1.	Arizona Public Service Company (APS)	29.10
2.	Salt River Project Agricultural Improvement and Power District (SRP)	17.49
3.	El Paso Electric Company (EPE)	15.80
4.	Southern California Edison Company (SCE)	15.80
5.	Public Service Company of New Mexico (PNM)	10.20
6.	Southern California Public Power Authority (SCPPA)	5.91
7.	Los Angeles Department of Water and Power (LADWP)	5.70

Pursuant to Sections 8A.4 and 8A.7.2.4 of the PVNGS Participation Agreement, as amended through Amendment 13 and reformed as of June 29, 1992, each Participant provides an annual decommissioning funding status report for review by the Termination Funding Committee established pursuant to the PVNGS Participation Agreement. APS is relying upon the 1998 Annual Funding Status Report from each Participant in providing the information in this report with respect to each Participant's current funds, as well as future funding plans and assumptions.

## **DECOMMISSIONING FUNDS ESTIMATED TO BE REQUIRED**

In a report dated December 1998 TLG Services, Inc. (TLG) prepared a site-specific Decommissioning Cost Study for PVNGS. This study includes cost estimates for basic NRC radiological decommissioning within the meaning of 10 CFR 50.75(b) & (c) (hereafter, Basic Radiological Decommissioning), as well as for spent fuel management and for non-radiological decommissioning activities. On a per unit basis, the 1998 Total Decommissioning Costs for each unit and the Basic Radiological Decommissioning costs can be broken down as follows (in millions of dollars):

PVNGS Unit	Total Decommissioning Cost Estimate	Basic Radiological Decommissioning
Unit 1	\$557.6	\$424.5
Unit 2	\$586.9	\$454.7
Unit 3	\$631.1	\$485.7

Each Participant is entitled to exercise its own judgment regarding additional contingency factors and scope of work beyond the scope of work assumed in TLG's site specific study. In addition, assumptions regarding decommissioning cost escalation and trust

fund earnings will affect funding levels. Therefore, Participants may accumulate funds based upon a Basic Radiological Decommissioning cost estimate and Total Decommissioning Cost Estimate that exceed the amounts noted above. Regardless of such independent judgments, each Participant meets NRC requirements for purposes of estimating the decommissioning funds to be required, because the site specific estimates of costs noted above for the Basic Radiological Decommissioning of each PVNGS unit exceed the NRC minimum formula amount calculated in accordance with 10 CFR 50.75(c), NUREG-1307, Rev. 8, and Regulatory Guide 1.159.

### **AMOUNT OF FUNDS ACCUMULATED AS OF DECEMBER 31, 1998**

The total amounts of funds accumulated by each Participant in their respective Nuclear Decommissioning Trusts for each unit as of December 31, 1998 are provided in Appendix A, Tabs 1 (Unit 1), 2 (Unit 2) & 3 (Unit 3). These values reflect the fair market value as reported by the respective Trustees at the end of calendar year 1998. In addition, in order to put the current levels of funding in perspective, the charts for each unit provided in Appendix A include: (1) a breakdown for each unit of each Participant's percentage share of the 1998 Total Decommissioning Cost Estimate and the Basic Radiological Decommissioning amount; (2) the 1998 annual contribution made by each Participant; and (3) the years remaining on the unit's operating license. Please note that the cost estimates are in 1998 dollars and do not take into account the individual assumptions made by each Participant, which may result in the accumulation of funds based upon higher cost estimates.

### **SCHEDULE OF ANNUAL AMOUNTS REMAINING TO BE COLLECTED AND ASSUMPTIONS**

Pursuant to the Participation Agreement, as amended and reformed, the Participants agreed that each Participant would commit to minimum levels of accumulation of funds, regardless of fund investment performance, pursuant to a pre-established percentage funded commitment or "Funding Curve" for each year through the end of plant life. Each Participant's percentage funding commitment was based upon an analysis which incorporated the Participant's individual business judgments (subject to regulatory approvals, as applicable) with respect to expected rates of fund investment earnings and escalation in total decommissioning costs. Every three years a site-specific decommissioning cost estimate is performed, and each participant applies the new cost estimate to their pre-established Funding Curve. However, each Participant is committed to minimum levels of accumulations, which cannot drop below a Funding Floor (which is never less than eighty percent of the Participant's Funding Curve and was established to take into account market fluctuations in the early years of fund accumulation). These minimum commitment levels are based upon the liquidated, after-tax value of the funds. As such, the unliquidated values relied upon for purposes of NRC's decommissioning financial assurance requirements currently exceed these values with respect to funds held by the investor-owned utility Participants in PVNGS. For the non-investor-owned Participants, the liquidated and unliquidated values are the same.

The current accumulation and funding schedules submitted in the 1998 Annual Funding Status Reports are based upon a 1995 site specific decommissioning cost estimate, that is escalated by each Participant. The tables and charts submitted by each Participant in the 1998 Annual Funding Status Reports are provided in Appendix B, Tabs 1, 2, 3, 4, 5, 6 & 7. (These Tabs correlate with the numbers assigned to Participants in the "Overview" above, which were assigned in descending order based upon the percentage share size of each Participant.)

The assumptions underlying each Participant's analysis are provided in Section 2.1.7 of the 1998 Annual Funding Status Reports. These assumptions reported by each Participant are restated, respectively, in Appendix B, Tabs 1, 2, 3, 4, 5, 6 & 7.

Actual annual contributions of each Participant may vary from the annual contributions reflected in the tables provided in Appendix B, based upon actual fund performance and other factors. Each Participant is committed to maintaining the accumulation of funds established by the funding percentage curves, rather than any pre-established annual contribution.

#### **SOURCE OF REVENUES FOR EXTERNAL SINKING FUND**

Within the meaning of 10 CFR 50.75(e)(1)(i)(A) & (B), each participant either: (A) recovers, directly or indirectly, the estimated total cost of decommissioning through rates established by "cost of service" or similar ratemaking regulation, including entities that establish their own rates and are able to recover their cost of service allocable to decommissioning; or (B) has as its source of revenues for its external sinking fund a "non-bypassable charge," the total amount of which, with earnings, will provide the funds estimated to be needed for decommissioning. However, in Section 1.6 of its 1998 Annual Funding Status Report, PNM notes as follows:

As reflected in this Report, PNM continues to rely exclusively on the external sinking fund mechanism for financial assurance for its decommissioning obligations with respect to its interest in PVNGS Unit 3. PNM's interest in PVNGS Unit 3 has never been in its rate base and was permanently excluded from New Mexico retail rates by a New Mexico Public Utility Commission order issued in 1989. Nevertheless, PNM is, in a general sense, "indirectly" collecting Unit 3 decommissioning through cost of service based revenues within the meaning of 10 CFR 50.75(e)(1)(ii)(A).

In 1998, PNM collected more than 80% of its gas and electric utility revenues from cost of service based rates, and PNM's electric revenues from its interest in Unit 3 represented less than 20% of PNM's electric revenues. Even though Unit 3 decommissioning costs are not included in rates, the total revenues recovered by PNM through traditional cost of service rates dwarf the ongoing decommissioning funding requirements for Unit 3. For 1998, PNM had retail cost of service electric revenues of more than \$500 million, as contrasted with the approximate \$1.6 million annual required contribution to PNM's Unit 3

decommissioning trust fund. Notably, PNM currently has \$11.7 million (market value) in its Unit 3 decommissioning trust fund.

It also should be noted that EPE's share of Unit 3 relating to its New Mexico service territory has similarly been excluded from retail rates. However, this share is *de minimis* (less than 20% of EPE's Unit 3 share), and this should not affect EPE's qualification to use an external sinking fund for its share of Unit 3 pursuant to 10 CFR 50.75(e)(1)(ii)(A).

### **LONG TERM CONTRACTS RELIED UPON**

No PVNGS Participant is relying upon a long-term contract for purposes of providing decommissioning funding within the meaning of 10 CFR 50.75(e)(1)(v).

### **MODIFICATIONS TO METHOD OF DECOMMISSIONING FUNDING ASSURANCE OR MATERIAL CHANGES TO TRUST AGREEMENT**

The Participants continue to use the external sinking fund method of providing decommissioning funding assurance.

Amendments to the Trust Agreements of the various Participants, since the 1990 submission of the Trust Agreements to NRC, if any, are provided in Appendix C. The APS Decommissioning Trust Agreements (Unit 1; Unit 2; and Unit 3) amended and restated as of December 16, 1996 are provided at Appendix C, Tab 1. The EPE Decommissioning Trust Agreements (Unit 1; Unit 2; and Unit 3) amended and restated as of February 12, 1996 are provided at Appendix C, Tab 2. The SCE Master Trust Agreement amended and restated as of December 27, 1997 is provided at Appendix C, Tab 3. The PNM Master Decommissioning Trust Agreement amended and restated as of March 15, 1996 is provided at Appendix C, Tab 4. The SCPPA Decommissioning Trust Fund Agreement I and Agreement II amended and restated as of October 27, 1992 are provided at Appendix C, Tab 5. The LADWP Decommissioning Trust Fund Agreement I and Agreement II amended and restated as of February 20, 1991 are provided at Appendix C, Tab 6.

In addition, the following Table provides the names of the current Trustees and Investment Managers as reported by each Participant in Section 1.1 of their 1998 Annual Funding Status Reports to the Termination Funding Committee:

<b>Participant</b>	<b>Trustee(s)</b>	<b>Investment Manager(s)</b>
APS	Mellon Bank, N.A.	RCM Capital Mellon Capital Delaware Investment Advisers
SRP	Marshall & Illsley Trust Company of Arizona	Vanguard Group Pacific Investment Management
EPE	NationsBank, N.A.	Phoenix Duff & Phelps Investment Advisors Delaware Investment Advisers
SCE	The Northern Trust Company	STW Fixed Income Management Bankers Trust Company PanAgora Asset Management BlackRock Financial Management, Inc. Stanford C. Bernstein & Co., Inc.
PNM	Mellon Bank, N.A.	T. Rowe Price and Associates, Inc. Strong Capital Management Inc.
SCPPA	US Bank Trust, N.A.	None.
LADWP	US Bank Trust, N.A.	None.

## Palo Verde Nuclear Generating Station

### Unit 1

(\$M)

Participants	% Ownership	Total (1) Site Specific Estimate	NRC (1) Basic Radiological Estimate	Total Nuclear Decommissioning Trust (As of 12/31/98)	Fiscal (2) Year 1998 Contributions	Years To End Of Operating License (12/31/2024)
Arizona Public Service Company	29.10 %	\$ 162.26	\$ 123.53	\$ 55.75 (3)	\$ 3.80	26
Salt River Project Agricultural Improvement and Power District	17.49 %	97.52	74.25	34.35 (4)	1.45	26
El Paso Electric Company	15.80 %	88.10	67.07	16.58 (5)	1.56	26
Southern California Edison Company	15.80 %	88.10	67.07	132.73 (6)	9.20	26
Public Service Company of New Mexico	10.20 %	56.87	43.30	14.09 (7)	1.50	26
Southern California Public Power Authority	5.91 %	32.95	25.09	19.63 (8)	2.07	26
Los Angeles Department of Water and Power	5.70 %	31.78	24.20	21.85 (9)	3.19	26
TOTAL	100.00 %	\$ 557.58	\$ 424.50	\$ 294.99	\$ 22.76	

(1) - Decommissioning Cost Study for PVNGS, prepared by TLG Services, Inc. (December, 1998)

(2) - Section 2.4 of 1998 Annual Funding Status Reports

(3) - Exhibit B of APS 1998 Annual Funding Status Report

(4) - Section 2.2.2 of SRP 1998 Annual Funding Status Reports

(5) - Section 2.2 of EPE 1998 Annual Funding Status Reports

(6) - Section 2.2.2 of SCE 1998 Annual Funding Status Reports -- Note: SCE accumulates funds based upon cost estimates that exceed the amounts noted above due to SCE judgments with respect to contingency factors and a scope of work beyond the scope of work assumed in the 1998 TLG study. In addition, its funding levels are also affected by assumptions regarding decommissioning cost escalation and trust fund earnings.

(7) - Section 2.2.1 of PNM 1998 Annual Funding Status Reports

(8) - Section 2.2.1 of SCPPA 1998 Annual Funding Status Reports

(9) - Section 2.2.1 of LADWP 1998 Annual Funding Status Reports

## Palo Verde Nuclear Generating Station

### Unit 2

(\$M)

<u>Participants</u>	<u>% Ownership</u>	<u>Total (1) Site Specific Estimate</u>	<u>NRC (1) Basis Radiological Estimate</u>	<u>Total Nuclear Decommissioning Trust (As of 12/31/98)</u>	<u>Fiscal (2) Year 1998 Contributions</u>	<u>Years To End Of Operating License (12/9/2025)</u>
Arizona Public Service Company	29.10 %	\$ 170.80	\$ 132.31	\$ 53.73 (3)	\$ 4.07	27
Salt River Project Agricultural Improvement and Power District	17.49 %	102.66	79.53	32.40 (4)	1.55	27
El Paso Electric Company	15.80 %	92.74	71.84	17.05 (5)	1.40	27
Southern California Edison Company	15.80 %	92.74	71.84	131.41 (6)	9.13	27
Public Service Company of New Mexico	10.20 %	59.87	46.38	14.53 (7)	1.52	27
Southern California Public Power Authority	5.91 %	34.69	26.87	20.02 (8)	2.13	27
Los Angeles Department of Water and Power	5.70 %	33.46	25.92	21.72 (9)	3.51	27
<b>TOTAL</b>	<b>100.00 %</b>	<b>\$ 586.95</b>	<b>\$ 454.69</b>	<b>\$ 290.85</b>	<b>\$ 23.30</b>	

(1) - Decommissioning Cost Study for PVNGS, prepared by TLG Services, Inc. (December, 1998)

(2) - Section 2.4 of 1998 Annual Funding Status Reports

(3) - Exhibit B of APS 1998 Annual Funding Status Report

(4) - Section 2.2.2 of SRP 1998 Annual Funding Status Reports

(5) - Section 2.2 of EPE 1998 Annual Funding Status Reports

(6) - Section 2.2.2 of SCE 1998 Annual Funding Status Reports -- Note: SCE accumulates funds based upon cost estimates that exceed the amounts noted above due to SCE judgments with respect to contingency factors and a scope of work beyond the scope of work assumed in the 1998 TLG study. In addition, its funding levels are also affected by assumptions regarding decommissioning cost escalation and trust fund earnings.

(7) - Section 2.2.1 of PNM 1998 Annual Funding Status Reports

(8) - Section 2.2.1 of SCPPA 1998 Annual Funding Status Reports

(9) - Section 2.2.1 of LADWP 1998 Annual Funding Status Reports

## Palo Verde Nuclear Generating Station

### Unit 3

(\$M)

<u>Participants</u>	<u>% Ownership</u>	<u>Total (1) Site Specific Estimate</u>	<u>NRC (1) Basic Radiological Estimate</u>	<u>Total Nuclear Decommissioning Trust (As of 12/31/98)</u>	<u>Fiscal (2) Year 1998 Contributions</u>	<u>Years To End Of Operating License (3/25/2027)</u>
Arizona Public Service Company	29.10 %	\$ 183.65	\$ 141.35	\$ 49.09 (3)	\$ 3.57	29
Salt River Project Agricultural Improvement and Power District	17.49 %	110.38	84.95	34.38 (4)	1.70	29
El Paso Electric Company	15.80 %	99.71	76.75	13.41 (5)	1.57	29
Southern California Edison Company	15.80 %	99.71	76.75	143.33 (6)	9.82	29
Public Service Company of New Mexico	10.20 %	64.37	49.54	11.69 (7)	0 (10)	29
Southern California Public Power Authority	5.91 %	37.30	28.71	21.40 (8)	2.47	29
Los Angeles Department of Water and Power	5.70 %	35.97	27.69	21.83 (9)	3.93	29
TOTAL	100.00 %	\$ 631.10	\$ 485.73	\$ 295.14	\$ 23.06	

(1) - Decommissioning Cost Study for PVNGS, prepared by TLG Services, Inc. (December, 1998)

(2) - Section 2.4 of 1998 Annual Funding Status Reports

(3) - Exhibit B of APS 1998 Annual Funding Status Report

(4) - Section 2.2.2 of SRP 1998 Annual Funding Status Reports

(5) - Section 2.2 of EPE 1998 Annual Funding Status Reports

(6) - Section 2.2.2 of SCE 1998 Annual Funding Status Reports -- Note: SCE accumulates funds based upon cost estimates that exceed the amounts noted above due to SCE judgments with respect to contingency factors and a scope of work beyond the scope of work assumed in the 1998 TLG study. In addition, its funding levels are also affected by assumptions regarding decommissioning cost escalation and trust fund earnings.

(7) - Section 2.2.1 of PNM 1998 Annual Funding Status Reports

(8) - Section PNM's funding requirements under the Participation Agreement.

(9) - Section 2.2.1 of LADWP 1998 Annual Funding Status Reports

(10) - Note: Prepaid contributions and growth in the fund from earnings were sufficient such that the liquidated value of the fund met PNM's funding requirements under the Participation Agreement.

# Palo Verde Nuclear Generating Station

Units 1, 2, & 3

## APS 1998 Annual Funding Status Report

Section 2.1.7 [Restated]

Assumptions used in developing committed Accumulations: (See Exhibit E - Funding Tables and Curves, attached)

# ARIZONA PUBLIC SERVICE COMPANY

## ANNUAL FUNDING STATUS REPORT FOR THE YEAR ENDING DECEMBER 31, 1998

### EXHIBIT E

#### Assumptions used by APS in Decommissioning Funding Tables and Curves:

##### Decommissioning Costs:

Funding Curve is based on Official 1995 TLG Study Costs

##### Escalation Factor and Future Value of Decommissioning Costs:

Escalation factor of 5.00% Annually

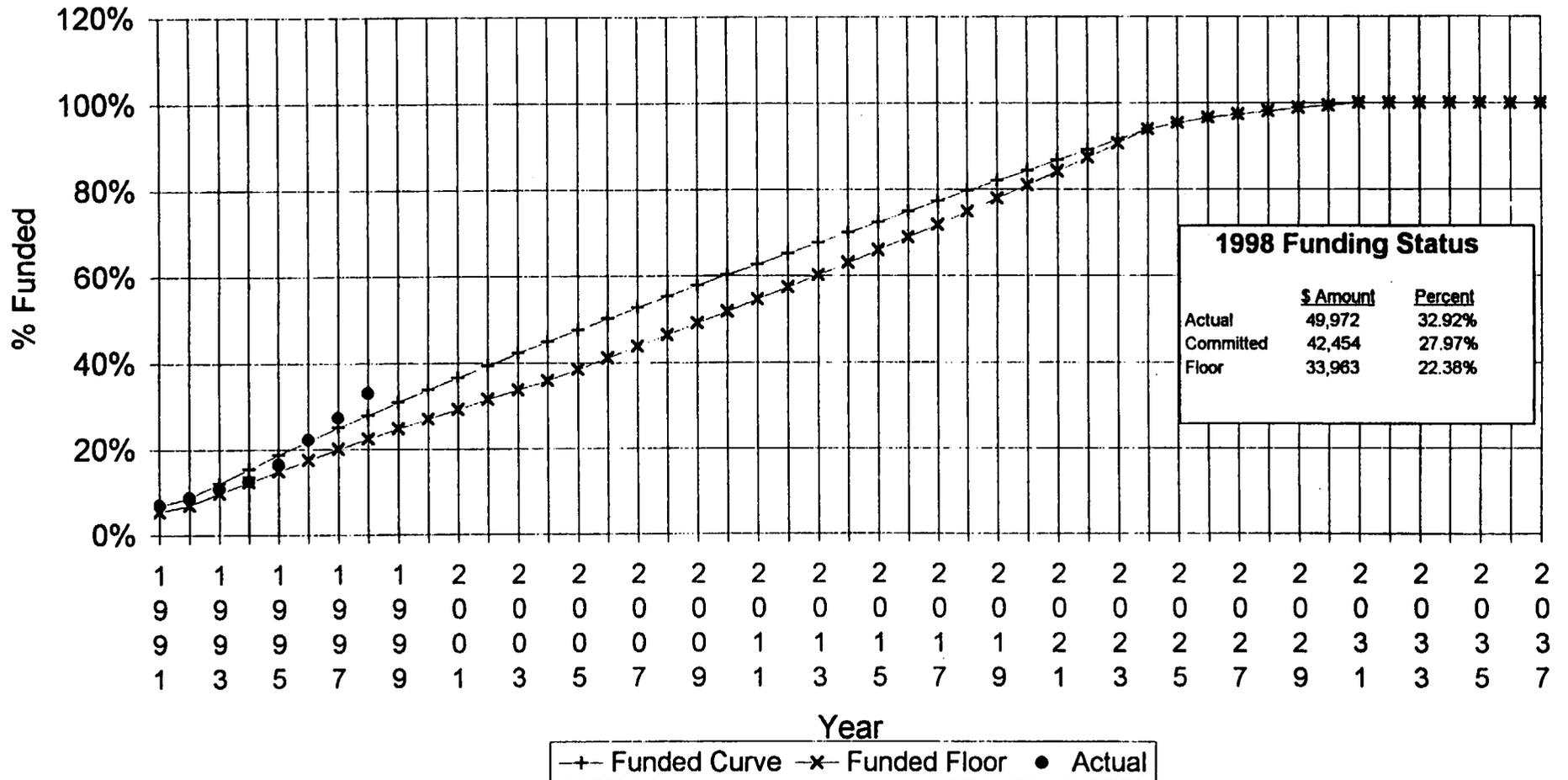
##### After Tax Rate of Return For Assets in Trust:

Annual Rate of Return is 6.75%

##### Contribution Assumptions:

All contributions made quarterly

# Arizona Public Service Decommissioning Funding Plan PV Unit #1



**ARIZONA PUBLIC SERVICE COMPANY  
NUCLEAR DECOMMISSIONING FUNDING REQUIREMENT  
UNIT ONE**

Based on 1995 Cost Study	
Rate of Return	6.7500%
Escalation Factor	5.0000%

Year	Funding Plan			Funding Floor			Actual Funding Data		
	Fund \$	Est. Cost	% Funded	% Band	% Floor	\$ Floor	\$ In Fund	Est. Cost	% Funded
1991	8,358,799	122,538,465	6.82%	80%	5.46%	6,687,023	8,531,336	122,538,465	6.96%
1992	11,132,220	128,655,388	8.65%	80%	6.92%	8,905,776	11,159,326	128,655,388	8.67%
1993	16,329,125	135,098,658	12.09%	80%	9.67%	13,063,300	14,474,516	135,098,658	10.71%
1994	21,885,801	141,853,590	15.43%	80%	12.34%	17,508,641	17,781,769	141,853,590	12.54%
1995	27,827,153	148,946,270	18.68%	80%	14.95%	22,281,723	24,469,181	148,946,270	16.43%
1996	30,081,526	137,672,886	21.85%	80%	17.48%	24,065,220	30,491,630	137,672,886	22.15%
1997	36,066,854	144,556,530	24.85%	80%	19.96%	28,853,483	39,491,919	144,556,530	27.32%
1998	42,454,085	151,784,356	27.97%	80%	22.38%	33,963,268	49,972,041	151,784,356	32.92%
1999	49,294,247	159,373,574	30.93%	80%	24.75%	39,444,960			
2000	56,611,884	167,342,253	33.83%	80%	27.06%	45,289,507			
2001	64,415,053	175,709,366	36.66%	80%	29.33%	51,532,043			
2002	72,783,212	184,494,834	39.45%	80%	31.56%	58,228,570			
2003	81,710,917	193,719,576	42.18%	80%	33.74%	65,368,734			
2004	91,268,072	203,405,554	44.87%	80%	35.89%	73,002,253			
2005	101,469,878	213,575,832	47.51%	81%	38.49%	82,205,338			
2006	112,396,417	224,254,624	50.12%	82%	41.10%	92,165,062			
2007	124,067,749	235,467,355	52.69%	83%	43.74%	102,993,421			
2008	136,575,775	247,240,723	55.24%	84%	46.40%	114,723,651			
2009	149,920,593	259,602,759	57.75%	85%	49.09%	127,432,504			
2010	164,203,937	272,582,897	60.24%	86%	51.80%	141,197,941			
2011	179,454,950	286,212,042	62.70%	87%	54.55%	156,125,807			
2012	195,760,450	300,522,844	65.14%	88%	57.33%	172,289,632			
2013	213,216,308	315,548,778	67.57%	89%	60.14%	189,762,514			
2014	231,895,218	331,326,215	69.99%	90%	62.99%	208,705,696			
2015	251,839,399	347,892,525	72.39%	91%	65.87%	229,173,853			
2016	273,161,732	365,287,152	74.78%	92%	68.80%	251,308,793			
2017	295,948,345	383,551,509	77.16%	93%	71.76%	275,231,960			
2018	320,370,987	402,729,085	79.55%	94%	74.77%	301,120,537			
2019	346,411,450	422,885,539	81.92%	95%	77.83%	329,116,249			
2020	374,299,432	444,008,816	84.30%	96%	80.93%	359,327,455			
2021	404,110,184	466,209,257	86.68%	97%	84.08%	391,986,678			
2022	435,966,262	489,519,720	89.06%	98%	87.28%	427,246,937			
2023	470,049,073	513,995,706	91.45%	99%	90.54%	465,348,582			
2024	506,396,279	539,695,491	93.83%	100%	93.83%	506,396,279			
2025	540,307,385	566,597,510	95.36%	100%	95.36%	540,307,385			
2026	540,865,435	559,612,452	98.65%	100%	98.65%	540,865,435			
2027	504,008,813	517,409,725	97.41%	100%	97.41%	504,008,813			
2028	426,821,193	434,777,624	98.17%	100%	98.17%	426,821,193			
2029	345,911,258	349,793,971	98.89%	100%	98.89%	345,911,258			
2030	256,996,563	258,469,841	99.43%	100%	99.43%	256,996,563			
2031	157,138,814	157,138,814	100.00%	100%	100.00%	157,138,814			
2032	107,818,151	107,818,151	100.00%	100%	100.00%	107,818,151			
2033	91,957,867	91,957,867	100.00%	100%	100.00%	91,957,867			
2034	70,605,386	70,605,386	100.00%	100%	100.00%	70,605,386			
2035	37,556,837	37,556,837	100.00%	100%	100.00%	37,556,837			
2036	13,067,526	13,067,526	100.00%	100%	100.00%	13,067,526			
2037	10,526,082	10,526,082	100.00%	100%	100.00%	10,526,082			

**ARIZONA PUBLIC SERVICE COMPANY  
NUCLEAR DECOMMISSIONING FUNDING REQUIREMENT  
UNIT ONE**

Based on 1995 Cost Study

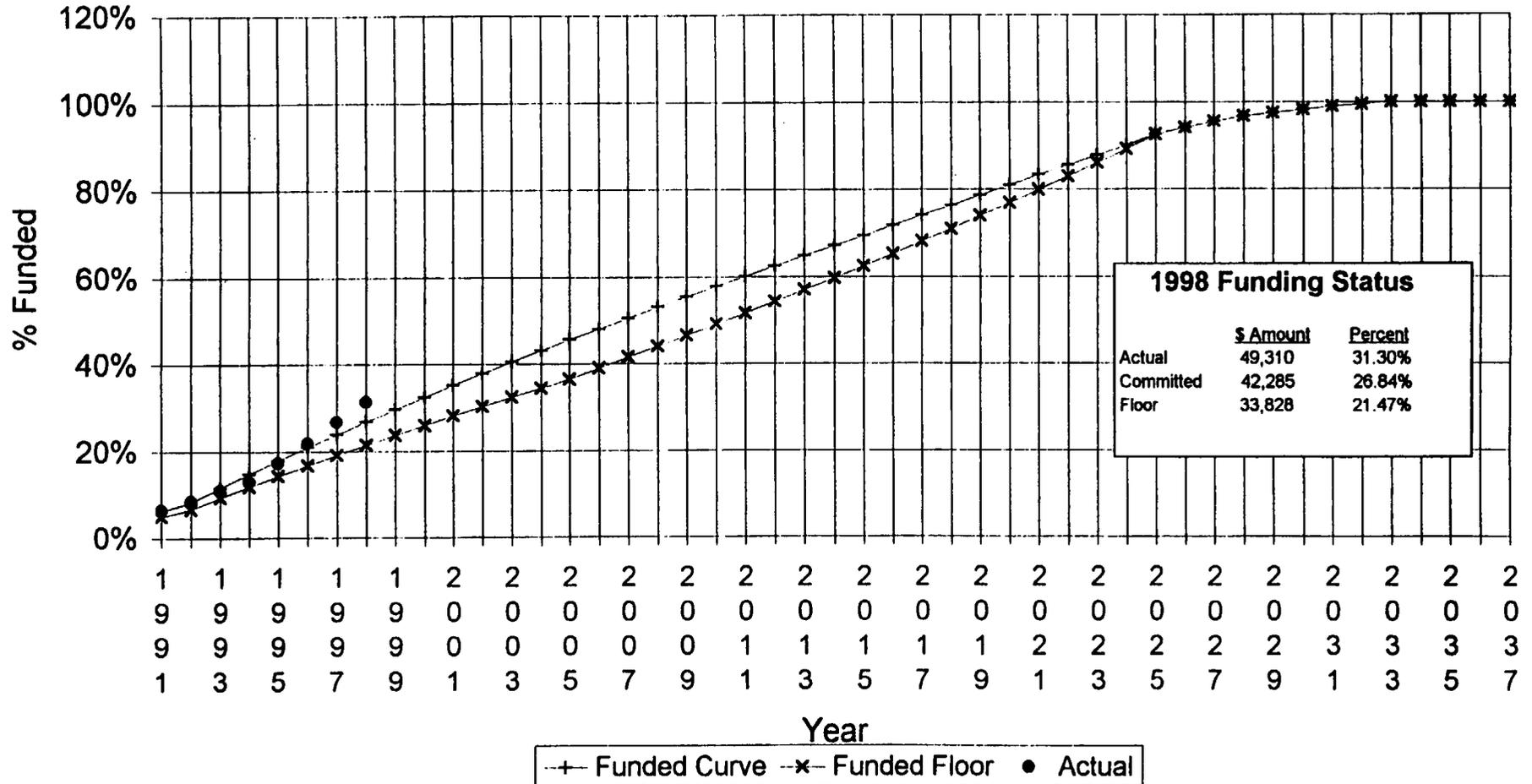
Rate of Return 6.7500% Annual Period Rate of Return  
1.6875% Quarter Period Rate of Return  
5.0000% Annual Estalaction

Year	First Quarter			Second Quarter			Third Quarter			Fourth Quarter			ANNUAL CONTRIBUTIONS
	Contrib	Quarter Earnings	Contrib Earnings to Date	Contrib	Quarter Earnings	Contrib Earnings to Date	Contrib	Quarter Earnings	Contrib Earnings to Date	Contrib	Quarter Earnings	Contrib Earnings to Date	
1995												25,200,879	3,801,365
1996	949,238	425,265	26,575,381	949,238	448,460	27,973,079	949,238	472,046	29,394,362	949,238	496,030	30,839,629	3,796,950
1997	949,238	520,419	32,309,286	949,238	545,219	33,803,742	949,238	570,438	35,323,418	949,238	596,083	36,868,738	3,796,950
1998	949,238	622,160	38,440,136	949,238	648,677	40,038,051	949,238	675,642	41,662,930	949,238	703,062	43,315,230	3,796,950
1999	949,238	730,945	44,995,412	949,238	759,298	46,703,947	949,238	788,129	48,441,314	949,238	817,447	50,207,999	3,796,950
2000	949,238	847,260	52,004,496	949,238	877,576	53,831,310	949,238	908,403	55,688,951	949,238	939,751	57,577,939	3,796,950
2001	949,238	971,628	59,498,804	949,238	1,004,042	61,452,084	949,238	1,037,004	63,438,326	949,238	1,070,522	65,458,085	3,796,950
2002	949,238	1,104,605	67,511,928	949,238	1,139,264	69,600,429	949,238	1,174,507	71,724,174	949,238	1,210,345	73,883,757	3,796,950
2003	949,238	1,248,788	76,079,783	949,238	1,283,846	78,312,867	949,238	1,321,530	80,583,634	949,238	1,359,849	82,892,721	3,796,950
2004	949,238	1,398,815	85,240,773	949,238	1,438,438	87,628,448	949,238	1,478,730	90,056,416	949,238	1,519,702	92,525,356	3,796,950
2005	949,238	1,561,385	95,035,959	949,238	1,603,732	97,588,928	949,238	1,646,813	100,184,979	949,238	1,690,622	102,824,838	3,796,950
2006	949,238	1,735,169	105,509,245	949,238	1,780,469	108,238,951	949,238	1,826,532	111,014,721	949,238	1,873,373	113,837,332	3,796,950
2007	949,238	1,921,005	118,707,574	949,238	1,969,440	119,626,252	949,238	2,018,693	122,594,183	949,238	2,068,777	125,612,197	3,796,950
2008	949,238	2,119,708	128,681,140	949,238	2,171,494	131,801,872	949,238	2,224,157	134,975,266	949,238	2,277,708	138,202,211	3,796,950
2009	949,238	2,332,162	141,483,611	949,238	2,387,536	144,820,385	949,238	2,443,844	148,213,466	949,238	2,501,102	151,883,806	3,796,950
2010	949,238	2,559,327	155,172,371	949,238	2,618,534	158,740,142	949,238	2,678,740	162,368,119	949,238	2,739,962	166,057,319	3,796,950
2011	949,238	2,802,217	169,808,774	949,238	2,865,523	173,623,534	949,238	2,929,897	177,502,669	949,238	2,995,358	181,447,264	3,796,950
2012	949,238	3,061,923	185,458,424	949,238	3,129,611	189,537,273	949,238	3,198,441	193,684,952	949,238	3,268,434	197,902,623	3,796,950
2013	949,238	3,339,607	202,191,467	949,238	3,411,981	206,552,686	949,238	3,485,577	210,987,500	949,238	3,560,414	215,497,152	3,796,950
2014	949,238	3,636,514	220,082,904	949,238	3,713,899	224,746,040	949,238	3,792,589	229,487,867	949,238	3,872,608	234,309,713	3,796,950
2015	949,238	3,953,978	239,212,927	949,238	4,036,718	244,198,883	949,238	4,120,856	249,268,976	949,238	4,206,414	254,424,628	3,796,950
2016	949,238	4,293,416	259,667,281	949,238	4,381,885	264,998,404	949,238	4,471,848	270,419,490	949,238	4,563,329	275,932,056	3,796,950
2017	949,238	4,656,353	281,537,647	949,238	4,750,948	287,237,832	949,238	4,847,138	293,034,208	949,238	4,944,952	298,928,398	3,796,950
2018	949,238	5,044,417	304,922,053	949,238	5,145,560	311,016,850	949,238	5,248,409	317,214,497	949,238	5,352,995	323,518,729	3,796,950
2019	949,238	5,459,345	329,825,311	949,238	5,567,490	336,442,038	949,238	5,677,459	343,068,735	949,238	5,789,285	349,807,258	3,796,950
2020	949,238	5,902,997	356,659,493	949,238	6,018,629	363,627,359	949,238	6,136,212	370,712,809	949,238	6,255,779	377,917,825	3,796,950
2021	949,238	6,377,363	385,244,426	949,238	6,501,000	392,694,663	949,238	6,626,722	400,270,623	949,238	6,754,567	407,974,427	3,796,950
2022	949,238	6,884,568	415,808,233	949,238	7,016,764	423,774,235	949,238	7,151,190	431,874,663	949,238	7,287,885	440,111,785	3,796,950
2023	949,238	7,426,886	448,487,909	949,238	7,568,233	457,005,380	949,238	7,711,966	465,666,584	949,238	7,858,124	474,473,945	3,796,950
2024	949,238	8,006,748	483,429,930	949,238	8,157,880	492,537,048	949,238	8,311,563	501,797,848	870,423	8,467,839	511,136,109	3,796,950
2025	0	0	0	0	0	0	0	0	0	(33,633,270)	34,501,687	512,004,527	0
2026	0	0	0	0	0	0	0	0	0	(66,841,285)	34,560,308	479,723,547	0
2027	0	0	0	0	0	0	0	0	0	(103,335,798)	32,381,339	408,769,089	0
2028	0	0	0	0	0	0	0	0	0	(101,640,508)	27,591,914	334,720,494	0
2029	0	0	0	0	0	0	0	0	0	(103,632,218)	22,593,633	253,681,910	0
2030	0	0	0	0	0	0	0	0	0	(108,813,828)	17,123,529	161,991,611	0
2031	0	0	0	0	0	0	0	0	0	(54,454,860)	10,934,434	118,471,184	0
2032	0	0	0	0	0	0	0	0	0	(20,239,230)	0	98,231,954	0
2033	0	0	0	0	0	0	0	0	0	(24,714,642)	0	73,517,312	0
2034	0	0	0	0	0	0	0	0	0	(34,836,970)	0	38,680,343	0
2035	0	0	0	0	0	0	0	0	0	(25,111,574)	0	13,568,768	0
2036	0	0	0	0	0	0	0	0	0	(3,042,686)	0	10,526,082	0
2037	0	0	0	0	0	0	0	0	0	(10,526,082)	0	0	0

ESTIMATED ANNUAL COSTS UNIT ONE

2024	1 05																	
Target \$'s	PV Dollars	Year	FV Dollars	Sum PV Liab	1	2	3	4	5	6	7	8	9	10	11	12	13	14
		1995	0	131,117,034	19,148	7,781,980	14,729,111	21,686,688	20,315,147	19,726,890	19,726,890	9,402,035	3,328,051	3,870,445	5,195,863	3,866,961	411,619	1,356,178
		1996	1	137,672,866	20,105	8,171,079	15,465,566	22,771,022	21,330,904	20,713,235	20,713,235	9,672,137	3,494,453	4,063,968	5,455,656	3,745,340	432,200	1,423,985
		1997	2	144,556,530	21,110	8,579,633	16,238,844	23,909,573	22,397,449	21,748,896	21,748,896	10,365,744	3,666,176	4,267,166	5,726,439	3,932,607	453,610	1,495,184
		1998	3	151,784,358	22,166	9,006,615	17,050,767	25,105,052	23,517,321	22,836,341	22,836,341	10,884,031	3,852,635	4,480,524	6,014,861	4,129,238	476,501	1,569,944
		1999	4	159,373,574	23,274	9,459,046	17,903,326	26,380,304	24,693,188	23,978,158	23,978,158	11,428,233	4,045,266	4,704,551	6,315,804	4,335,669	500,326	1,648,441
		2000	5	167,342,253	24,438	9,931,998	18,798,492	27,878,320	25,927,847	25,177,066	25,177,066	11,999,644	4,247,530	4,939,778	6,631,364	4,552,484	525,342	1,730,863
		2001	6	175,708,366	25,660	10,428,596	19,736,417	29,062,236	27,224,239	26,435,919	26,435,919	12,599,627	4,450,906	5,186,767	6,962,954	4,780,109	551,609	1,817,406
		2002	7	184,494,834	26,943	10,950,028	20,725,338	30,816,347	28,585,451	27,757,715	27,757,715	13,229,808	4,662,901	5,448,105	7,311,101	5,016,114	579,190	1,908,276
		2003	8	193,719,576	28,290	11,497,529	21,761,604	32,041,115	30,014,724	29,145,601	29,145,601	13,891,088	4,917,046	5,718,411	7,676,656	5,270,070	606,149	2,003,600
		2004	9	203,406,554	29,705	12,072,405	22,849,685	33,643,171	31,515,460	30,602,881	30,602,881	14,585,843	5,162,899	6,004,331	8,060,469	5,533,573	636,557	2,103,875
		2005	10	213,575,832	31,190	12,676,026	23,982,169	35,325,329	33,091,233	32,133,025	32,133,025	15,314,925	5,421,044	6,304,548	8,463,514	6,010,282	670,445	2,208,068
		2006	11	224,254,824	32,749	13,309,627	25,191,777	37,091,566	34,745,795	33,739,676	33,739,676	16,060,671	5,692,096	6,619,775	8,866,669	6,100,765	704,009	2,319,522
		2007	12	235,467,355	34,387	13,975,318	26,451,366	38,946,175	36,483,084	35,426,660	35,426,660	16,884,705	5,976,701	6,950,784	9,331,024	6,406,803	736,209	2,438,498
		2008	13	247,240,723	36,106	14,674,084	27,773,935	40,893,484	38,307,239	37,197,993	37,197,993	17,728,940	6,275,536	7,298,302	9,797,575	6,726,063	776,170	2,577,273
		2009	14	259,602,759	37,911	15,407,789	29,162,631	42,938,158	40,222,601	39,057,893	39,057,893	18,615,387	6,589,313	7,663,217	10,287,454	7,062,366	814,978	2,685,137
		2010	15	272,582,887	39,807	16,178,178	30,620,763	45,085,066	42,233,731	41,010,788	41,010,788	19,546,156	6,918,778	8,046,378	10,801,626	7,415,517	855,727	2,819,363
		2011	16	286,212,042	41,797	16,987,087	32,151,801	47,339,319	44,345,417	43,061,327	43,061,327	20,523,464	7,264,717	8,446,697	11,341,918	7,788,293	898,514	2,960,363
		2012	17	300,522,644	43,887	17,836,441	33,759,391	49,706,285	46,562,688	45,214,393	45,214,393	21,549,637	7,627,953	8,771,132	11,906,014	8,175,008	943,439	3,108,381
		2013	18	315,548,776	46,081	18,728,263	35,447,361	52,191,600	48,890,822	47,475,113	47,475,113	22,627,119	8,006,351	9,314,669	12,504,464	8,664,368	990,611	3,263,600
		2014	19	331,326,215	48,386	19,664,676	37,219,729	54,801,180	51,335,363	49,848,669	49,848,669	23,756,475	8,409,818	9,780,423	13,129,688	9,013,606	1,040,142	3,426,990
		2015	20	347,892,525	50,805	20,647,910	39,080,715	57,541,239	53,902,132	52,341,312	52,341,312	24,946,399	8,830,309	10,269,444	13,786,172	9,464,268	1,092,149	3,598,340
		2016	21	365,287,152	53,345	21,680,306	41,034,751	60,418,301	56,597,238	54,958,378	54,958,378	26,193,719	9,271,824	10,782,916	14,475,481	9,937,503	1,146,757	3,778,257
		2017	22	383,551,509	56,012	22,764,321	43,086,488	63,439,216	59,427,100	57,706,296	57,706,296	27,503,405	9,735,416	11,322,082	15,199,255	10,434,378	1,204,094	3,967,170
		2018	23	402,729,065	58,813	23,902,537	45,240,813	66,611,176	62,398,455	60,591,611	60,591,611	28,878,575	10,222,166	11,888,165	15,959,217	10,956,097	1,264,299	4,165,528
		2019	24	422,885,539	61,754	25,097,684	47,502,853	69,941,735	65,518,378	63,621,192	63,621,192	30,322,504	10,733,296	12,482,574	16,787,178	11,503,802	1,327,514	4,373,604
		2020	25	444,006,816	64,841	26,352,547	49,877,996	73,438,822	68,794,297	66,802,251	66,802,251	31,838,629	11,269,961	13,106,702	17,595,037	12,079,067	1,393,690	4,592,495
	1 0675	2021	26	466,206,257	68,063	27,670,174	52,371,896	77,110,763	72,234,012	70,142,364	70,142,364	33,430,560	11,833,459	13,762,037	18,474,769	12,683,061	1,463,584	4,822,119
		2022	27	489,519,720	71,487	29,053,683	54,980,491	80,986,301	75,845,712	73,649,482	73,649,482	35,102,089	12,425,132	14,450,139	19,396,528	13,317,204	1,536,763	5,063,225
		2023	28	513,995,706	75,062	30,506,367	57,740,015	85,014,616	79,637,968	77,331,956	77,331,956	36,857,193	13,046,388	15,172,646	20,366,455	13,963,064	1,613,602	5,316,367
	78,815	2024	29	539,695,491	78,815	32,031,666	60,627,016	89,265,347	83,619,898	81,198,554	81,198,554	38,700,053	13,696,706	15,931,278	21,366,877	14,642,217	1,694,282	5,582,206
	31,506,578	2025	30	566,597,510	33,633,270	566,597,510	63,658,367	93,728,615	87,800,893	85,258,482	85,258,482	40,635,095	14,383,643	16,727,842	22,496,221	15,416,328	1,778,996	5,861,316
	58,855,538	2026	31	66,841,265	559,812,452		66,841,265	98,415,045	92,190,937	89,521,406	89,521,406	42,666,608	15,102,825	17,564,235	23,579,032	16,187,145	1,867,946	6,154,362
	84,946,824	2027	32	103,335,798	517,409,725		103,335,798	96,800,484	93,997,476	93,997,476	44,800,148	15,857,966	18,442,446	24,757,984	16,996,502	1,961,343	6,482,101	
	78,269,993	2028	33	101,840,508	434,777,624			101,840,508	98,697,350	98,697,350	47,040,156	16,650,865	19,364,569	25,965,883	17,846,327	2,056,410	6,785,206	
	74,757,604	2029	34	103,632,218	349,793,971				103,632,218	103,632,218	49,392,184	17,483,408	20,332,797	27,295,677	18,736,643	2,162,380	7,124,467	
	73,532,069	2030	35	108,813,828	258,499,841						108,813,828	18,675,576	20,600,461	21,875,576	2,270,499	7,480,690		
	34,471,602	2031	36	54,454,860	197,138,814							54,454,860	19,278,457	22,416,909	30,063,484	2,384,024	7,854,724	
	12,812,056	2032	37	20,239,230	107,818,151								20,239,230	23,637,754	31,566,156	2,503,226	8,247,461	
	15,845,126	2033	38	24,714,642	91,957,867									24,714,642	33,176,066	22,776,938	8,656,634	
	22,952,673	2034	39	34,836,970	70,805,366										23,915,785	2,756,806	9,092,825	
	15,896,399	2035	40	25,111,574	37,556,637										25,111,574	2,897,797	9,547,467	
	1,626,114	2036	41	3,042,686	13,067,526											3,042,686	10,024,840	
	6,863,334	2037	42	10,526,082	10,526,082												10,526,082	
	511,214,824			131,117,034	690,901,766													
				29.1% of														
				450,574,000														

## Arizona Public Service Decommissioning Funding Plan PV Unit #2



**ARIZONA PUBLIC SERVICE COMPANY  
NUCLEAR DECOMMISSIONING FUNDING REQUIREMENT  
UNIT TWO**

Based on 1995 Cost Study	
Rate of Return	6.7500%
Escalation Factor	5.0000%

Year	Funding Plan			Funding Floor			Actual Funding Data		
	Fund \$	Est. Cost	% Funded	% Band	% Floor	\$ Floor	\$ In Fund	Est. Cost	% Funded
1991	7,589,283	120,570,113	6.29%	80%	5.04%	6,071,426	7,786,931	120,570,113	6.46%
1992	10,484,062	126,598,619	8.29%	80%	6.63%	8,395,249	10,625,997	126,598,619	8.39%
1993	15,402,712	132,928,550	11.59%	80%	9.27%	12,322,170	14,545,580	132,928,550	10.94%
1994	20,851,178	139,574,977	14.80%	80%	11.84%	16,520,943	18,150,013	139,574,977	13.00%
1995	26,262,984	146,553,728	17.92%	80%	14.34%	21,010,388	25,307,510	146,553,728	17.27%
1996	29,985,846	142,898,646	20.97%	80%	16.77%	23,984,103	31,299,677	142,898,646	21.90%
1997	35,920,433	150,043,579	23.94%	80%	19.15%	28,736,346	40,007,265	150,043,579	26.66%
1998	42,285,281	157,545,757	26.84%	80%	21.47%	33,828,225	49,309,948	157,545,757	31.30%
1999	49,087,560	165,423,045	29.68%	80%	23.75%	39,287,973			
2000	56,381,137	173,694,198	32.46%	80%	25.97%	45,104,909			
2001	64,160,900	182,378,908	35.18%	80%	28.15%	51,339,662			
2002	72,501,087	191,497,853	37.86%	80%	30.29%	58,000,870			
2003	81,394,247	201,072,746	40.48%	80%	32.39%	65,127,462			
2004	90,911,020	211,126,383	43.06%	80%	34.45%	72,728,816			
2005	101,087,312	221,682,702	45.60%	80%	36.48%	80,869,850			
2006	111,984,125	232,766,837	48.11%	81%	38.97%	90,707,141			
2007	123,620,139	244,405,179	50.58%	82%	41.47%	101,354,828			
2008	136,062,807	256,625,438	53.02%	83%	44.00%	112,915,193			
2009	149,359,854	269,456,710	55.43%	84%	46.56%	125,462,278			
2010	163,589,863	282,929,545	57.82%	85%	49.14%	139,031,579			
2011	178,780,350	297,076,022	60.18%	86%	51.76%	153,766,549			
2012	195,049,719	311,929,824	62.53%	87%	54.40%	169,693,255			
2013	212,433,568	327,526,315	64.86%	88%	57.08%	186,941,540			
2014	231,033,787	343,902,631	67.18%	89%	59.79%	205,620,071			
2015	250,890,725	361,097,762	69.48%	90%	62.53%	225,801,653			
2016	272,155,772	379,152,650	71.78%	91%	65.32%	247,661,753			
2017	294,880,288	398,110,283	74.07%	92%	68.14%	271,289,863			
2018	319,155,061	418,015,797	76.35%	93%	71.01%	296,814,207			
2019	345,164,004	438,916,587	78.64%	94%	73.92%	324,454,163			
2020	372,929,867	460,862,416	80.92%	95%	76.87%	354,283,374			
2021	402,657,797	483,905,537	83.21%	96%	79.88%	386,551,485			
2022	434,375,388	508,100,814	85.49%	97%	82.93%	421,344,124			
2023	468,364,789	533,505,854	87.79%	98%	86.03%	458,997,494			
2024	504,667,195	560,181,147	90.09%	99%	89.19%	499,620,523			
2025	543,487,749	588,190,204	92.40%	100%	92.40%	543,487,749			
2026	572,991,825	610,020,042	93.93%	100%	93.93%	572,991,825			
2027	543,380,934	569,283,325	95.45%	100%	95.45%	543,380,934			
2028	490,298,670	506,925,838	96.72%	100%	96.72%	490,298,670			
2029	418,686,159	429,421,702	97.50%	100%	97.50%	418,686,159			
2030	334,135,908	340,087,436	98.25%	100%	98.25%	334,135,908			
2031	247,131,950	249,729,133	98.96%	100%	98.96%	247,131,950			
2032	152,605,585	153,464,989	99.44%	100%	99.44%	152,605,585			
2033	105,181,376	105,181,376	100.00%	100%	100.00%	105,181,376			
2034	78,050,522	78,050,522	100.00%	100%	100.00%	78,050,522			
2035	38,612,705	38,612,705	100.00%	100%	100.00%	38,612,705			
2036	13,067,526	13,067,526	100.00%	100%	100.00%	13,067,526			
2037	10,526,082	10,526,082	100.00%	100%	100.00%	10,526,082			

**ARIZONA PUBLIC SERVICE COMPANY  
NUCLEAR DECOMMISSIONING FUNDING REQUIREMENT  
UNIT TWO**

Based on 1995 Cost Study

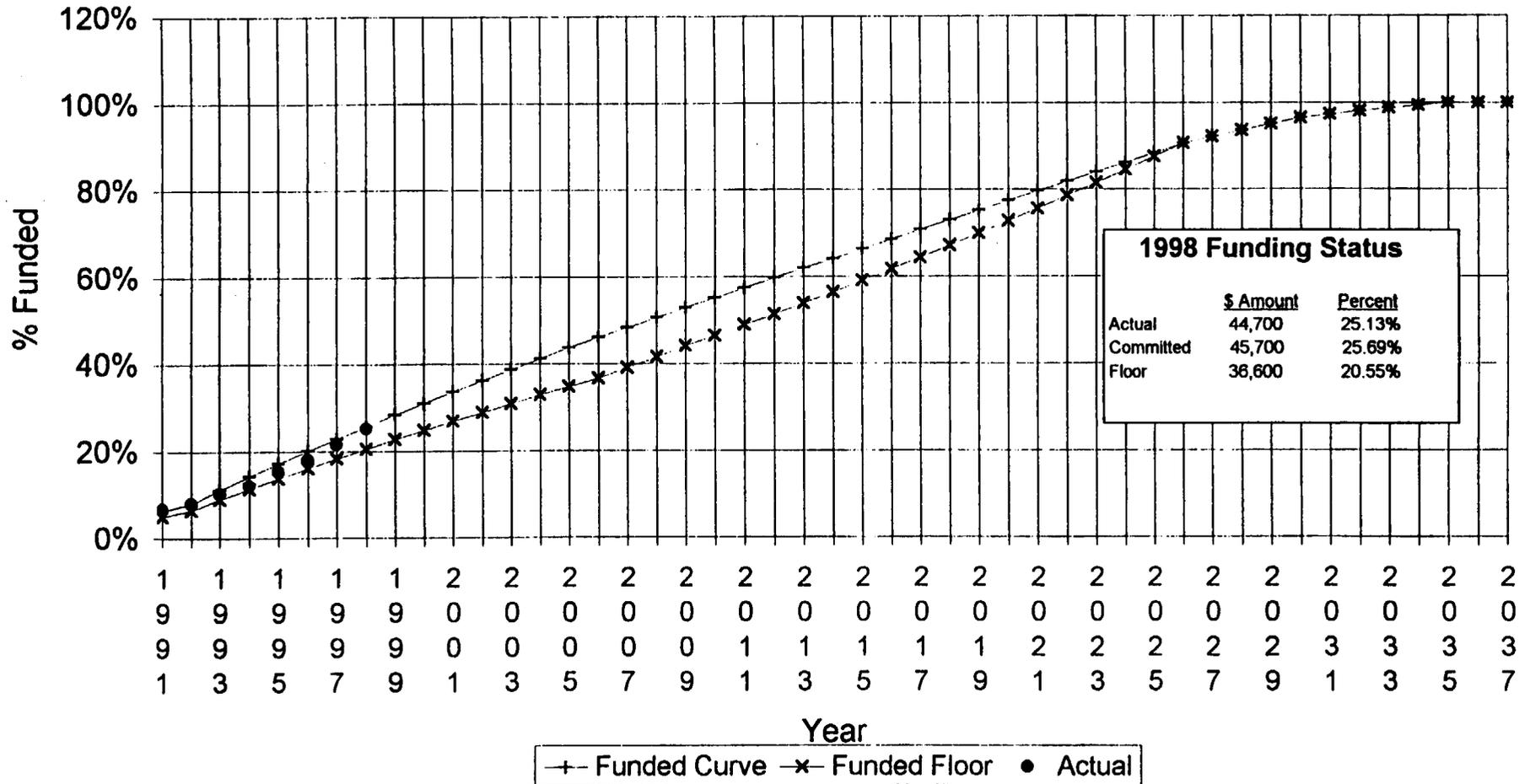
Rate of Return 6.7500% Annual Period Rate of Return  
1.6875% Quarter Period Rate of Return  
5.0000% Annual Estalaction

Year	First Quarter			Second Quarter			Third Quarter			Fourth Quarter			ANNUAL CONTRIBS
	Contrib	Quarter Earnings	Contrib Earnings to Date	Contrib	Quarter Earnings	Contrib Earnings to Date	Contrib	Quarter Earnings	Contrib Earnings to Date	Contrib	Quarter Earnings	Contrib Earnings to Date	
1995												26,035,170	4,068,818
1996	937,645	439,343	27,412,158	937,645	462,580	28,812,384	937,645	486,209	30,236,237	937,645	510,237	31,684,119	3,750,580
1997	937,645	534,670	33,156,433	937,645	559,515	34,653,593	937,645	584,779	36,176,017	937,645	610,470	37,724,133	3,750,580
1998	937,645	636,595	39,298,372	937,645	663,160	40,899,177	937,645	690,174	42,526,996	937,645	717,643	44,182,284	3,750,580
1999	937,645	745,576	45,865,505	937,645	773,980	47,577,130	937,645	802,864	49,317,639	937,645	832,235	51,087,519	3,750,580
2000	937,645	862,102	52,887,266	937,645	892,473	54,717,384	937,645	923,356	56,578,384	937,645	954,760	58,470,790	3,750,580
2001	937,645	986,695	60,395,129	937,645	1,019,168	62,351,942	937,645	1,052,189	64,341,776	937,645	1,085,767	66,365,188	3,750,580
2002	937,645	1,119,913	68,422,746	937,645	1,154,634	70,515,024	937,645	1,189,941	72,642,610	937,645	1,225,844	74,808,099	3,750,580
2003	937,645	1,262,353	77,006,097	937,645	1,299,478	79,243,220	937,645	1,337,229	81,518,094	937,645	1,375,618	83,831,357	3,750,580
2004	937,645	1,414,654	86,183,656	937,645	1,454,349	88,575,650	937,645	1,494,714	91,008,009	937,645	1,535,760	93,481,414	3,750,580
2005	937,645	1,577,499	95,996,558	937,645	1,619,942	98,554,145	937,645	1,663,101	101,154,891	937,645	1,706,989	103,799,525	3,750,580
2006	937,645	1,751,617	106,488,787	937,645	1,796,998	109,223,430	937,645	1,843,145	112,004,220	937,645	1,890,071	114,831,936	3,750,580
2007	937,645	1,937,789	117,707,370	937,645	1,986,312	120,631,327	937,645	2,035,654	123,604,626	937,645	2,085,828	126,628,099	3,750,580
2008	937,645	2,136,849	129,702,593	937,645	2,188,731	132,828,969	937,645	2,241,489	136,008,103	937,645	2,295,137	139,240,884	3,750,580
2009	937,645	2,349,690	142,528,219	937,645	2,405,164	145,871,028	937,645	2,461,574	149,270,247	937,645	2,518,935	152,726,627	3,750,580
2010	937,645	2,577,265	156,241,737	937,645	2,636,579	159,815,961	937,645	2,696,894	163,450,501	937,645	2,758,227	167,148,373	3,750,580
2011	937,645	2,820,595	170,904,613	937,645	2,884,015	174,726,273	937,645	2,948,506	178,812,424	937,645	3,014,085	182,584,153	3,750,580
2012	937,645	3,080,770	186,582,568	937,645	3,148,581	190,668,794	937,645	3,217,536	194,823,975	937,645	3,287,655	199,049,274	3,750,580
2013	937,645	3,358,957	203,345,876	937,645	3,431,462	207,714,982	937,645	3,505,190	212,157,818	937,645	3,580,163	216,675,628	3,750,580
2014	937,645	3,656,401	221,269,672	937,645	3,733,926	225,941,243	937,645	3,812,758	230,691,646	937,645	3,892,922	235,522,212	3,750,580
2015	937,645	3,974,437	240,434,295	937,645	4,057,329	245,429,268	937,645	4,141,619	250,508,532	937,645	4,227,331	255,673,509	3,750,580
2016	937,645	4,314,490	260,925,644	937,645	4,403,120	266,266,409	937,645	4,493,246	271,697,300	937,645	4,584,892	277,219,837	3,750,580
2017	937,645	4,678,085	282,835,566	937,645	4,772,850	288,546,061	937,645	4,869,215	294,352,921	937,645	4,967,206	300,257,772	3,750,580
2018	937,645	5,066,850	306,262,266	937,645	5,168,176	312,368,087	937,645	5,271,211	318,576,944	937,645	5,375,988	324,890,574	3,750,580
2019	937,645	5,482,528	331,310,748	937,645	5,590,869	337,839,262	937,645	5,701,038	344,477,944	937,645	5,813,085	351,228,654	3,750,580
2020	937,645	5,926,984	358,093,283	937,645	6,042,824	365,073,752	937,645	6,160,620	372,172,016	937,645	6,280,403	379,390,064	3,750,580
2021	937,645	6,402,207	386,729,916	937,645	6,526,067	394,193,629	937,645	6,652,017	401,783,291	937,645	6,780,093	409,501,029	3,750,580
2022	937,645	6,910,330	417,349,004	937,645	7,042,764	425,329,413	937,645	7,177,434	433,444,492	937,645	7,314,376	441,696,513	3,750,580
2023	937,645	7,453,629	450,087,786	937,645	7,595,231	458,620,663	937,645	7,739,224	467,297,531	937,645	7,885,646	476,120,822	3,750,580
2024	937,645	8,034,539	485,093,006	937,645	8,185,944	494,216,595	937,645	8,339,905	503,494,145	937,645	8,496,464	512,828,254	3,750,580
2025	937,645	8,655,664	522,521,563	937,645	8,817,551	532,276,759	937,645	8,982,170	542,196,575	(6,281,091)	9,149,567	545,065,051	0
2026	0	0	0	0	0	0	0	0	0	(67,845,446)	36,791,891	514,011,496	0
2027	0	0	0	0	0	0	0	0	0	(86,496,813)	34,695,776	482,210,458	0
2028	0	0	0	0	0	0	0	0	0	(97,952,789)	31,199,206	395,458,876	0
2029	0	0	0	0	0	0	0	0	0	(105,528,906)	26,693,339	316,621,309	0
2030	0	0	0	0	0	0	0	0	0	(102,250,167)	21,371,938	235,743,081	0
2031	0	0	0	0	0	0	0	0	0	(103,572,000)	15,912,658	148,083,738	0
2032	0	0	0	0	0	0	0	0	0	(53,292,250)	9,995,652	104,787,141	0
2033	0	0	0	0	0	0	0	0	0	(30,847,545)	7,073,132	81,012,728	0
2034	0	0	0	0	0	0	0	0	0	(41,276,518)	0	39,736,210	0
2035	0	0	0	0	0	0	0	0	0	(26,167,442)	0	13,568,768	0
2036	0	0	0	0	0	0	0	0	0	(3,042,686)	0	10,526,082	0
2037	0	0	0	0	0	0	0	0	0	(10,526,082)	0	0	0

ESTIMATED ANNUAL COSTS UNIT TWO

2024	1 05																	
Target \$'s	PV Dollars	Year	FV Dollars	Sum PV Liab	1	2	3	4	5	6	7	8	9	10	11	12	13	14
		1995	0	136,063,949	0	1,870,253	14,950,387	18,152,755	19,578,073	20,087,934	18,536,962	17,882,474	8,763,145	4,830,891	6,156,309	3,718,972	411,819	1,356,178
		1996	1	142,868,846	0	1,753,765	15,697,906	19,060,392	20,556,976	21,092,330	19,463,810	18,776,597	9,201,302	5,072,436	6,464,124	3,902,821	432,200	1,423,985
		1997	2	150,043,579	0	1,841,454	16,482,802	20,013,412	21,584,825	22,146,947	20,437,000	19,715,427	9,661,367	5,326,057	6,787,330	4,097,962	453,810	1,495,184
		1998	3	157,545,757	0	1,933,528	17,306,942	21,014,063	22,664,066	23,254,294	21,458,851	20,701,199	10,144,436	5,592,360	7,126,697	4,302,860	476,501	1,569,944
		1999	4	165,423,045	0	2,030,203	18,172,289	22,064,787	23,797,270	24,417,009	22,531,793	21,736,259	10,651,857	5,871,978	7,483,032	4,818,003	500,326	1,648,441
		2000	5	173,694,194	0	2,131,713	19,080,903	23,188,026	24,987,133	25,637,859	23,658,383	22,823,072	11,184,240	6,165,577	7,857,183	4,743,903	525,342	1,730,863
		2001	6	182,378,908	0	2,238,298	20,034,948	24,326,427	26,236,490	26,919,752	24,841,302	23,964,225	11,743,452	6,473,856	8,250,042	4,981,098	551,808	1,817,406
		2002	7	191,497,853	0	2,350,213	21,036,696	25,542,749	27,548,314	28,265,740	26,063,367	25,162,436	12,330,625	6,797,549	8,862,545	5,230,153	579,190	1,906,278
		2003	8	201,072,746	0	2,467,724	22,068,531	26,819,886	28,925,730	29,679,027	27,387,535	26,420,558	12,947,156	7,137,426	9,095,872	5,491,661	606,149	2,003,690
		2004	9	211,126,363	0	2,591,110	23,192,957	28,160,880	30,372,016	31,162,978	28,756,912	27,741,586	13,584,514	7,494,298	9,550,455	5,768,244	638,557	2,103,676
		2005	10	221,682,702	0	2,720,666	24,352,605	29,568,924	31,890,617	32,721,127	30,194,758	29,128,665	14,274,240	7,899,012	10,027,978	6,064,856	670,485	2,208,066
		2006	11	232,766,837	0	2,856,699	25,570,235	31,047,371	33,485,148	34,357,184	31,704,498	30,585,099	14,967,952	8,282,483	10,529,377	6,352,284	704,008	2,319,522
		2007	12	244,405,179	0	2,999,534	26,848,747	32,599,739	35,159,406	36,075,043	33,289,720	32,114,354	15,737,349	8,675,566	11,055,846	6,675,148	739,209	2,435,498
		2008	13	256,825,438	0	3,149,511	28,191,184	34,229,728	36,917,376	37,878,795	34,954,206	33,720,071	16,524,217	9,109,365	11,806,836	7,008,905	776,170	2,557,273
		2009	14	269,456,710	0	3,306,986	29,600,743	35,941,212	38,763,245	39,772,735	36,701,917	35,408,075	17,350,427	9,564,834	12,189,070	7,359,351	814,878	2,685,137
		2010	15	282,929,545	0	3,472,335	31,080,781	37,738,273	40,701,407	41,761,371	38,537,012	37,176,379	18,217,949	10,043,078	12,798,524	7,727,318	855,727	2,819,393
		2011	16	297,078,022	0	3,645,952	32,634,620	39,625,187	42,738,477	43,849,440	40,463,863	38,035,196	19,128,846	10,545,229	13,438,450	8,113,884	896,514	2,960,363
		2012	17	311,829,824	0	3,828,250	34,268,561	41,606,448	44,873,301	46,041,912	42,487,056	40,986,958	20,085,289	11,072,491	14,110,372	8,519,368	943,439	3,108,381
		2013	18	327,526,315	0	4,019,662	35,979,899	43,686,768	47,116,896	48,344,006	44,611,409	43,036,305	21,089,553	11,626,115	14,815,961	8,945,337	990,611	3,263,800
		2014	19	343,902,631	0	4,220,645	37,778,883	45,671,107	49,472,814	50,761,208	46,841,979	45,188,121	22,144,031	12,207,421	15,556,685	9,362,803	1,040,142	3,429,960
		2015	20	361,067,762	0	4,431,678	39,887,827	48,164,962	51,948,455	53,299,268	49,184,078	47,447,527	23,251,232	12,817,792	16,334,520	9,862,234	1,092,149	3,598,340
		2016	21	379,152,650	0	4,653,262	41,851,219	50,572,895	54,543,776	55,964,232	51,643,262	49,819,903	24,413,794	13,456,662	17,151,246	10,355,345	1,148,757	3,778,257
		2017	22	398,110,283	0	4,885,925	43,733,780	53,101,540	57,270,987	58,762,443	54,225,447	52,310,896	25,634,484	14,131,616	18,006,806	10,873,112	1,204,094	3,967,170
		2018	23	418,015,797	0	5,130,221	45,920,469	55,756,617	60,134,515	61,700,566	56,936,719	54,926,443	26,916,206	14,838,196	19,909,248	11,418,788	1,264,299	4,165,528
		2019	24	438,918,587	0	5,386,732	48,216,492	58,644,448	63,141,241	64,785,594	59,783,555	57,672,765	28,262,018	15,680,106	19,854,711	11,987,807	1,327,514	4,373,804
		2020	25	460,662,416	0	5,656,068	50,827,317	61,471,670	66,296,303	68,024,874	62,772,733	60,556,404	29,675,119	16,399,112	20,847,446	12,586,987	1,393,890	4,592,465
		2021	26	483,905,537	0	5,938,872	53,158,682	64,545,254	69,813,218	71,426,117	65,911,369	63,984,224	31,158,875	17,177,067	21,889,819	13,216,336	1,463,984	4,822,119
		2022	27	508,100,814	0	6,235,816	55,816,616	67,772,516	73,093,679	74,997,423	69,206,938	66,763,435	32,716,819	18,035,921	22,984,310	13,877,153	1,538,763	5,063,225
		2023	28	533,505,854	0	6,547,606	58,907,447	71,161,142	76,748,573	78,747,294	72,667,284	70,101,807	34,352,660	18,937,717	24,133,825	14,871,011	1,613,802	5,316,367
		2024	29	560,181,147	0	6,874,987	61,537,820	74,719,199	80,586,002	82,684,659	76,300,849	73,606,667	36,070,293	19,884,802	25,340,201	15,296,861	1,694,282	5,582,206
		2025	30	7,218,736	7,218,736	7,218,736	64,614,711	78,455,159	84,615,302	86,816,892	80,115,661	77,267,021	37,873,807	20,878,833	26,807,211	16,064,839	1,778,996	5,861,316
		2026	31	83,535,453	14,950,387	87,845,446	67,845,446	82,377,817	88,846,067	91,159,836	84,121,465	81,151,372	39,787,496	21,922,774	27,937,572	18,867,796	1,867,946	6,154,382
		2027	32	78,903,943	18,152,755	86,496,813	66,496,813	86,496,813	93,286,370	95,717,828	88,327,538	85,208,941	41,755,873	23,018,913	29,334,451	17,711,184	1,961,343	6,462,101
		2028	33	80,521,740	19,578,073	87,952,789	806,925,838	87,952,789	100,503,720	92,743,915	88,466,388	43,843,666	24,169,858	30,801,173	18,599,712	2,059,410	6,785,206	
		2029	34	81,284,319	20,087,934	105,528,906	429,421,702	105,528,906	105,528,906	97,381,111	83,942,657	46,035,849	25,378,351	32,341,232	19,828,846	2,162,380	7,124,467	
		2030	35	73,780,628	18,536,962	102,250,167	340,087,436	102,250,167	102,250,167	96,840,000	48,337,642	26,847,269	33,958,263	20,902,875	2,270,499	7,480,690		
		2031	36	69,989,850	17,882,474	103,572,000	249,729,133	103,572,000	103,572,000	103,572,000	50,754,524	27,879,632	35,656,206	21,528,019	2,364,024	7,854,724		
		2032	37	33,735,634	8,763,145	53,292,250	153,464,969	153,464,969	153,464,969	53,292,250	29,378,614	37,439,018	22,804,420	2,503,226	8,247,461			
		2033	38	18,292,688	4,830,891	30,847,545	105,181,376	105,181,376	105,181,376	30,847,545	30,847,545	30,847,545	30,847,545	30,847,545	30,847,545	30,847,545	30,847,545	30,847,545
		2034	39	24,477,101	6,156,309	41,276,518	78,050,522	78,050,522	78,050,522	41,276,518	41,276,518	41,276,518	41,276,518	41,276,518	41,276,518	41,276,518	41,276,518	41,276,518
		2035	40	15,517,373	3,716,972	26,167,442	38,612,705	38,612,705	38,612,705	26,167,442	26,167,442	26,167,442	26,167,442	26,167,442	26,167,442	26,167,442	26,167,442	26,167,442
		2036	41	1,804,322	411,820	3,042,666	13,067,526	13,067,526	13,067,526	3,042,666	3,042,666	3,042,666	3,042,666	3,042,666	3,042,666	3,042,666	3,042,666	3,042,666
		2037	42	6,241,999	1,356,178	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062	10,526,062
				552,283,787	136,063,848	738,017,379												
					29.1% of													
					467,876,800													

## Arizona Public Service Decommissioning Funding Plan PV Unit #3



**ARIZONA PUBLIC SERVICE COMPANY  
NUCLEAR DECOMMISSIONING FUNDING REQUIREMENT  
UNIT THREE**

Based on 1995 Cost Study	
Rate of Return	6.7500%
Escalation Factor	5.0000%

Funding Plan				Funding Floor			Actual Funding Data		
Year	Fund \$	Est. Cost	% Funded	% Band	% Floor	\$ Floor	\$ In Fund	Est. Cost	% Funded
1991	8,006,475	127,342,404	6.29%	80.00%	5.03%	6,405,180	8,425,913	127,342,404	6.62%
1992	10,665,274	133,709,524	7.98%	80.00%	6.38%	8,532,219	10,625,686	133,709,524	7.95%
1993	15,618,562	140,395,000	11.12%	80.00%	8.90%	12,494,850	14,358,300	140,395,000	10.23%
1994	20,914,756	147,414,750	14.19%	80.00%	11.35%	16,731,805	17,548,946	147,414,750	11.90%
1995	26,577,594	154,785,488	17.17%	80.00%	13.74%	21,262,075	23,923,294	154,785,488	15.46%
1996	32,399,151	161,350,352	20.08%	80.00%	16.06%	25,919,321	29,189,706	161,350,352	18.09%
1997	38,830,578	169,417,870	22.92%	80.00%	18.33%	31,054,296	36,502,075	169,417,870	21.55%
1998	45,699,623	177,888,764	25.69%	80.00%	20.55%	36,559,699	44,699,986	177,888,764	25.13%
1999	53,048,429	186,783,202	28.40%	80.00%	22.72%	42,437,143			
2000	60,895,993	196,122,362	31.05%	80.00%	24.84%	48,716,795			
2001	69,294,933	205,928,480	33.65%	80.00%	26.92%	55,435,947			
2002	78,273,415	216,224,904	36.20%	80.00%	28.96%	62,618,732			
2003	87,885,693	227,036,149	38.71%	80.00%	30.97%	70,308,555			
2004	98,144,322	238,387,957	41.17%	80.00%	32.94%	78,515,457			
2005	109,134,007	250,307,354	43.60%	80.00%	34.88%	87,307,205			
2006	120,872,170	262,822,722	45.99%	80.00%	36.79%	98,897,736			
2007	133,428,525	275,963,858	48.35%	81.00%	39.16%	108,077,106			
2008	146,851,407	289,762,051	50.68%	82.00%	41.56%	120,418,154			
2009	161,191,731	304,250,154	52.98%	83.00%	43.98%	133,809,218			
2010	176,535,067	319,462,661	55.26%	84.00%	46.42%	148,289,456			
2011	192,942,669	335,435,794	57.52%	85.00%	48.89%	164,001,269			
2012	210,479,252	352,207,584	59.76%	86.00%	51.40%	181,034,698			
2013	228,250,155	369,817,963	61.99%	87.00%	53.93%	199,447,635			
2014	249,294,289	388,308,861	64.20%	88.00%	56.50%	219,378,974			
2015	270,728,938	407,724,305	66.40%	89.00%	59.10%	240,948,755			
2016	293,683,817	428,110,520	68.60%	90.00%	61.74%	264,315,435			
2017	318,187,457	449,516,046	70.78%	91.00%	64.41%	289,532,386			
2018	344,412,452	471,991,848	72.97%	92.00%	67.13%	316,859,455			
2019	372,436,968	495,591,440	75.15%	93.00%	69.89%	346,366,380			
2020	402,402,904	520,371,012	77.33%	94.00%	72.69%	378,258,730			
2021	434,434,342	548,389,563	79.51%	95.00%	75.53%	412,712,625			
2022	468,720,287	573,709,041	81.70%	96.00%	78.43%	449,971,475			
2023	505,348,740	602,394,493	83.89%	97.00%	81.37%	490,188,278			
2024	544,468,239	632,514,218	86.08%	98.00%	84.36%	533,578,874			
2025	586,369,143	664,139,929	88.29%	99.00%	87.41%	580,505,452			
2026	627,918,944	693,758,429	90.51%	100.00%	90.51%	627,918,944			
2027	666,845,226	724,674,229	92.02%	100.00%	92.02%	666,845,226			
2028	652,902,999	698,291,977	93.50%	100.00%	93.50%	652,902,999			
2029	606,715,888	638,513,880	95.02%	100.00%	95.02%	606,715,888			
2030	547,039,202	567,880,413	96.33%	100.00%	96.33%	547,039,202			
2031	463,037,337	476,277,862	97.22%	100.00%	97.22%	463,037,337			
2032	368,845,464	376,449,749	97.98%	100.00%	97.98%	368,845,464			
2033	261,055,055	264,439,885	98.72%	100.00%	98.72%	261,055,055			
2034	154,919,964	155,917,838	99.36%	100.00%	99.36%	154,919,964			
2035	58,906,705	58,906,705	100.00%	100.00%	100.00%	58,906,705			
2036	13,067,526	13,067,526	100.00%	100.00%	100.00%	13,067,526			
2037	10,526,082	10,526,082	100.00%	100.00%	100.00%	10,526,082			

**ARIZONA PUBLIC SERVICE COMPANY  
NUCLEAR DECOMMISSIONING FUNDING REQUIREMENT  
UNIT THREE**

Based on 1995 Cost Study  
Rate of Return 6.7500% Annual Period Rate of Return  
1.8875% Quarter Period Rate of Return  
5.0000% Annual Estalaction

Year	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		ANNUAL CONTRIBS				
	Contrib	Quarter Earnings	Contrib	Quarter Earnings	Contrib	Quarter Earnings	Contrib	Quarter Earnings					
1995									24,547,774	3,573,692			
1996	1,096,015	414,244	26,058,033	1,096,015	439,729	27,593,778	1,096,015	465,645	29,155,438	1,096,015	491,998	30,743,451	4,384,061
1997	1,096,015	518,796	32,358,262	1,096,015	546,046	34,000,324	1,096,015	573,755	35,670,094	1,096,015	601,933	37,368,043	4,384,061
1998	1,096,015	630,586	39,094,844	1,096,015	659,722	40,850,381	1,096,015	689,350	42,635,747	1,096,015	719,478	44,451,240	4,384,061
1999	1,096,015	750,115	46,297,370	1,096,015	781,268	48,174,654	1,096,015	812,947	50,083,616	1,096,015	845,161	52,024,793	4,384,061
2000	1,096,015	877,918	53,998,726	1,096,015	911,229	56,005,970	1,096,015	945,101	58,047,086	1,096,015	979,545	60,122,646	4,384,061
2001	1,096,015	1,014,570	62,233,231	1,096,015	1,050,186	64,379,432	1,096,015	1,086,403	66,561,851	1,096,015	1,123,231	68,781,097	4,384,061
2002	1,096,015	1,160,661	71,037,794	1,096,015	1,198,763	73,332,572	1,096,015	1,237,487	75,666,074	1,096,015	1,276,865	78,038,955	4,384,061
2003	1,096,015	1,316,907	80,451,877	1,096,015	1,357,625	82,905,518	1,096,015	1,399,031	85,400,564	1,096,015	1,441,135	87,937,714	4,384,061
2004	1,096,015	1,483,849	90,517,678	1,096,015	1,527,466	93,141,179	1,096,015	1,571,757	95,808,952	1,096,015	1,616,776	98,521,743	4,384,061
2005	1,096,015	1,662,554	101,280,313	1,096,015	1,709,105	104,085,434	1,096,015	1,756,442	106,937,891	1,096,015	1,804,577	109,836,483	4,384,061
2006	1,096,015	1,853,524	112,788,023	1,096,015	1,903,298	115,787,336	1,096,015	1,953,911	118,837,263	1,096,015	2,005,379	121,938,657	4,384,061
2007	1,096,015	2,057,715	125,092,387	1,096,015	2,110,934	128,299,337	1,096,015	2,165,051	131,560,403	1,096,015	2,220,082	134,878,500	4,384,061
2008	1,096,015	2,276,041	138,248,557	1,096,015	2,332,944	141,677,516	1,096,015	2,390,808	145,164,340	1,096,015	2,449,648	148,710,003	4,384,061
2009	1,096,015	2,509,481	152,315,500	1,096,015	2,570,324	155,981,839	1,096,015	2,632,194	159,710,048	1,096,015	2,695,107	163,501,171	4,384,061
2010	1,096,015	2,759,082	167,356,268	1,096,015	2,824,137	171,276,421	1,096,015	2,890,290	175,262,726	1,096,015	2,957,558	179,316,300	4,384,061
2011	1,096,015	3,025,963	183,438,277	1,096,015	3,095,521	187,629,814	1,096,015	3,166,253	191,892,082	1,096,015	3,238,179	196,228,276	4,384,061
2012	1,096,015	3,311,318	200,633,610	1,096,015	3,385,692	205,115,318	1,096,015	3,461,321	209,672,654	1,096,015	3,538,226	214,306,895	4,384,061
2013	1,096,015	3,616,429	219,019,340	1,096,015	3,695,951	223,811,306	1,096,015	3,776,616	228,684,137	1,096,015	3,859,045	233,839,198	4,384,061
2014	1,096,015	3,942,661	238,677,874	1,096,015	4,027,689	243,801,579	1,096,015	4,114,152	249,011,746	1,096,015	4,202,073	254,309,835	4,384,061
2015	1,096,015	4,291,478	259,697,328	1,096,015	4,382,392	265,175,736	1,096,015	4,474,841	270,746,592	1,096,015	4,568,849	278,411,456	4,384,061
2016	1,096,015	4,664,443	282,171,915	1,096,015	4,761,651	288,029,581	1,096,015	4,860,499	293,986,096	1,096,015	4,961,015	300,043,126	4,384,061
2017	1,096,015	5,063,228	306,202,369	1,096,015	5,167,165	312,465,550	1,096,015	5,272,856	318,834,421	1,096,015	5,380,331	325,310,768	4,384,061
2018	1,096,015	5,489,619	331,896,402	1,096,015	5,600,752	338,593,169	1,096,015	5,713,760	345,402,944	1,096,015	5,828,675	352,327,634	4,384,061
2019	1,096,015	5,945,529	359,369,179	1,096,015	6,064,355	366,529,549	1,096,015	6,185,186	373,810,750	1,096,015	6,308,056	381,214,822	4,384,061
2020	1,096,015	6,433,000	388,743,837	1,096,015	6,580,052	396,399,905	1,096,015	6,689,248	404,185,169	1,096,015	6,820,625	412,101,809	4,384,061
2021	1,096,015	6,954,218	420,152,042	1,096,015	7,090,066	428,338,123	1,096,015	7,228,206	436,662,344	1,096,015	7,368,677	445,127,037	4,384,061
2022	1,096,015	7,511,519	453,734,571	1,096,015	7,656,771	462,487,357	1,096,015	7,804,474	471,387,847	1,096,015	7,954,670	480,438,532	4,384,061
2023	1,096,015	8,107,400	489,641,948	1,096,015	8,262,708	499,000,671	1,096,015	8,420,636	508,517,322	1,096,015	8,581,230	518,194,568	4,384,061
2024	1,096,015	8,744,533	528,035,116	1,096,015	8,910,593	538,041,724	1,096,015	9,079,454	548,217,194	1,096,015	9,251,165	558,564,374	4,384,061
2025	1,096,015	9,425,774	569,086,163	1,096,015	9,603,329	579,785,508	1,096,015	9,783,880	590,665,403	(2,323,505)	9,967,479	598,309,377	4,384,061
2026	1,096,015	10,096,471	609,501,863	1,096,015	10,285,344	620,883,223	1,096,015	10,477,404	632,456,642	(2,494,481)	10,672,706	640,634,867	4,384,061
2027	0	0	0	0	0	0	0	0	0	(59,634,251)	43,242,854	624,243,470	0
2028	0	0	0	0	0	0	0	0	0	(90,183,521)	42,136,434	576,196,383	0
2029	0	0	0	0	0	0	0	0	0	(97,675,391)	38,893,256	517,414,249	0
2030	0	0	0	0	0	0	0	0	0	(114,282,450)	34,925,462	438,057,261	0
2031	0	0	0	0	0	0	0	0	0	(117,754,291)	29,568,865	349,871,835	0
2032	0	0	0	0	0	0	0	0	0	(124,602,239)	23,616,349	248,885,944	0
2033	0	0	0	0	0	0	0	0	0	(115,946,706)	16,799,801	149,739,039	0
2034	0	0	0	0	0	0	0	0	0	(99,816,214)	10,107,385	60,030,210	0
2035	0	0	0	0	0	0	0	0	0	(46,461,442)	0	13,568,768	0
2036	0	0	0	0	0	0	0	0	0	(3,042,686)	0	10,528,082	0
2037	0	0	0	0	0	0	0	0	0	(10,528,082)	0	(0)	0



# Palo Verde Nuclear Generating Station

Units 1, 2, & 3

## SRP 1998 Annual Funding Status Report

Section 2.1.7 [Restated]

### Summary of Assumptions

>Investment Return Assumption:	7.65%
>Inflation/Escalation Assumption:	5.92%
>1995 Cost Study, Including 25% Contingency	

**SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST (\$000's)**

**UNIT 1**

All Participants Decom Costs in 1995\$ **\$447,218**  
 SRP Share in 1995\$ **\$78,218**  
 Plan Balance as of 12/31/95 in 1995\$ **\$17,292**

SRP Share 17.49%  
 Projected return on investments 7.65%  
 Projected Inflation 5.92%

Years To Start of Decom (Funding Yrs Left) 26

FV of Total Decom. Charges Discounted to 2024 **\$414,639**

FV of 12/31/95 Plan Balance in 26 years **\$77,141**

FV of Balance Owed to be Funded by Contributions and Earnings **\$337,498**

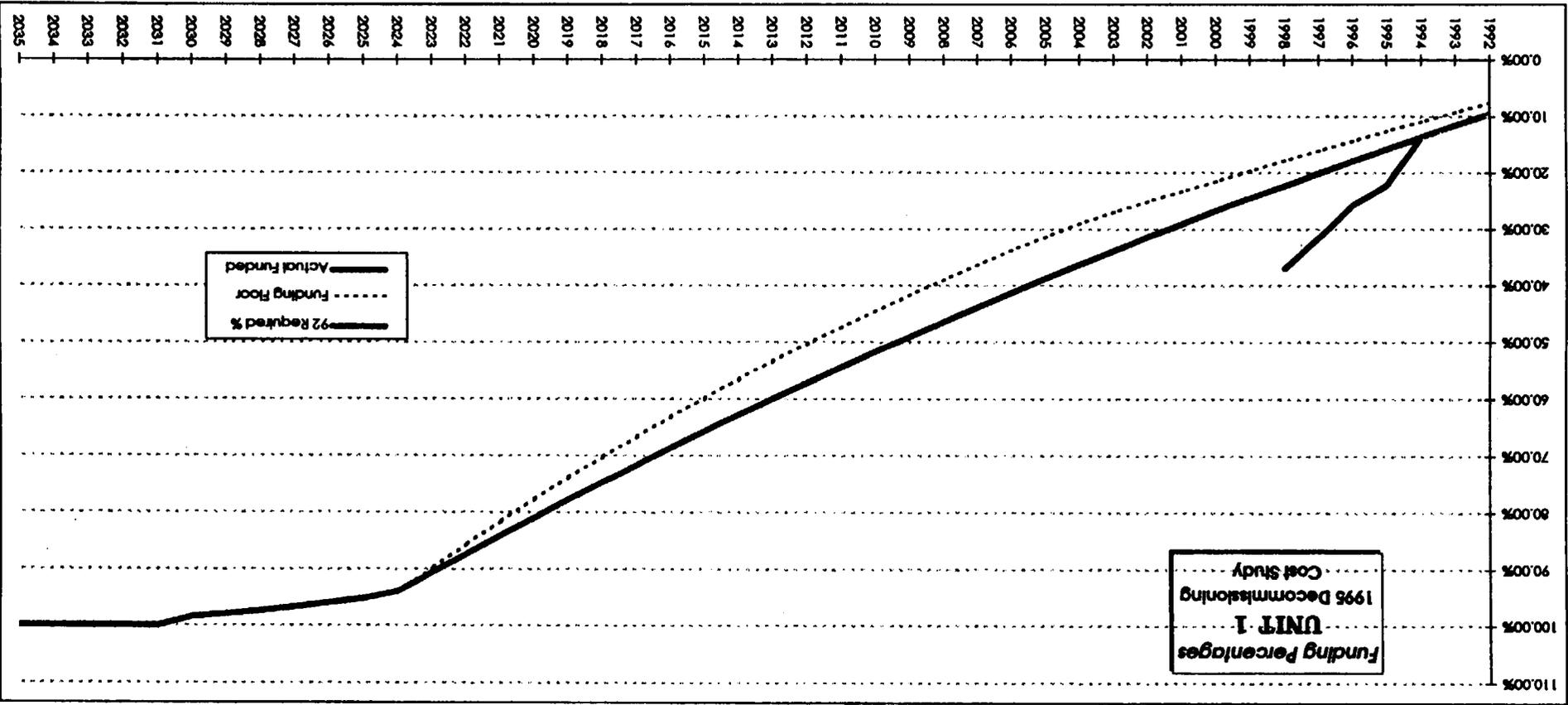
Years Since Study	Calendar Year End 31-Dec	Current	Balance	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio
		Annual Payment (Inflat Adj.)	Before Decom Charges (Inflat Adj.)				
	1987	721	26	747	0.00	747	
	1988	960	31	1,738	0.00	1,738	
	1989	805	135	2,678	0.00	2,678	43,630 6.14%
	1990	841	499	4,018	0.00	4,018	44,983 8.93%
	1991	1,746	280	6,044	0.00	6,044	47,646 12.68%
	1992	1,107	462	7,617	0.00	7,617	79,718 9.56%
	1993	1,842	313	9,772	0.00	9,772	84,438 11.57%
	1994	2,360	69	12,201	0.00	12,201	89,436 13.64%
	1995	1,775	3,317	17,292	0.00	17,292	78,218 22.11%
	1996	1,292	2,752	21,336	0.00	21,336	82,849 25.75%
	1997	1,369	4,881	27,586	0.00	27,586	87,754 31.44%
	1998	1,450	5,318	34,354	0.00	34,354	92,949 36.96%
	1999	1,115	2,628	38,097	0.00	38,097	98,451 38.70%
	2000	1,181	2,914	42,192	0.00	42,192	104,279 40.46%
	2001	1,251	3,228	46,671	0.00	46,671	110,453 42.25%
	2002	1,325	3,570	51,566	0.00	51,566	116,992 44.08%
	2003	1,403	3,945	56,914	0.00	56,914	123,918 45.93%
	2004	1,486	4,354	62,755	0.00	62,755	131,253 47.81%
	2005	1,574	4,801	69,130	0.00	69,130	139,024 49.73%
	2006	1,668	5,288	76,086	0.00	76,086	147,254 51.67%
	2007	1,766	5,821	83,672	0.00	83,672	155,971 53.65%
	2008	1,871	6,401	91,944	0.00	91,944	165,205 55.65%
	2009	1,982	7,034	100,960	0.00	100,960	174,985 57.70%
	2010	2,099	7,723	110,782	0.00	110,782	185,344 59.77%
	2011	2,223	8,475	121,480	0.00	121,480	196,316 61.88%
	2012	2,355	9,293	133,128	0.00	133,128	207,938 64.02%
	2013	2,494	10,184	145,807	0.00	145,807	220,248 66.20%
	2014	2,642	11,154	159,603	0.00	159,603	233,287 68.41%
	2015	2,798	12,210	174,610	0.00	174,610	247,098 70.66%
	2016	2,964	13,358	190,932	0.00	190,932	261,726 72.95%
	2017	3,139	14,606	208,678	0.00	208,678	277,220 75.28%
	2018	3,325	15,964	227,967	0.00	227,967	293,631 77.64%
	2019	3,522	17,439	248,928	0.00	248,928	311,014 80.04%
	2020	3,731	19,043	271,702	0.00	271,702	329,426 82.48%
	2021	3,951	20,785	296,439	0.00	296,439	348,928 84.96%
	2022	4,185	22,678	323,302	0.00	323,302	369,585 87.48%
	2023	4,433	24,733	352,467	0.00	352,467	391,464 90.04%
	2024	4,696	26,964	384,127	61	384,066	414,578 92.64%
	2025	0.00	29,381	413,447	27,597	385,850	411,524 93.76%
	2026	0.00	29,518	415,367	54,063	361,304	381,823 94.63%
	2027	0.00	27,640	388,944	82,108	306,836	322,319 95.20%
	2028	0.00	23,473	330,309	81,469	248,841	259,932 95.73%
	2029	0.00	19,036	267,877	83,793	184,084	191,527 96.11%
	2030	0.00	14,082	198,167	88,753	109,413	114,112 95.88%
	2031	0.00	8,370	117,783	44,805	72,978	76,063 95.94%
	2032	0.00	5,583	78,561	16,799	61,763	63,767 96.86%
	2033	0.00	4,725	66,488	20,693	45,795	46,850 97.75%
	2034	0.00	3,503	49,298	29,424	19,874	20,199 98.39%
	2035	0.00	1,520	21,395	21,395	0.00	0.00 100.00%
		<b>81,448</b>	<b>469,507</b>	<b>550,955</b>	<b>550,955</b>	<b>0.00</b>	<b>0.00</b>

ACTUAL

FORECAST

### FUNDING FLOOR ANALYSIS FOR UNIT 1 (\$000's)

ESTIMATED FUNDING				FUNDING FLOOR CURVE			ACTUAL			
Year	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage Funding Floor	Minimum \$ AMT	Percentage Actual Funded	\$AMT	Floor Satisfied?	
1991	6,071	47,646	12.74%	80.00%	10.19%	4,857	12.68%	6,044	YES	
1992	7,617	79,718	9.56%	80.00%	7.64%	6,090	9.56%	7,617	YES	
1993	9,772	84,438	11.57%	80.00%	9.26%	7,822	11.58%	9,772	YES	
1994	12,201	89,436	13.64%	80.00%	10.91%	9,761	13.64%	12,201	YES	
1995	14,909	78,218	19.06%	80.00%	12.59%	9,848	22.11%	17,292	YES	
1996	21,336	82,849	25.75%	80.00%	14.30%	11,843	25.75%	21,336	YES	
1997	27,586	87,754	31.44%	80.00%	16.03%	14,065	31.44%	27,586	YES	
0	1998	34,354	92,949	36.96%	80.00%	17.79%	16,534	36.96%	34,354	YES
1	1999	38,097	98,451	38.70%	80.00%	19.58%	19,274			
2	2000	42,192	104,279	40.46%	80.00%	21.40%	22,311			
3	2001	46,671	110,453	42.25%	80.00%	23.24%	25,674			
4	2002	51,566	116,992	44.08%	80.00%	25.12%	29,391			
5	2003	56,914	123,918	45.93%	80.00%	27.03%	33,497			
6	2004	62,755	131,253	47.81%	80.00%	28.97%	38,027			
7	2005	69,130	139,024	49.73%	81.00%	31.33%	43,557			
8	2006	76,086	147,254	51.67%	82.00%	33.77%	49,730			
9	2007	83,672	155,971	53.65%	83.00%	36.30%	56,613			
10	2008	91,944	165,205	55.65%	84.00%	38.91%	64,278			
11	2009	100,960	174,985	57.70%	85.00%	41.61%	72,806			
12	2010	110,782	185,344	59.77%	86.00%	44.40%	82,284			
13	2011	121,480	196,316	61.88%	87.00%	47.27%	92,808			
14	2012	133,128	207,938	64.02%	88.00%	50.25%	104,485			
15	2013	145,807	220,248	66.20%	89.00%	53.32%	117,428			
16	2014	159,603	233,287	68.41%	90.00%	56.48%	131,766			
17	2015	174,610	247,098	70.66%	91.00%	59.75%	147,634			
18	2016	190,932	261,726	72.95%	92.00%	63.11%	165,186			
19	2017	208,678	277,220	75.28%	93.00%	66.58%	184,586			
20	2018	227,967	293,631	77.64%	94.00%	70.16%	206,014			
21	2019	248,928	311,014	80.04%	95.00%	73.85%	229,669			
22	2020	271,702	329,426	82.48%	96.00%	77.64%	255,766			
23	2021	296,439	348,928	84.96%	97.00%	81.55%	284,542			
24	2022	323,302	369,585	87.48%	98.00%	85.57%	316,253			
25	2023	352,467	391,464	90.04%	99.00%	89.69%	351,094			
26	2024	384,066	414,578	94.64%	100.00%	93.93%	389,422			
27	2025	385,850	411,524	96.76%	100.00%	95.17%	391,656			
28	2026	361,304	381,823	96.83%	100.00%	95.91%	366,207			
29	2027	306,836	322,319	97.20%	100.00%	96.64%	311,484			
30	2028	248,841	259,932	98.73%	100.00%	97.33%	252,991			
31	2029	184,084	191,527	98.81%	100.00%	97.85%	187,409			
32	2030	109,413	114,112	99.88%	100.00%	98.38%	112,264			
33	2031	72,978	76,063	100.00%	100.00%	76,063				
34	2032	61,763	63,767	100.00%	100.00%	63,767				
35	2033	45,795	46,850	100.00%	100.00%	46,850				
36	2034	19,874	20,199	100.00%	100.00%	20,199				
37	2035	0.00	0.00	100.00%	100.00%	0.00				



**SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST (\$000's)**

**UNIT 2**

All Participants Decom Costs in 1995\$ \$464,320.8  
 SRP Share in 1995\$ \$81,209.7  
 Plan Balance as of 12/31/95 in 1995\$ \$15,940.3

SRP Share 17.49%  
 Projected return on investments 7.65%  
 Projected inflation 5.92%

Years To Start of Decom (Funding Yrs Left) 27

FV of Total Decom. Charges Discounted to 2025 \$455,981.4  
 FV of 12/31/95 Plan Balance in 27 years \$75,318.3  
 FV of Balance Owed to be Funded by Contributions and Earnings \$380,663.0

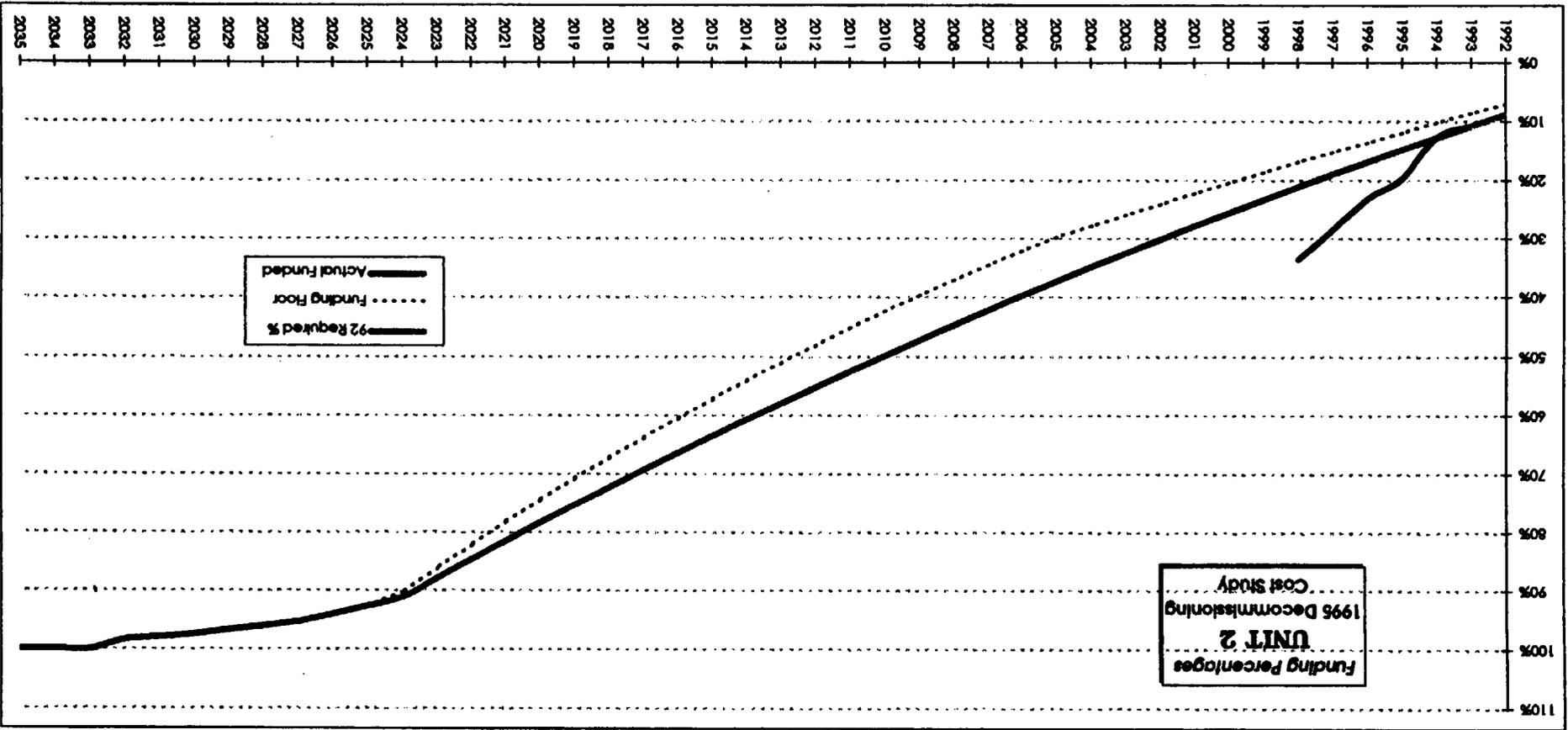
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Years Since Study	Calendar Year End 31-Dec	Current Annual Payment (Inflat Adj.)	Earnings (Inflat Adj.)	Balance Before Decom Charges	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio
	1988	960	0.00	960	0.00	960		
	1989	805	74	1,839	0.00	1,839	43,256	4.25%
	1990	841	343	3,023	0.00	3,023	44,597	6.78%
	1991	1,909	218	5,150	0.00	5,150	47,237	10.90%
	1992	1,292	394	6,839	0.00	6,839	78,467	8.72%
	1993	1,761	281	8,881	0.00	8,881	83,112	10.69%
	1994	2,241	63	11,185	0.00	11,185	88,032	12.71%
	1995-	1,714	3,042	15,940	0.00	15,940	81,210	19.63%
	1996	1,379	2,537	19,856	0.00	19,856	86,017	23.08%
	1997	1,460	4,545	25,860	0.00	25,860	91,110	28.38%
0	1998	1,546	4,991	32,398	0.00	32,398	96,503	33.57%
1	1999	1,257	2,478	36,134	0.00	36,134	102,216	35.35%
2	2000	1,332	2,764	40,230	0.00	40,230	108,267	37.16%
3	2001	1,411	3,078	44,718	0.00	44,718	114,677	38.99%
4	2002	1,494	3,421	49,633	0.00	49,633	121,466	40.86%
5	2003	1,582	3,797	55,012	0.00	55,012	128,656	42.76%
6	2004	1,676	4,208	60,896	0.00	60,896	136,273	44.69%
7	2005	1,775	4,659	67,330	0.00	67,330	144,340	46.65%
8	2006	1,880	5,151	74,362	0.00	74,362	152,885	48.64%
9	2007	1,992	5,689	82,042	0.00	82,042	161,936	50.66%
10	2008	2,110	6,276	90,428	0.00	90,428	171,523	52.72%
11	2009	2,235	6,918	99,580	0.00	99,580	181,677	54.81%
12	2010	2,367	7,618	109,565	0.00	109,565	192,432	56.94%
13	2011	2,507	8,382	120,454	0.00	120,454	203,824	59.10%
14	2012	2,655	9,215	132,324	0.00	132,324	215,890	61.29%
15	2013	2,813	10,123	145,259	0.00	145,259	228,671	63.52%
16	2014	2,979	11,112	159,351	0.00	159,351	242,209	65.79%
17	2015	3,155	12,190	174,697	0.00	174,697	256,547	68.10%
18	2016	3,342	13,364	191,403	0.00	191,403	271,735	70.44%
19	2017	3,540	14,642	209,586	0.00	209,586	287,822	72.82%
20	2018	3,750	16,033	229,369	0.00	229,369	304,861	75.24%
21	2019	3,972	17,547	250,887	0.00	250,887	322,908	77.70%
22	2020	4,207	19,193	274,287	0.00	274,287	342,025	80.20%
23	2021	4,456	20,983	299,726	0.00	299,726	362,272	82.73%
24	2022	4,720	22,929	327,374	0.00	327,374	383,719	85.32%
25	2023	4,999	25,044	357,417	0.00	357,417	406,435	87.94%
26	2024	5,295	27,342	390,055	0.00	390,055	430,496	90.61%
27	2025	5,608	29,839	425,502	6,972	418,531	449,010	93.21%
28	2026	0.00	32,018	450,548	54,854	395,694	420,737	94.05%
29	2027	0.00	30,271	425,965	68,728	357,237	376,917	94.78%
30	2028	0.00	27,329	384,566	78,513	306,053	320,717	95.43%
31	2029	0.00	23,413	329,466	85,326	244,140	254,378	95.98%
32	2030	0.00	18,677	262,816	83,400	179,417	186,037	96.44%
33	2031	0.00	13,725	193,142	85,218	107,924	111,832	96.51%
34	2032	0.00	8,256	116,180	44,233	71,947	74,220	96.94%
35	2033	0.00	5,504	77,451	25,828	51,624	52,786	97.80%
36	2034	0.00	3,949	55,573	34,862	20,711	21,049	98.39%
37	2035	0.00	1,584	22,295	22,295	0.00	0.00	100.00%
		<u>95.017</u>	<u>495.209</u>	<u>590.225</u>	<u>590.225</u>	<u>0.00</u>	<u>0.00</u>	

## FUNDING FLOOR ANALYSIS FOR UNIT 2 (\$000's)

ESTIMATED FUNDING							ACTUAL		
Year	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage	Minimum \$ AMT	Percentage	\$AMT	Floor Satisfied?
Year					Funding Floor		Actual Funded		
1991	5,163	47,646	10.93%	80.00%	8.74%	4,166	10.81%	5,150	YES
1992	6,836	78,467	8.71%	80.00%	6.97%	5,469	8.72%	6,839	YES
1993	8,887	83,112	10.69%	80.00%	8.55%	7,109	10.69%	8,881	YES
1994	11,185	88,032	12.71%	80.00%	10.16%	8,948	12.71%	11,185	YES
1995	13,755	81,210	16.94%	80.00%	11.80%	9,583	19.63%	15,940	YES
1996	19,856	86,017	23.08%	80.00%	13.46%	11,582	23.08%	19,856	YES
1997	25,860	91,110	28.38%	80.00%	15.15%	13,807	28.38%	25,860	YES
1998	32,398	96,503	33.57%	80.00%	16.87%	16,283	<b>33.57%</b>	<b>32,398</b>	<b>YES</b>
1999	36,134	102,216	35.35%	80.00%	18.62%	19,032			
2000	40,230	108,267	37.16%	80.00%	20.39%	22,080			
2001	44,718	114,677	38.99%	80.00%	22.20%	25,455			
2002	49,633	121,466	40.86%	80.00%	24.03%	29,189			
2003	55,012	128,656	42.76%	80.00%	25.89%	33,314			
2004	60,896	136,273	44.69%	80.00%	27.79%	37,866			
2005	67,330	144,340	46.65%	80.00%	29.71%	42,886			
2006	74,362	152,885	48.64%	81.00%	32.06%	49,020			
2007	82,042	161,936	50.66%	82.00%	34.50%	55,863			
2008	90,428	171,523	52.72%	83.00%	37.01%	63,486			
2009	99,580	181,677	54.81%	84.00%	39.62%	71,972			
2010	109,565	192,432	56.94%	85.00%	42.30%	81,407			
2011	120,454	203,824	59.10%	86.00%	45.08%	91,888			
2012	132,324	215,890	61.29%	87.00%	47.95%	103,520			
2013	145,259	228,671	63.52%	88.00%	50.91%	116,419			
2014	159,351	242,209	65.79%	89.00%	53.97%	130,712			
2015	174,697	256,547	68.10%	90.00%	57.12%	146,537			
2016	191,403	271,735	70.44%	91.00%	60.37%	164,046			
2017	209,586	287,822	72.82%	92.00%	63.72%	183,403			
2018	229,369	304,861	75.24%	93.00%	67.18%	204,791			
2019	250,887	322,908	77.70%	94.00%	70.73%	228,408			
2020	274,287	342,025	80.20%	95.00%	74.40%	254,470			
2021	299,726	362,272	82.73%	96.00%	78.18%	283,213			
2022	327,374	383,719	85.32%	97.00%	82.06%	314,897			
2023	357,417	406,435	87.94%	98.00%	86.07%	349,803			
2024	390,055	430,496	90.61%	99.00%	90.16%	388,120			
2025	418,531	449,010	93.21%	100.00%	92.55%	415,564			
2026	395,694	420,737	94.05%	100.00%	94.02%	395,574			
2027	357,237	376,917	95.78%	100.00%	95.24%	358,978			
2028	306,053	320,717	96.43%	100.00%	96.00%	307,887			
2029	244,140	254,378	97.98%	100.00%	96.72%	246,044			
2030	179,417	186,037	98.44%	100.00%	97.40%	181,207			
2031	107,924	111,832	100.00%	100.00%	97.86%	109,436			
2032	71,947	74,220	100.00%	100.00%	98.40%	73,029			
2033	51,624	52,786	100.00%	100.00%	100.00%	52,786			
2034	20,711	21,049	100.00%	100.00%	100.00%	21,049			
2035	0.00	0.00	100.00%	100.00%	100.00%	0.00			



**SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST (\$000's)**

**UNIT 3**

All Participants Decom Costs in 1995\$ \$534,777.4  
 SRP Share in 1995\$ \$93,532.6  
 Plan Balance as of 12/31/95 in 1995\$ \$16,791.0

SRP Share 17.49%  
 Projected return on investments 7.65%  
 Projected Inflation 5.92%  
 Years To Start of Decom (Funding Yrs Left) 29

FV of Total Decom. Charges Discounted to 2027 \$589,193.5

FV of 12/31/95 Plan Balance in 29 years \$89,009.6

FV of Balance Owed to be Funded by Contributions and Earnings \$500,183.9

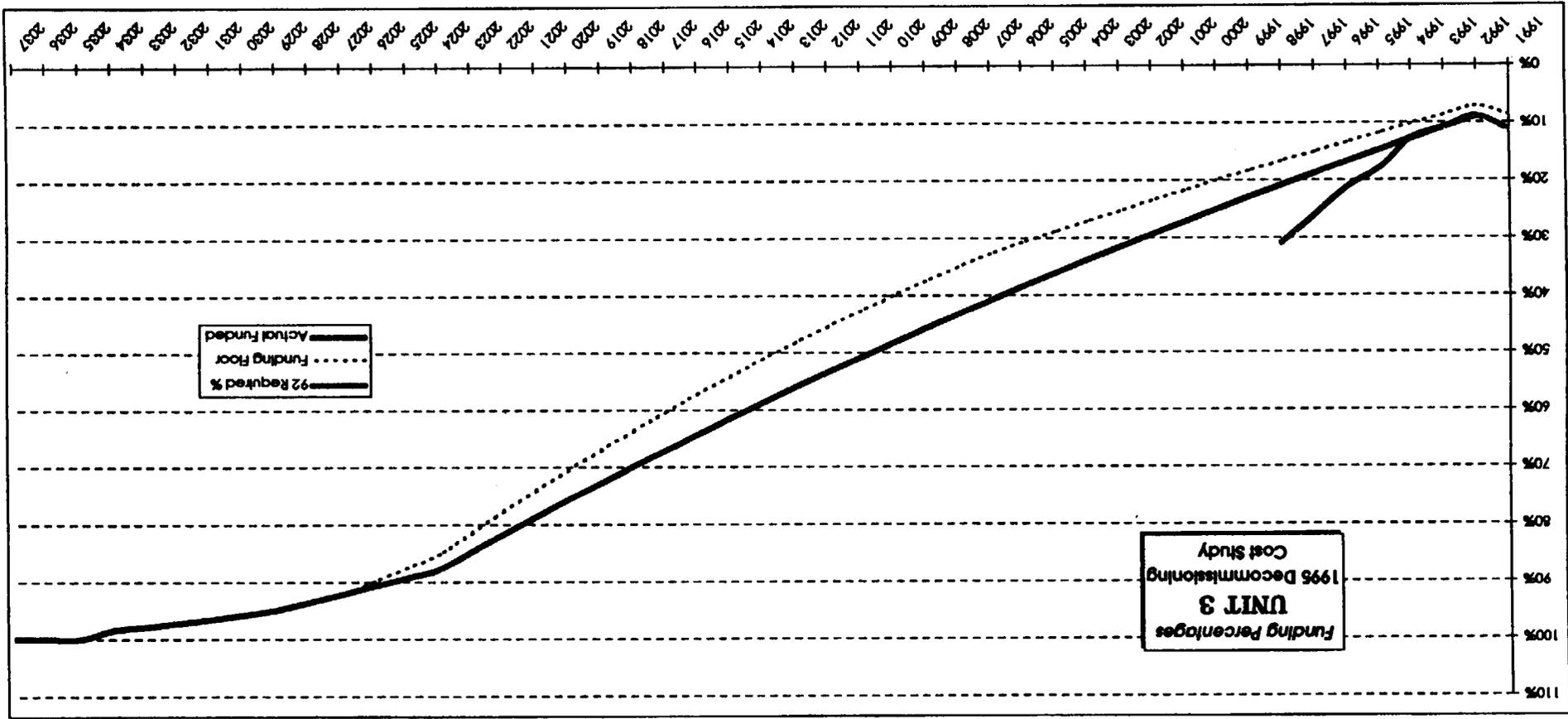
Years Since Study	Calender Year End 31-Dec	Current	Earnings (Inflat Adj.)	Balance	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio	
		Annual Payment (Inflat Adj.)		Before Decom Charges					
	1988	960	0.00	960	0.00	960			
	1989	805	74	1,839	0.00	1,839	45,998	4.00%	
	1990	841	343	3,023	0.00	3,023	47,424	6.37%	
	1991	2,154	218	5,395	0.00	5,395	50,232	10.74%	
	1992	1,590	413	7,401	0.00	7,401	82,736	8.95%	
	1993	1,787	304	9,493	0.00	9,493	87,634	10.83%	
	1994	2,290	67	11,849	0.00	11,849	92,822	12.77%	
	1995	1,721	3,221	16,791	0.00	16,791	93,533	17.95%	
	1996	1,517	2,672	20,980	0.00	20,980	99,070	21.18%	
	1997	1,606	4,802	27,388	0.00	27,388	104,935	26.10%	
	0	1998	1,702	5,289	34,380	0.00	34,380	111,147	30.93%
	1	1999	1,422	2,630	38,432	0.00	38,432	117,727	32.65%
	2	2000	1,506	2,940	42,878	0.00	42,878	124,696	34.39%
	3	2001	1,595	3,280	47,754	0.00	47,754	132,078	36.16%
	4	2002	1,690	3,653	53,097	0.00	53,097	139,897	37.95%
	5	2003	1,790	4,062	58,949	0.00	58,949	148,179	39.78%
	6	2004	1,896	4,510	65,354	0.00	65,354	156,951	41.64%
	7	2005	2,008	5,000	72,362	0.00	72,362	166,243	43.53%
	8	2006	2,127	5,536	80,025	0.00	80,025	176,084	45.45%
	9	2007	2,253	6,122	88,400	0.00	88,400	186,508	47.40%
	10	2008	2,386	6,763	97,548	0.00	97,548	197,550	49.38%
	11	2009	2,528	7,462	107,538	0.00	107,538	209,245	51.39%
	12	2010	2,677	8,227	118,442	0.00	118,442	221,632	53.44%
	13	2011	2,836	9,061	130,339	0.00	130,339	234,753	55.52%
	14	2012	3,004	9,971	143,313	0.00	143,313	248,650	57.64%
	15	2013	3,181	10,963	157,458	0.00	157,458	263,370	59.79%
	16	2014	3,370	12,046	172,873	0.00	172,873	278,962	61.97%
	17	2015	3,569	13,225	189,667	0.00	189,667	295,476	64.19%
	18	2016	3,780	14,510	207,957	0.00	207,957	312,968	66.45%
	19	2017	4,004	15,909	227,870	0.00	227,870	331,496	68.74%
	20	2018	4,241	17,432	249,543	0.00	249,543	351,121	71.07%
	21	2019	4,492	19,090	273,126	0.00	273,126	371,907	73.44%
	22	2020	4,758	20,894	298,778	0.00	298,778	393,924	75.85%
	23	2021	5,040	22,857	326,675	0.00	326,675	417,244	78.29%
	24	2022	5,338	24,991	357,004	0.00	357,004	441,945	80.78%
	25	2023	5,654	27,311	389,969	0.00	389,969	468,108	83.31%
	26	2024	5,989	29,833	425,791	0.00	425,791	495,820	85.88%
	27	2025	6,344	32,573	464,708	0.00	464,708	525,173	88.49%
	28	2026	6,719	35,550	506,977	0.00	506,977	556,263	91.14%
	29	2027	7,117	38,784	552,878	47,384	505,494	541,810	93.30%
	30	2028	0.00	38,670	544,164	72,285	471,879	501,599	94.07%
	31	2029	0.00	36,099	507,978	78,976	429,001	452,318	94.85%
	32	2030	0.00	32,819	461,820	93,214	368,606	385,881	95.52%
	33	2031	0.00	28,198	396,805	96,887	299,918	311,839	96.18%
	34	2032	0.00	22,944	322,861	103,420	219,441	226,880	96.72%
	35	2033	0.00	16,787	236,229	97,079	139,150	143,232	97.15%
	36	2034	0.00	10,645	149,795	84,306	65,489	67,406	97.16%
	37	2035	0.00	5,010	70,499	39,585	30,913.60	31,811	97.18%
	38	2036	0.00	2,365	33,278	7,845	25,433.00	25,848	98.39%
	39	2037	0.00	1,946	27,379	27,379	0.00	0.00	100.00%
			<u>120,289</u>	<u>628,067</u>	<u>748,356</u>	<u>748,357</u>	<u>0.00</u>	<u>0.00</u>	

ACTUAL

FORECAST

### FUNDING FLOOR ANALYSIS FOR UNIT 3 (\$000's)

ESTIMATED FUNDING				FUNDING FLOOR CURVE			ACTUAL			
Year	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage Funding Floor	Minimum \$ AMT	Percentage Actual Funded	\$AMT	Floor Satisfied?	
1991	5,408	47,646	10.93%	80.00%	8.74%	4,166	11.32%	5,395	YES	
1992	7,398	82,736	8.94%	80.00%	7.15%	5,918	8.95%	7,401	YES	
1993	9,498	87,634	10.84%	80.00%	8.67%	7,598	10.83%	9,493	YES	
1994	11,849	92,822	12.77%	80.00%	10.21%	9,479	12.77%	11,849	YES	
1995	14,477	93,533	15.48%	80.00%	11.78%	11,018	17.95%	16,791	YES	
1996	20,980	99,070	21.18%	80.00%	13.37%	13,248	21.18%	20,980	YES	
1997	27,388	104,935	26.10%	80.00%	14.99%	15,731	26.10%	27,388	YES	
0	1998	34,380	111,147	30.93%	80.00%	16.64%	18,491	30.93%	34,380	YES
1	1999	38,432	117,727	32.65%	80.00%	18.31%	21,554			
2	2000	42,878	124,696	34.39%	80.00%	20.01%	24,949			
3	2001	47,754	132,078	36.16%	80.00%	21.73%	28,707			
4	2002	53,097	139,897	37.95%	80.00%	23.49%	32,862			
5	2003	58,949	148,179	39.78%	80.00%	25.27%	37,451			
6	2004	65,354	156,951	41.64%	80.00%	27.09%	42,514			
7	2005	72,362	166,243	43.53%	80.00%	28.93%	48,094			
8	2006	80,025	176,084	45.45%	80.00%	30.80%	54,239			
9	2007	88,400	186,508	47.40%	80.00%	32.71%	61,000			
10	2008	97,548	197,550	49.38%	81.00%	35.07%	69,288			
11	2009	107,538	209,245	51.39%	82.00%	37.52%	78,513			
12	2010	118,442	221,632	53.44%	83.00%	40.05%	88,770			
13	2011	130,339	234,753	55.52%	84.00%	42.67%	100,163			
14	2012	143,313	248,650	57.64%	85.00%	45.37%	112,809			
15	2013	157,458	263,370	59.79%	86.00%	48.16%	126,832			
16	2014	172,873	278,962	61.97%	87.00%	51.04%	142,371			
17	2015	189,667	295,476	64.19%	88.00%	54.01%	159,575			
18	2016	207,957	312,968	66.45%	89.00%	57.07%	178,610			
19	2017	227,870	331,496	68.74%	90.00%	60.23%	199,657			
20	2018	249,543	351,121	71.07%	91.00%	63.49%	222,912			
21	2019	273,126	371,907	73.44%	92.00%	66.84%	248,590			
22	2020	298,778	393,924	75.85%	93.00%	70.30%	276,929			
23	2021	326,675	417,244	78.29%	94.00%	73.86%	308,185			
24	2022	357,004	441,945	80.78%	95.00%	77.53%	342,639			
25	2023	389,969	468,108	83.31%	96.00%	81.31%	380,600			
26	2024	425,791	495,820	85.88%	97.00%	85.18%	422,320			
27	2025	464,708	525,173	88.49%	98.00%	87.46%	459,314			
28	2026	506,977	556,263	91.14%	99.00%	89.80%	499,497			
29	2027	505,494	541,810	93.30%	100.00%	92.14%	499,234			
30	2028	471,879	501,599	94.07%	100.00%	93.60%	469,509			
31	2029	429,001	452,318	95.85%	100.00%	94.87%	429,124			
32	2030	368,606	385,881	96.52%	100.00%	95.73%	369,402			
33	2031	299,918	311,839	100.00%	100.00%	96.46%	300,814			
34	2032	219,441	226,880	100.00%	100.00%	97.18%	220,474			
35	2033	139,150	143,232	100.00%	100.00%	97.79%	140,066			
36	2034	65,489	67,406	100.00%	100.00%	98.40%	66,328			
37	2035	30,914	31,811	100.00%	100.00%	100.00%	31,811			
38	2036	25,433	25,848	100.00%	100.00%	100.00%	25,848			
39	2037	0.00	0.00	100.00%	100.00%	0.00				



# Palo Verde Nuclear Generating Station

Units 1, 2, & 3

## EPE 1998 Annual Funding Status Report

Section 2.1.7 [Restated]

Summary of Model Assumptions:

Assumed Rate of Earnings	7.3310%
Assumed Rate of Cost Escalation	5.2925%
Assumed Rate of Inflation	3.9031%
Treatment of Water Reclamation Facility	Included
Contingency Factor	25.0000%

# EL PASO ELECTRIC COMPANY

## Annual Funding Status Report

For the Year Ended December 31, 1998

### Part 3. Tables and Curves

#### 3.1 Table of Estimated Deposits, Income And Committed Accumulations to End of Funding Period for Each Unit:

(Curves presented are those most recently approved by the Termination Funding Committee)

##### 3.1.1 Table For Unit 1 (In Thousands):

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
1991			3,065.044	43,696.922	7.01%	5.61%
1992	1,274.596	266.134	4,605.774	72,015.436	6.40%	5.12%
1993	1,284.594	327.887	6,135.622	73,556.865	8.34%	6.67%
1994	1,335.472	499.183	7,970.276	77,449.852	10.29%	8.23%
1995	1,388.364	638.884	9,997.525	81,548.874	12.26%	9.81%
1996	1,443.352	793.156	12,234.033	85,864.837	14.25%	11.40%
1997	1,500.517	963.255	14,697.806	90,409.222	16.26%	13.01%
1998	1,559.947	1,150.542	17,408.294	95,194.117	18.29%	14.63%
1999	1,621.730	1,356.483	20,386.507	100,232.252	20.34%	16.27%
2000	1,685.960	1,582.665	23,655.133	105,537.030	22.41%	17.93%
2001	1,752.734	1,830.800	27,238.667	111,122.563	24.51%	19.61%
2002	1,822.153	2,102.737	31,163.557	117,003.709	26.63%	21.31%
2003	1,971.475	2,402.600	35,537.632	123,196.114	28.85%	23.08%
2004	2,049.557	2,734.343	40,321.532	129,716.251	31.08%	24.87%
2005	2,130.732	3,097.052	45,549.315	136,581.465	33.35%	27.01%
2006	2,321.329	3,496.227	51,366.871	143,810.020	35.72%	29.29%
2007	2,413.268	3,937.120	57,717.259	151,421.146	38.12%	31.64%
2008	2,508.848	4,418.261	64,644.367	159,435.089	40.55%	34.06%
2009	2,758.042	4,947.099	72,349.508	167,873.168	43.10%	36.63%
2010	2,867.277	5,530.699	80,747.484	176,757.832	45.68%	39.29%

# EL PASO ELECTRIC COMPANY

## Annual Funding Status Report

For the Year Ended December 31, 1998

### 3.1.1 Table For Unit 1 (In Thousands) - continued:

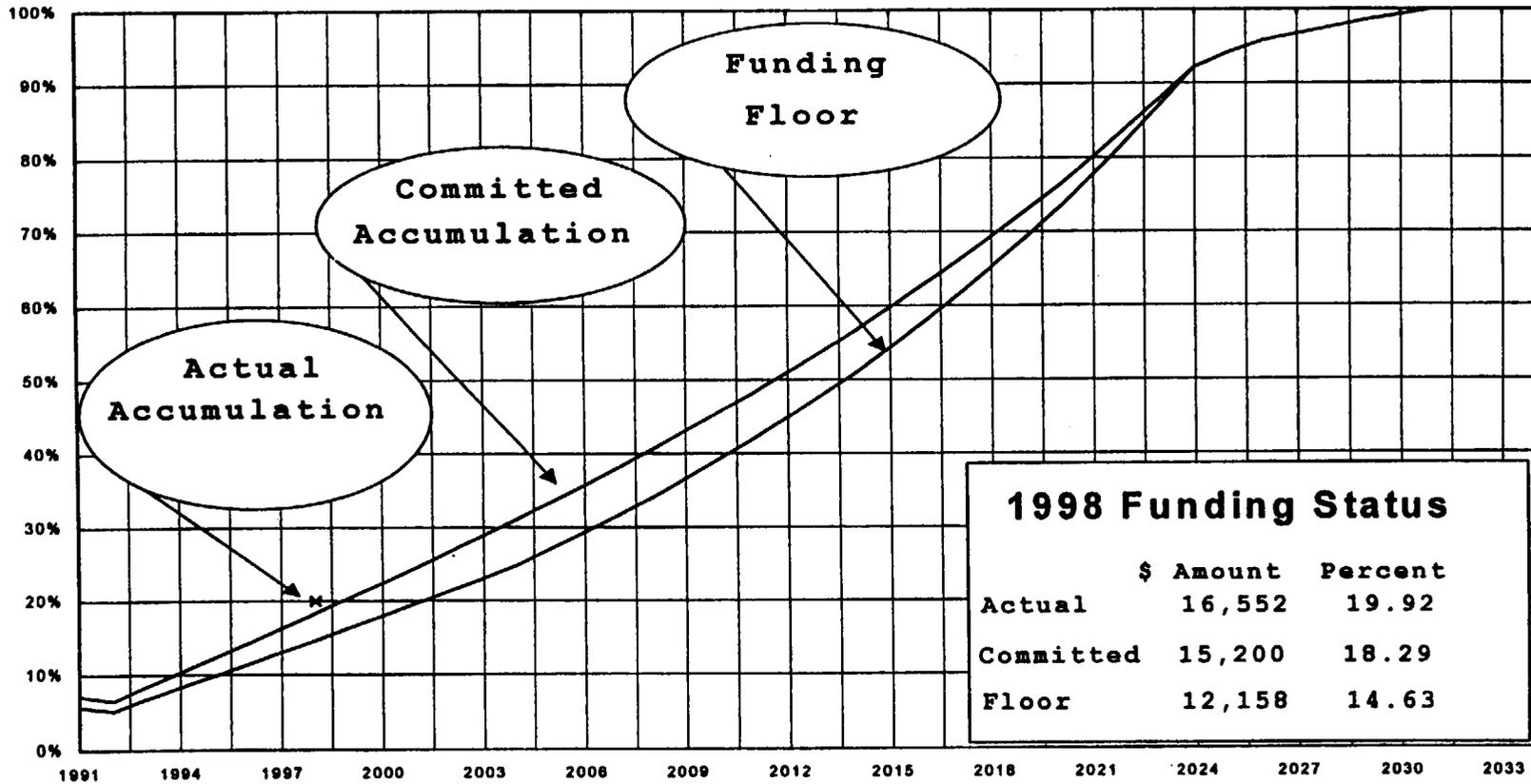
Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
2011	2,980.838	6,166.623	89,894.946	186,112.716	48.30%	42.02%
2012	3,317.760	6,865.187	100,077.893	195,962.705	51.07%	44.94%
2013	3,449.163	7,636.102	111,163.158	206,334.004	53.88%	47.95%
2014	3,585.771	8,475.150	123,224.079	217,254.202	56.72%	51.05%
2015	4,065.222	9,397.178	136,686.478	228,752.350	59.75%	54.38%
2016	4,226.229	10,416.018	151,328.725	240,859.036	62.83%	57.80%
2017	4,393.613	11,523.935	167,246.272	253,606.467	65.95%	61.33%
2018	5,138.776	12,743.895	185,128.943	267,028.554	69.33%	65.17%
2019	5,342.302	14,096.977	204,568.222	281,161.003	72.76%	69.12%
2020	5,553.889	15,567.572	225,689.683	296,041.410	76.24%	73.19%
2021	6,957.220	17,197.815	249,844.719	311,709.360	80.15%	77.75%
2022	7,232.768	19,025.510	276,102.996	328,206.534	84.12%	82.44%
2023	7,519.229	21,011.985	304,634.210	345,576.819	88.15%	87.27%
2024	7,817.036	23,106.171	334,709.788	362,973.935	92.21%	92.21%
2025		25,087.342	358,030.257	380,323.895	94.14%	94.14%
2026		25,233.305	360,113.346	376,077.046	95.76%	95.76%
2027		21,501.537	306,855.984	317,265.368	96.72%	96.72%
2028		17,190.449	245,330.930	251,175.083	97.67%	97.67%
2029		12,240.609	174,690.029	177,200.486	98.58%	98.58%
2030		6,587.274	94,009.301	94,692.148	99.28%	99.28%
2031		2,415.824	34,477.067	34,477.067	100.00%	100.00%

# EL PASO ELECTRIC COMPANY

Annual Funding Status Report  
For the Year Ended December 31, 1998

## 3.2 Percent Funded Curve and Funding Floor Curve for Each Unit:

### 3.2.1 Unit 1 Curve:



# EL PASO ELECTRIC COMPANY

## Annual Funding Status Report

For the Year Ended December 31, 1998

**3.1.2 Table for Unit 2 (In Thousands):**

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
1991			3,619.007	43,321.662	8.35%	6.68%
1992	1,148.211	304.386	5,071.604	70,884.836	7.15%	5.72%
1993	1,156.671	403.387	6,489.839	72,375.311	8.97%	7.17%
1994	1,202.482	522.202	8,214.523	76,205.765	10.78%	8.62%
1995	1,250.107	653.472	10,118.102	80,238.944	12.61%	10.09%
1996	1,299.619	798.274	12,215.996	84,485.579	14.46%	11.57%
1997	1,351.092	957.772	14,524.859	88,956.966	16.33%	13.06%
1998	1,404.603	1,133.222	17,062.684	93,665.001	18.22%	14.57%
1999	1,460.234	1,325.984	19,848.902	98,622.208	20.13%	16.10%
2000	1,518.068	1,537.522	22,904.492	103,841.775	22.06%	17.65%
2001	1,578.192	1,769.421	26,252.106	109,337.586	24.01%	19.21%
2002	1,640.698	2,023.390	29,916.194	115,124.263	25.99%	20.79%
2003	1,767.574	2,302.983	33,986.751	121,217.198	28.04%	22.43%
2004	1,837.581	2,611.632	38,435.964	127,632.602	30.11%	24.09%
2005	1,910.360	2,948.891	43,295.215	134,387.539	32.22%	25.77%
2006	2,070.670	3,319.462	48,685.347	141,499.981	34.41%	27.87%
2007	2,152.681	3,727.873	54,565.901	148,988.848	36.62%	30.03%
2008	2,237.940	4,173.328	60,977.170	156,874.061	38.87%	32.26%
2009	2,444.911	4,662.132	68,084.212	165,176.599	41.22%	34.62%
2010	2,541.744	5,200.322	75,826.278	173,918.548	43.60%	37.06%
2011	2,642.412	5,786.468	84,255.157	183,123.162	46.01%	39.57%
2012	2,917.665	6,429.184	93,602.006	192,814.930	48.54%	42.23%
2013	3,033.222	7,136.661	103,771.890	203,019.633	51.11%	44.98%
2014	3,153.356	7,906.280	114,831.526	213,764.419	53.72%	47.81%

# EL PASO ELECTRIC COMPANY

## Annual Funding Status Report

For the Year Ended December 31, 1998

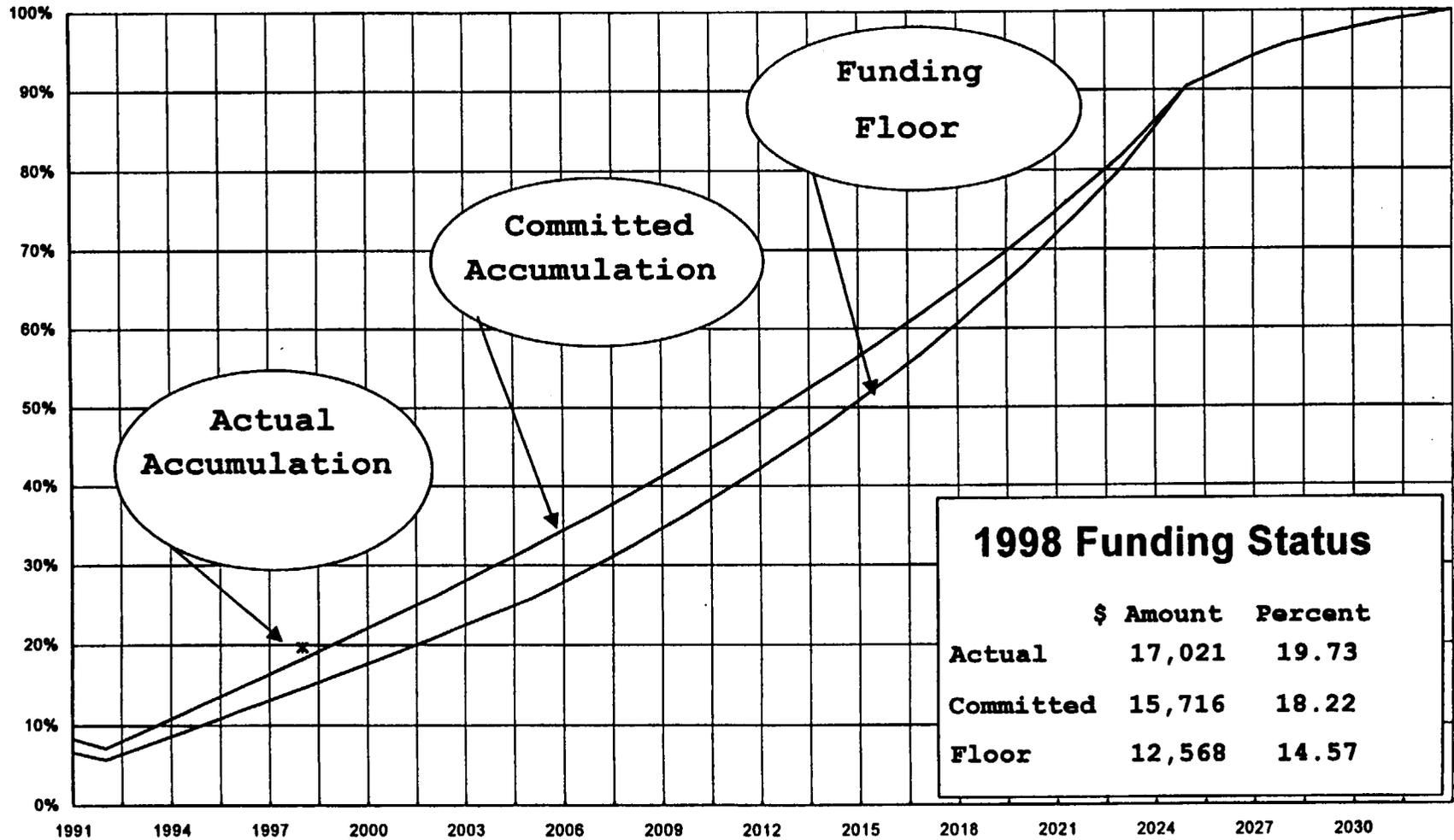
### 3.1.2 Table for Unit 2 (In Thousands) - continued:

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
2015	3,535.811	8,750.184	127,117.521	225,077.871	56.48%	50.83%
2016	3,675.850	9,679.802	140,473.173	236,990.086	59.27%	53.94%
2017	3,821.436	10,690.173	154,984.782	249,532.753	62.11%	57.14%
2018	4,392.538	11,799.390	171,176.710	262,739.239	65.15%	60.59%
2019	4,566.509	13,024.259	188,767.478	276,644.676	68.23%	64.14%
2020	4,747.370	14,354.720	207,869.568	291,286.057	71.36%	67.79%
2021	5,730.719	15,821.210	229,421.497	306,702.331	74.80%	71.81%
2022	5,957.690	17,451.419	252,830.607	322,934.509	78.29%	75.94%
2023	6,193.650	19,221.815	278,246.072	340,025.772	81.83%	80.19%
2024	8,791.549	21,208.585	308,246.207	358,021.589	86.10%	85.24%
2025	9,139.748	23,478.715	340,864.670	376,969.831	90.42%	90.42%
2026		25,671.399	366,365.540	396,741.353	92.34%	92.34%
2027		27,381.115	390,765.507	414,599.909	94.25%	94.25%
2028		27,376.844	390,704.542	407,652.600	95.84%	95.84%
2029		23,348.142	333,209.534	344,105.794	96.83%	96.83%
2030		18,467.306	263,553.410	269,530.194	97.78%	97.78%
2031		12,867.270	183,633.329	186,096.933	98.68%	98.68%
2032		6,475.243	92,410.462	93,077.319	99.28%	99.28%
2033		2,359.251	33,669.696	33,669.696	100.00%	100.00%

# EL PASO ELECTRIC COMPANY

Annual Funding Status Report  
For the Year Ended December 31, 1998

## 3.2.2 Unit 2 Curve:



# EL PASO ELECTRIC COMPANY

## Annual Funding Status Report

For the Year Ended December 31, 1998

### 3.1.3 Table for Unit 3 (In Thousands):

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
1991			652.302	46,068.418	1.42%	1.13%
1992	1,282.171	84.542	2,019.015	74,741.789	2.70%	2.16%
1993	1,294.243	183.753	3,442.544	76,440.553	4.50%	3.60%
1994	1,345.503	296.535	5,084.582	80,486.159	6.32%	5.05%
1995	1,398.793	421.734	6,905.110	84,745.877	8.15%	6.52%
1996	1,454.194	560.441	8,919.745	89,231.041	10.00%	8.00%
1997	1,511.789	713.834	11,145.367	93,953.581	11.86%	9.49%
1998	1,571.665	883.188	13,600.220	98,926.061	13.75%	11.00%
1999	1,633.912	1,069.880	16,304.012	104,161.709	15.65%	12.52%
2000	1,698.625	1,275.398	19,278.034	109,674.453	17.58%	14.06%
2001	1,765.900	1,501.348	22,545.282	115,478.958	19.52%	15.62%
2002	1,835.841	1,749.467	26,130.589	121,590.666	21.49%	17.19%
2003	1,968.776	2,023.290	30,122.655	128,025.835	23.53%	18.82%
2004	2,046.751	2,326.245	34,495.652	134,801.584	25.59%	20.47%
2005	2,127.815	2,657.989	39,281.456	141,935.939	27.68%	22.14%
2006	2,293.851	3,023.184	44,598.491	149,447.879	29.84%	23.87%
2007	2,384.702	3,426.332	50,409.524	157,357.387	32.04%	25.63%
2008	2,479.150	3,866.802	56,755.476	165,685.505	34.25%	27.75%
2009	2,690.503	4,350.805	63,796.785	174,454.387	36.57%	29.99%
2010	2,797.064	4,884.311	71,478.159	183,687.361	38.91%	32.30%
2011	2,907.844	5,466.162	79,852.165	193,408.989	41.29%	34.68%
2012	3,183.853	6,104.764	89,140.783	203,645.132	43.77%	37.21%
2013	3,309.953	6,808.145	99,258.881	214,423.023	46.29%	39.81%
2014	3,441.047	7,574.165	110,274.093	225,771.331	48.84%	42.49%

# EL PASO ELECTRIC COMPANY

Annual Funding Status Report  
For the Year Ended December 31, 1998

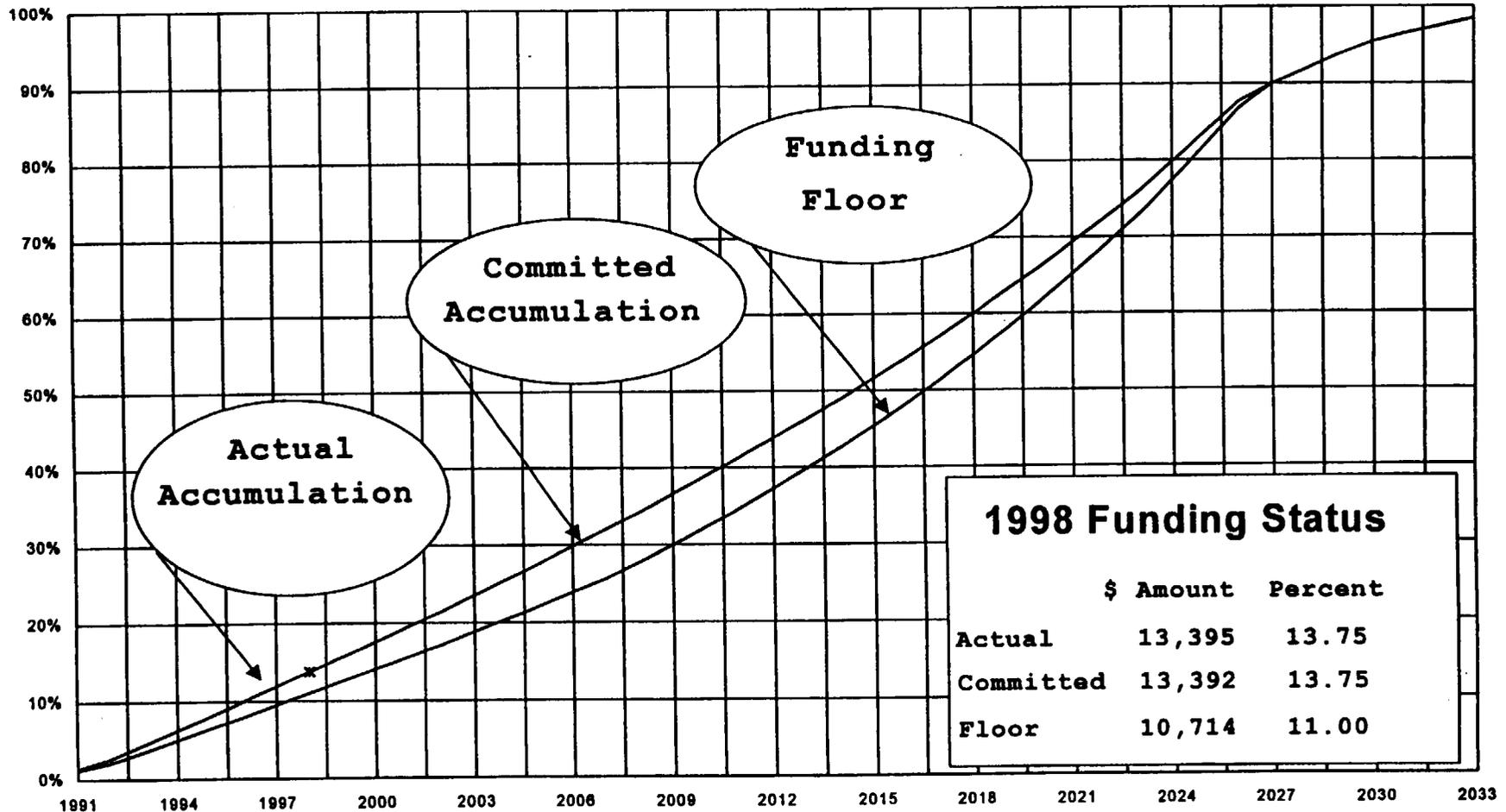
## 3.1.3 Table for Unit 3 (In Thousands) - continued:

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
2015	3,814.940	8,414.484	122,503.517	237,720.247	51.53%	45.35%
2016	3,966.035	9,340.145	135,809.697	250,301.558	54.26%	48.29%
2017	4,123.113	10,347.106	150,279.916	263,548.733	57.02%	51.32%
2018	4,659.502	11,452.246	166,391.665	277,497.013	59.96%	54.57%
2019	4,844.046	12,671.365	183,907.075	292,183.503	62.94%	57.91%
2020	5,035.900	13,996.451	202,939.426	307,647.274	65.96%	61.35%
2021	5,889.479	15,454.105	224,283.010	323,929.463	69.24%	65.08%
2022	6,122.738	17,068.788	247,474.536	341,073.385	72.56%	68.93%
2023	6,365.235	18,822.970	272,662.741	359,124.646	75.92%	72.89%
2024	8,106.273	20,768.965	301,537.978	378,131.267	79.74%	77.35%
2025	8,427.330	22,953.584	332,918.891	398,143.812	83.62%	81.95%
2026	8,761.103	25,327.357	367,007.351	419,215.517	87.55%	86.67%
2027	2,243.965	27,779.761	397,031.077	441,402.440	89.95%	89.95%
2028		29,734.433	424,350.531	462,220.811	91.81%	91.81%
2029		31,725.894	452,771.373	483,203.810	93.70%	93.70%
2030		32,272.786	460,576.256	483,014.441	95.35%	95.35%
2031		28,835.010	411,514.545	426,558.518	96.47%	96.47%
2032		23,533.147	335,849.805	344,686.147	97.44%	97.44%
2033		17,436.197	248,838.081	252,952.800	98.37%	98.37%
2034		10,463.311	149,325.578	150,544.024	99.19%	99.19%
2035		4,310.701	61,519.522	61,519.522	100.00%	100.00%

# EL PASO ELECTRIC COMPANY

Annual Funding Status Report  
For the Year Ended December 31, 1998

## 3.2.3 Unit 3 Curve:



# Palo Verde Nuclear Generating Station

## Units 1, 2, & 3

### SCE 1998 Annual Funding Status Report

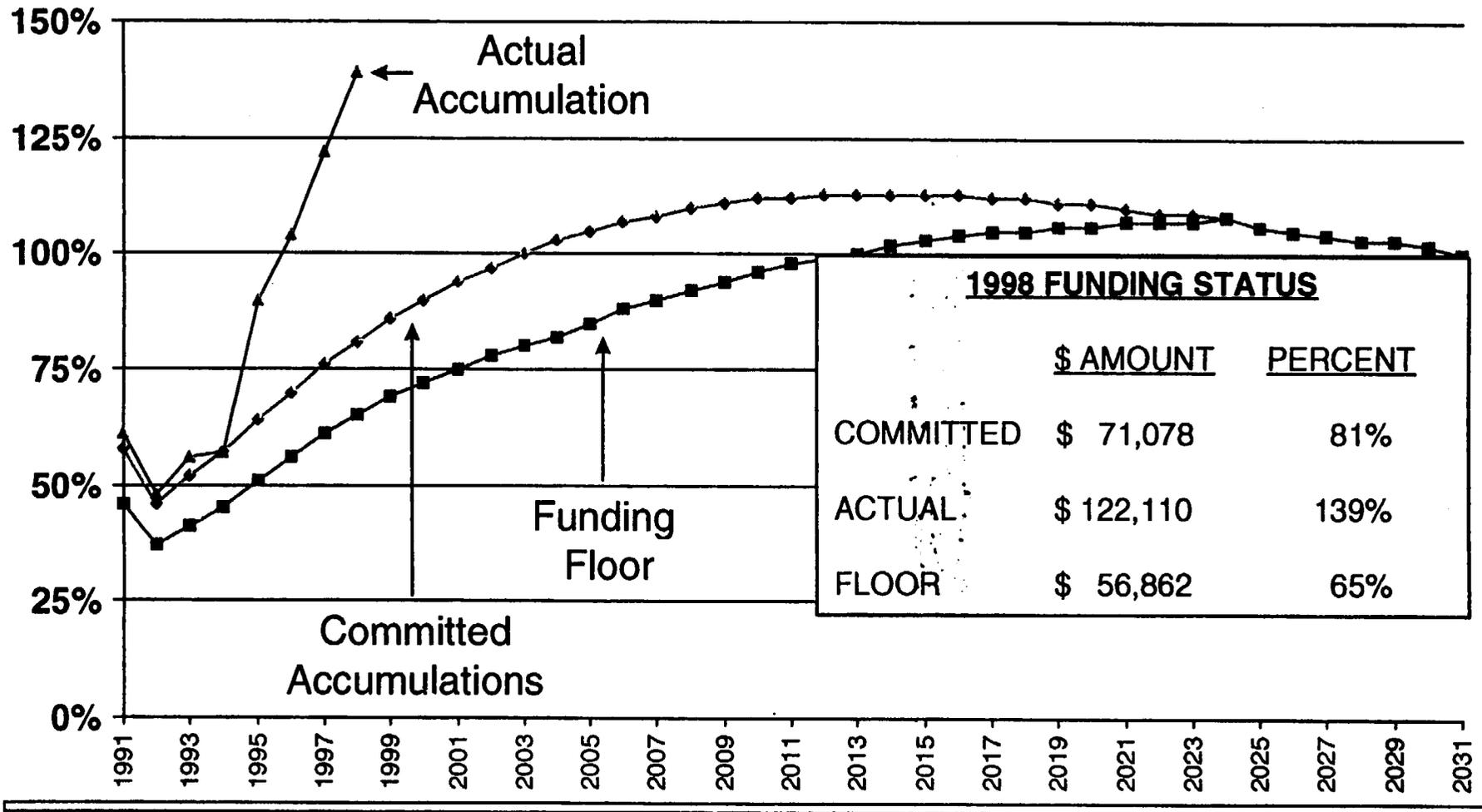
Section 2.1.7 [Restated]

Assumptions Used in Developing Committed Accumulations:

Cost Study:	1995 TLG study, including all Table 1.1 costs (all non-unit specific costs are allocated equally among all three units)
Contingency Factors:	1995 TLG Study
Annual Escalation Assumption:	Approximately 7.3% over the funding period.
Rate of Return Assumption:	5.25% per year (after tax)

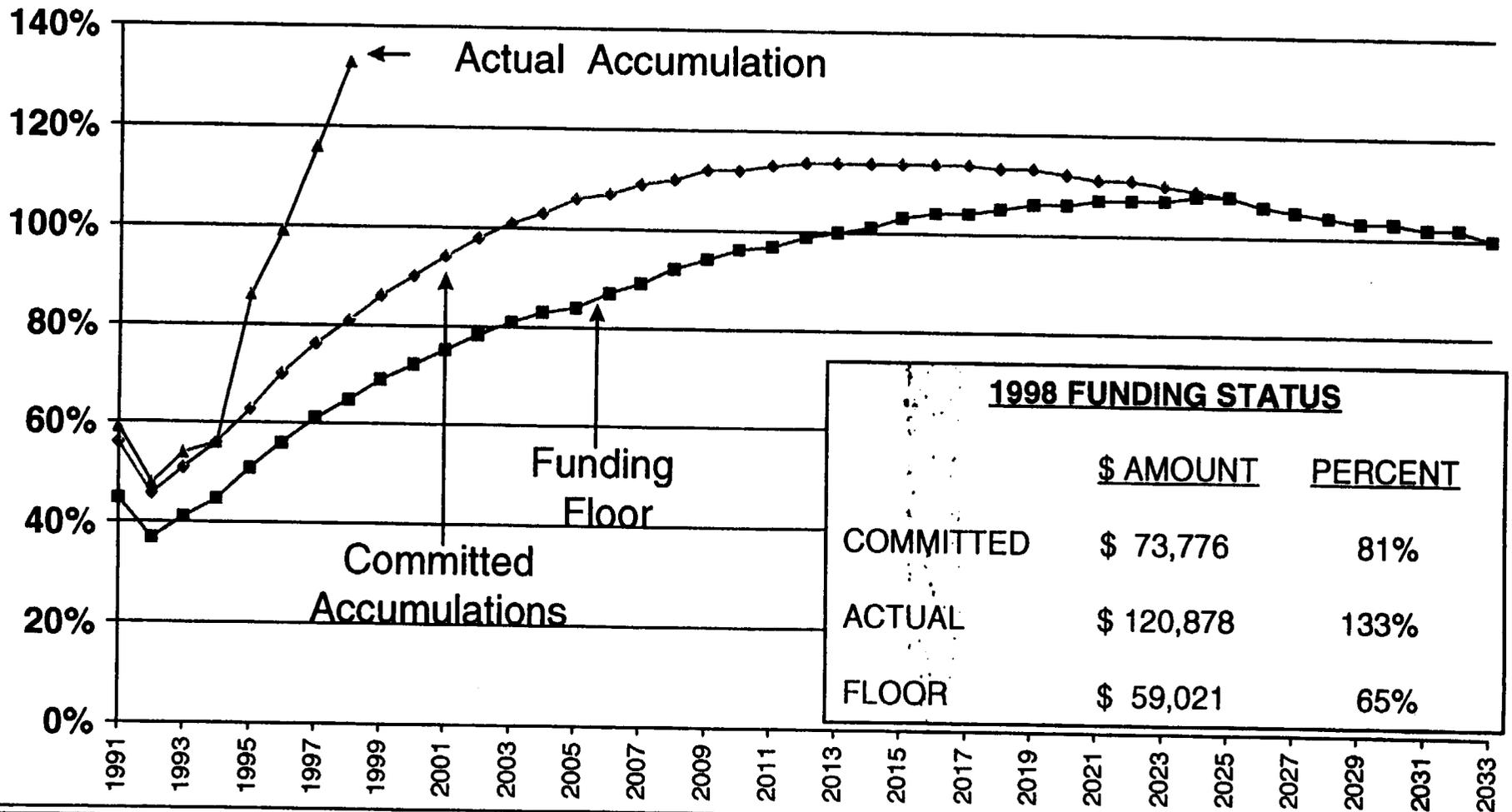


# Southern California Edison Company Palo Verde Unit 1 Funding Plan





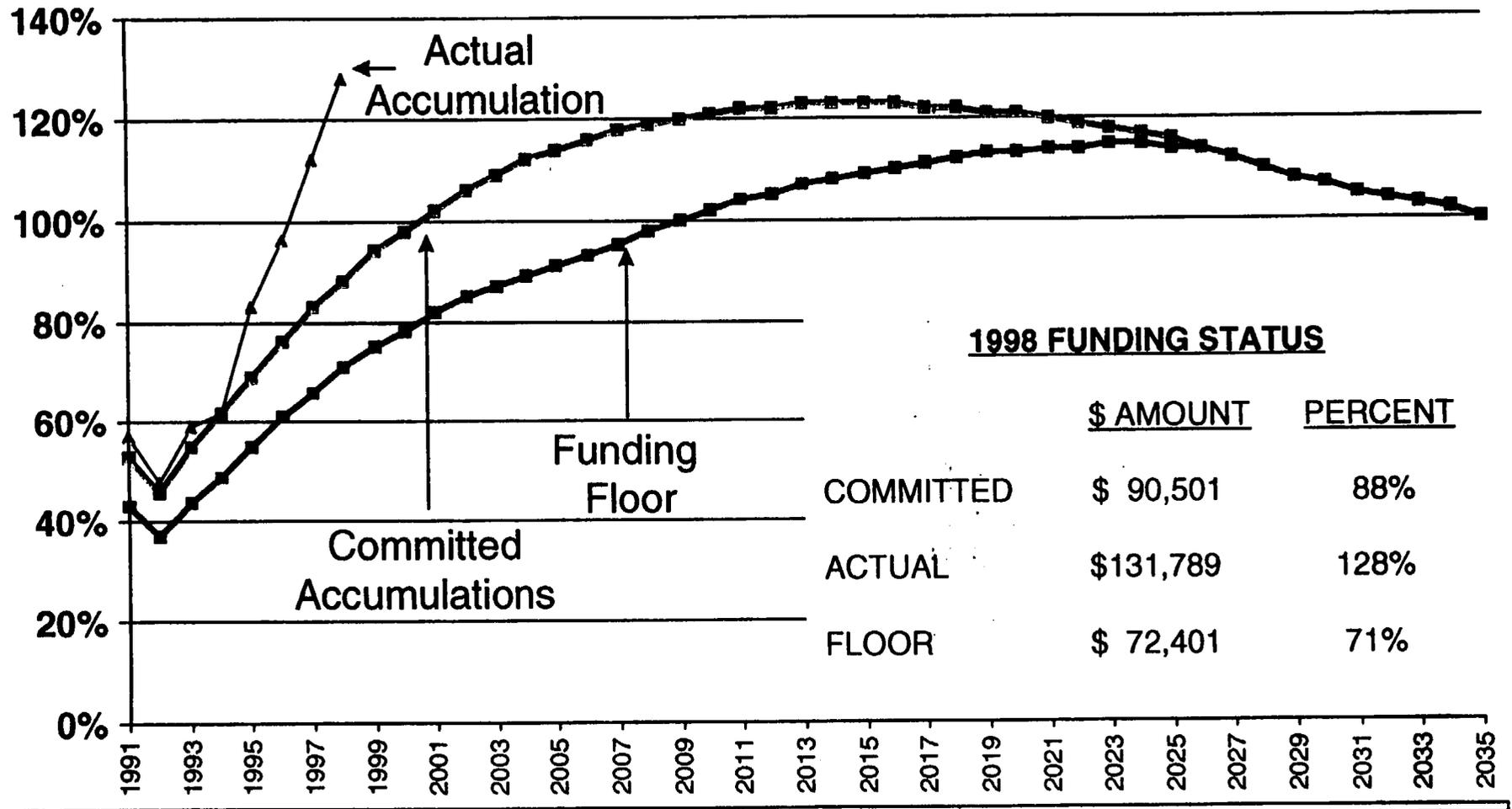
# Southern California Edison Company Palo Verde Unit 2 Funding Plan



SOUTHERN CALIFORNIA EDISON COMPANY  
1998 PALO VERDE UNIT 3 FUNDING STATUS  
(\$ THOUSANDS)

YEAR	(1) (2) (3) FUNDING PLAN			(4) (5) (6) FUNDING FLOOR CURVE			(7) (8) (9) ACTUAL FUNDING		
	FUND \$	EST. COST	% FUNDED	CRITERIA	PERCENT	\$ AMOUNT	FUND \$	EST. COST	% FUNDED
1991	26,087	48,798	53%	80%	43%	20,870	27,730	48,798	57%
1992	34,110	73,450	46%	80%	37%	27,288	35,578	73,450	48%
1993	41,562	74,905	55%	80%	44%	33,250	44,473	74,905	59%
1994	49,405	80,314	62%	80%	49%	39,524	49,825	80,314	62%
1995	59,673	86,114	69%	80%	55%	46,253	69,421	83,434	83%
1996	70,480	92,333	76%	80%	61%	54,390	85,640	89,458	96%
1997	81,854	99,000	83%	80%	66%	58,318	107,775	95,917	112%
1998	93,826	106,150	88%	80%	71%	72,401	131,789	102,842	128%
1999	106,426	113,815	94%	80%	75%				
2000	119,688	122,034	98%	80%	78%				
2001	133,646	130,847	102%	80%	82%				
2002	148,336	140,296	106%	80%	85%				
2003	163,798	150,427	109%	80%	87%				
2004	180,072	161,290	112%	80%	89%				
2005	197,200	172,937	114%	80%	91%				
2006	215,227	185,426	116%	80%	93%				
2007	234,201	198,816	118%	81%	95%				
2008	254,171	213,174	119%	82%	98%				
2009	275,189	228,568	120%	83%	100%				
2010	297,311	245,074	121%	84%	102%				
2011	320,594	262,772	122%	85%	104%				
2012	345,099	281,747	122%	86%	105%				
2013	370,891	302,094	123%	87%	107%				
2014	398,037	323,909	123%	88%	108%				
2015	426,609	347,300	123%	89%	109%				
2016	456,680	372,380	123%	90%	110%				
2017	488,330	399,271	122%	91%	111%				
2018	521,641	428,104	122%	92%	112%				
2019	556,702	459,019	121%	93%	113%				
2020	593,603	492,167	121%	94%	113%				
2021	632,442	527,709	120%	95%	114%				
2022	673,319	565,817	119%	96%	114%				
2023	716,343	606,677	118%	97%	115%				
2024	761,625	650,487	117%	98%	115%				
2025	809,284	700,291	116%	99%	114%				
2026	859,446	753,907	114%	100%	114%				
2027	912,241	811,628	112%	100%	112%				
2028	960,134	873,769	110%	100%	110%				
2029	951,127	881,253	108%	100%	108%				
2030	845,825	793,489	107%	100%	107%				
2031	700,015	664,025	105%	100%	105%				
2032	532,660	510,759	104%	100%	104%				
2033	341,615	330,855	103%	100%	103%				
2034	150,456	147,093	102%	100%	102%				
2035	0	(0)	100%	100%	100%				

# Southern California Edison Company Palo Verde Unit 3 Funding Plan



# Palo Verde Nuclear Generating Station

## Units 1, 2, & 3

### PNM 1998 Annual Funding Status Report

#### Section 2.1.7 [Restated]

##### Summary of Major Assumptions

Portfolio Yield	9.50%
Mortality	1983 Group Annuity Mortality
Policy Loan Interest Rate	8.50%
Inflation Rate	5.00%
Side Fund Interest Rate	5% After Tax
Composite Tax Rate	39.59%
Cost Study	1995 TLG
Water Reclamation Facility	Included
Water Treatment and Ponds	Included
Reservoir	Included
ISFSI	Included

Part 3.1  
Accumulation and Funding Schedule  
As of December 31, 1998  
PVNGS Units 1,2,3  
(\$000)

Year	Fixed Income	Mellon		Mellon NQ		Total Equities	Invested Fund Balance	Qualified Contribution	After Tax		Total Contribution	Total Fund Balance	Funding Obligation	Deficit Contribution
		Mellon qual Beg Balance	Qualified After Tax earning	Mellon NQ Beginning Bal	After Tax Earning				Earnings	PUC2004 Contribution				
1998	13,410	16,472	1,252	7,096	404	25,224	38,634	-	117	-	3,192	42,664	38,271	-
1999	14,248	16,472	1,252	7,096	404	25,224	39,472	3,075	117	-	3,192	48,757	44,890	-
2000	15,132	20,916	1,590	7,500	428	30,433	45,565	3,075	162	1,188	4,425	56,525	52,114	-
2001	16,070	25,697	1,953	7,928	452	36,030	52,100	3,075	162	1,188	4,425	64,822	59,990	-
2002	18,372	29,657	2,254	9,568	545	42,024	60,397	3,075	162	1,188	4,425	73,684	68,581	-
2003	20,818	33,918	2,578	11,301	644	48,441	69,259	3,075	162	1,188	4,425	83,151	77,897	-
2004	23,415	38,503	2,926	13,133	749	55,311	78,726	3,075	162	1,188	4,425	93,264	88,038	-
2005	26,172	43,436	3,301	15,070	859	62,666	88,839	3,075	162	1,188	4,425	104,068	99,047	-
2006	29,101	48,744	3,705	17,117	976	70,541	99,643	3,075	162	1,188	4,425	115,611	110,928	-
2007	32,212	54,456	4,139	19,281	1,099	78,974	111,186	3,075	162	1,188	4,425	127,945	123,750	-
2008	35,515	60,601	4,606	21,568	1,229	88,004	123,520	3,075	162	1,188	4,425	141,123	137,927	-
2009	39,024	67,214	5,108	23,985	1,367	97,675	136,698	3,075	162	1,188	4,425	155,206	152,977	-
2010	42,749	74,329	5,649	26,540	1,513	108,031	150,781	3,075	162	1,188	4,425	170,255	169,048	-
2011	46,706	81,985	6,231	29,241	1,667	119,124	165,830	3,075	162	1,188	4,425	186,339	187,007	668
2012	50,908	90,223	6,857	32,096	1,829	131,005	181,914	3,075	162	1,188	4,425	204,235	206,258	2,023
2013	55,371	99,087	7,531	35,782	2,040	144,439	199,810	3,075	162	1,188	4,425	224,787	226,867	2,080
2014	60,110	108,625	8,255	41,033	2,339	160,252	220,362	3,075	162	1,188	4,425	246,789	248,929	2,140
2015	65,143	118,887	9,035	46,640	2,658	177,221	242,364	3,075	162	1,188	4,425	270,343	272,508	2,165
2016	70,488	129,930	9,875	52,626	3,000	195,430	265,918	3,075	162	1,188	4,425	295,519	298,829	3,310
2017	76,165	141,811	10,778	58,979	3,362	214,929	291,094	3,075	162	1,188	4,425	323,612	326,933	3,321
2018	82,193	154,596	11,749	66,838	3,810	236,993	319,187	3,075	162	1,188	4,425	353,609	356,895	3,286
2019	88,595	168,352	12,795	75,158	4,284	260,589	349,184	3,075	162	1,188	4,425	385,592	388,836	3,244
2020	95,394	183,154	13,920	83,916	4,783	285,773	381,167	3,075	162	1,188	4,425	419,690	422,886	3,196
2021	102,615	199,081	15,130	93,131	5,308	312,650	415,265	3,075	162	1,188	4,425	456,043	459,958	3,915
2022	110,284	216,218	16,433	102,823	5,861	341,334	451,618	3,075	162	1,188	4,425	495,617	499,367	3,750
2023	118,427	234,658	17,834	113,787	6,486	372,764	491,192	3,075	162	1,188	4,425	537,690	533,313	-
2024	127,076	254,498	19,342	125,211	7,137	406,188	533,265	3,075	162	1,188	4,425	578,646	565,885	-
2025	136,261	275,847	20,964	133,536	7,612	437,959	574,221	3,075	162	1,188	4,425	622,418	595,895	-
2026	146,016	298,819	22,710	142,336	8,113	471,978	617,993	3,075	162	1,188	4,425	669,205	586,098	-
2027	156,375	323,536	24,589	151,637	8,643	508,405	664,780	3,075	162	1,188	4,425			

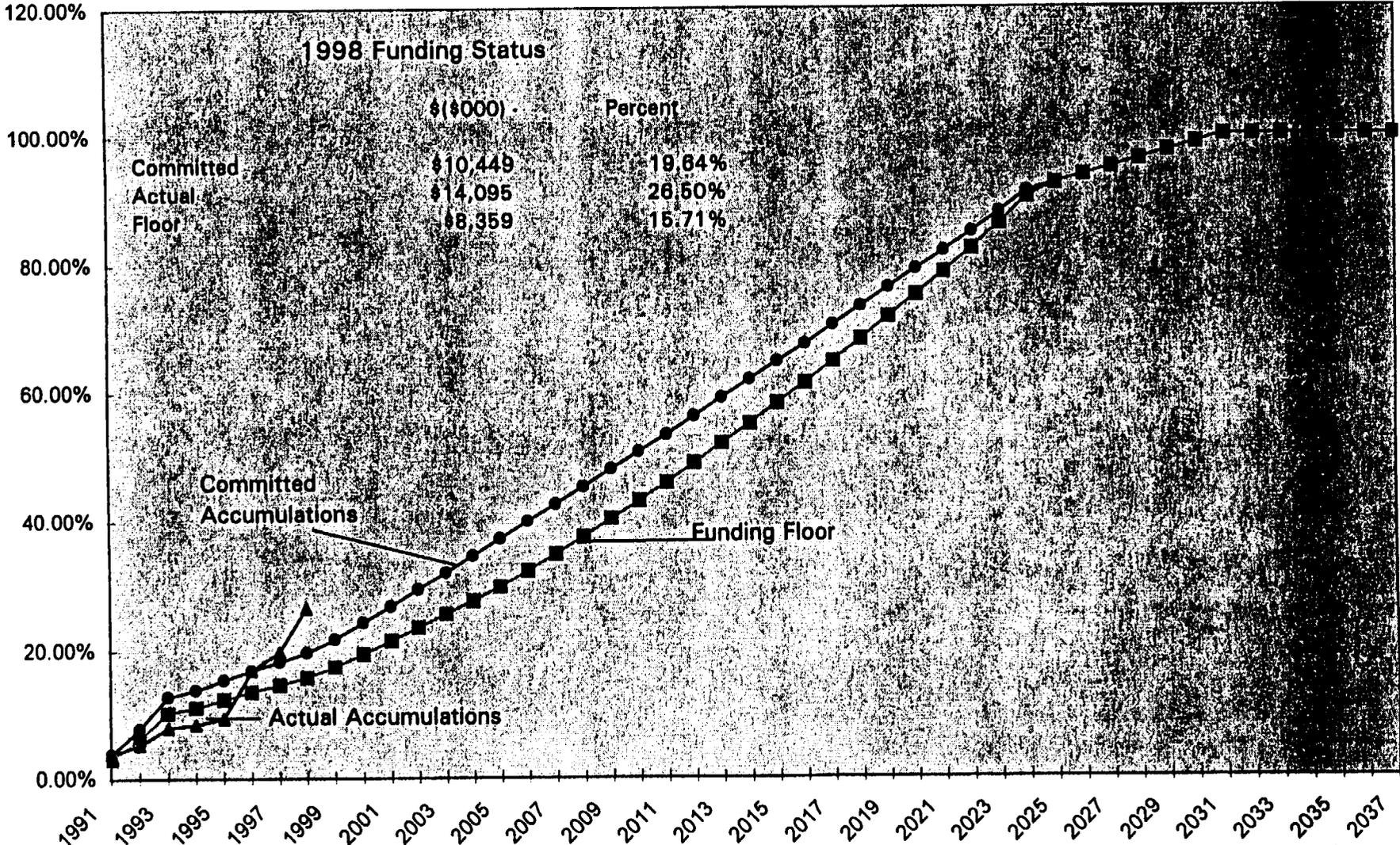
Total Contribution	154,350
PV of Contributions	51,366
Equivalent Annual Contribution	4,689
Equivalent Annual Per Unit	1,563

NDTCONT98Rev.xls

**PUBLIC SERVICE COMPANY OF NEW MEXICO  
PALO VERDE UNIT 1  
(S000)**

Year	Funding Plan			Funding Floor Curve			Actual Funding		
	Fund \$	Est. Costs	% Funded	Criteria	Percent	\$ Amount	Fund \$	Est. Cost	% Funded
1991	1,095	28,746	3.81%	80%	3.05%	876	1,096	28,746	3.81%
1992	3,450	45,099	7.65%	80%	6.12%	2,760	2,334	45,099	5.18%
1993	5,981	47,354	12.63%	80%	10.10%	4,785	3,691	47,354	7.79%
1994	6,807	49,722	13.69%	80%	10.95%	5,446	4,117	49,722	8.28%
1995	7,018	45,959	15.27%	80%	12.22%	5,614	4,235	45,959	9.21%
1996	8,107	48,257	16.80%	80%	13.44%	6,486	8,094	48,257	16.77%
1997	9,212	50,670	18.18%	80%	14.54%	7,369	9,999	50,670	19.73%
1998	10,449	53,203	19.64%	80%	15.71%	8,359	14,095	53,203	26.49%
1999	12,117	55,863	21.69%	80%	17.35%	9,693			
2000	14,213	58,657	24.23%	80%	19.38%	11,370			
2001	16,500	61,589	26.79%	80%	21.43%	13,200			
2002	18,993	64,669	29.37%	80%	23.50%	15,195			
2003	21,715	67,902	31.98%	80%	25.58%	17,372			
2004	24,662	71,297	34.59%	80%	27.67%	19,729			
2005	27,871	74,862	37.23%	80%	29.78%	22,297			
2006	31,356	78,605	39.89%	81%	32.31%	25,398			
2007	35,119	82,536	42.55%	82%	34.89%	28,798			
2008	39,180	86,663	45.21%	83%	37.52%	32,520			
2009	43,669	90,996	47.99%	84%	40.31%	36,682			
2010	48,432	95,545	50.69%	85%	43.09%	41,167			
2011	53,522	100,323	53.35%	86%	45.88%	46,029			
2012	59,211	105,339	56.21%	87%	48.90%	51,514			
2013	65,302	110,606	59.04%	88%	51.96%	57,465			
2014	71,830	116,136	61.85%	89%	55.05%	63,929			
2015	78,812	121,943	64.63%	90%	58.17%	70,931			
2016	86,273	128,040	67.38%	91%	61.32%	78,509			
2017	94,607	134,442	70.37%	92%	64.74%	87,038			
2018	103,502	141,164	73.32%	93%	68.19%	96,256			
2019	112,990	148,222	76.23%	94%	71.66%	106,211			
2020	123,106	155,633	79.10%	95%	75.15%	116,951			
2021	133,886	163,415	81.93%	96%	78.65%	128,531			
2022	145,625	171,586	84.87%	97%	82.32%	141,256			
2023	158,509	180,165	87.98%	98%	86.22%	155,339			
2024	164,770	180,530	91.27%	99%	90.36%	163,122			
2025	175,793	190,005	92.52%	100%	92.52%	175,793			

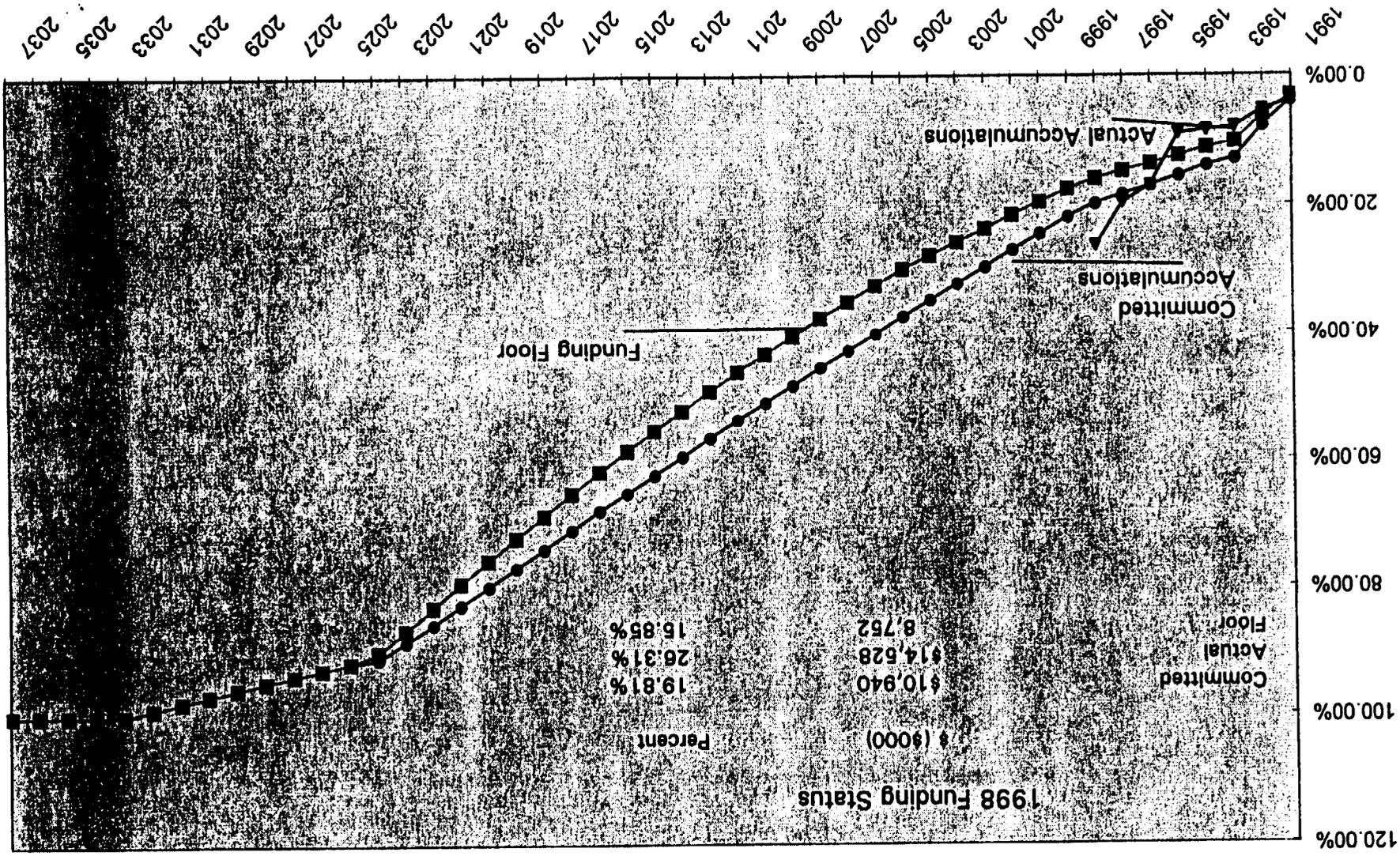
**Public Service Company Of New Mexico  
Palo Verde Unit 1**



**PUBLIC SERVICE COMPANY OF NEW MEXICO**  
**PALO VERDE UNIT 2**  
**(\$000)**

Year	Funding Plan			Funding Floor Curve			Actual Funding		
	Fund \$	Est. Costs	% Funded	Criteria	Percent	\$ Amount	Fund \$	Est. Cost	% Funded
1991	1,096	28,499	3.85%	80%	3.08%	877	1,096	28,499	3.85%
1992	3,426	44,375	7.72%	80%	6.18%	2,741	2,334	44,375	5.26%
1993	5,936	46,594	12.74%	80%	10.19%	4,749	3,691	46,594	7.92%
1994	6,756	48,923	13.81%	80%	11.05%	5,405	4,117	48,923	8.42%
1995	7,346	47,703	15.40%	80%	12.32%	5,877	4,235	47,703	8.88%
1996	8,485	50,088	16.94%	80%	13.55%	6,788	8,479	50,088	16.93%
1997	9,645	52,593	18.34%	80%	14.67%	7,716	10,368	52,593	19.71%
1998	10,940	55,222	19.81%	80%	15.85%	8,752	14,528	55,222	26.31%
1999	12,687	57,983	21.88%	80%	17.50%	10,149			
2000	14,880	60,882	24.44%	80%	19.55%	11,904			
2001	17,273	63,927	27.02%	80%	21.62%	13,818			
2002	19,882	67,123	29.62%	80%	23.70%	15,905			
2003	22,729	70,479	32.25%	80%	25.80%	18,184			
2004	25,820	74,003	34.89%	80%	27.91%	20,656			
2005	29,178	77,703	37.55%	80%	30.04%	23,342			
2006	32,831	81,588	40.24%	81%	32.59%	26,593			
2007	36,769	85,668	42.92%	82%	35.19%	30,150			
2008	41,018	89,951	45.60%	83%	37.85%	34,045			
2009	45,713	94,449	48.40%	84%	40.66%	38,399			
2010	50,706	99,171	51.13%	85%	43.46%	43,100			
2011	56,032	104,130	53.81%	86%	46.28%	48,188			
2012	61,983	109,336	56.69%	87%	49.32%	53,925			
2013	68,365	114,803	59.55%	88%	52.40%	60,161			
2014	75,195	120,543	62.38%	89%	55.52%	66,923			
2015	82,511	126,570	65.19%	90%	58.67%	74,260			
2016	90,331	132,899	67.97%	91%	61.85%	82,201			
2017	99,048	139,544	70.98%	92%	65.30%	91,124			
2018	108,367	146,521	73.96%	93%	68.78%	100,781			
2019	118,293	153,847	76.89%	94%	72.28%	111,195			
2020	128,876	161,539	79.78%	95%	75.79%	122,432			
2021	140,171	169,616	82.64%	96%	79.33%	134,564			
2022	152,451	178,097	85.60%	97%	83.03%	147,878			
2023	165,328	187,002	88.41%	98%	86.64%	162,022			
2024	178,739	196,352	91.03%	99%	90.12%	176,952			
2025	189,264	206,170	91.80%	100%	91.80%	189,264			

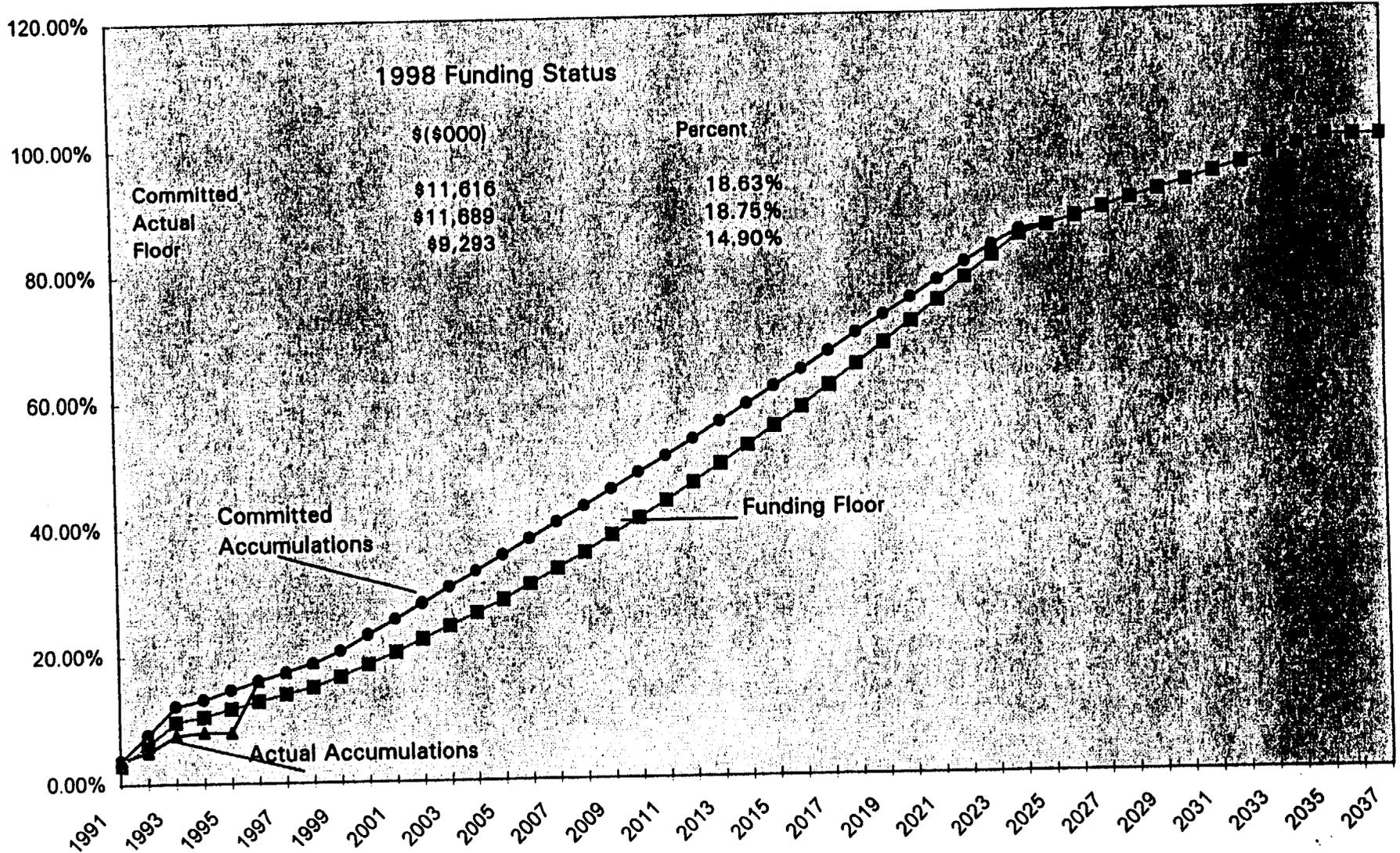
**Public Service Company of New Mexico  
Palo Verde Unit 2**



**PUBLIC SERVICE COMPANY OF NEW MEXICO  
PALO VERDE UNIT 3  
(\$000)**

Year	Funding Plan			Funding Floor Curve			Actual Funding		
	Fund \$	Est. Costs	% Funded	Criteria	Percent	\$ Amount	Fund \$	Est. Cost	% Funded
1991	1,097	30,306	3.62%	80%	2.90%	878	1,097	30,306	3.62%
1992	3,403	46,867	7.62%	80%	6.10%	2,722	2,335	46,867	4.98%
1993	5,895	49,211	11.98%	80%	9.58%	4,716	3,692	49,211	7.50%
1994	6,712	51,671	12.99%	80%	10.39%	5,370	4,117	51,671	7.97%
1995	7,799	53,863	14.48%	80%	11.58%	6,239	4,235	53,863	7.86%
1996	9,009	56,556	15.93%	80%	12.74%	7,208	9,007	56,556	15.93%
1997	10,238	59,384	17.24%	80%	13.79%	8,190	10,228	59,384	17.22%
1998	11,616	62,353	18.63%	80%	14.90%	9,293	11,689	62,353	18.75%
1999	13,467	65,471	20.57%	80%	16.46%	10,774			
2000	15,797	68,744	22.98%	80%	18.38%	12,638			
2001	18,341	72,182	25.41%	80%	20.33%	14,673			
2002	21,115	75,791	27.86%	80%	22.29%	16,892			
2003	24,137	79,580	30.33%	80%	24.26%	19,309			
2004	27,416	83,559	32.81%	80%	26.25%	21,933			
2005	30,989	87,737	35.32%	80%	28.26%	24,791			
2006	34,860	92,124	37.84%	81%	30.65%	28,236			
2007	39,040	96,730	40.36%	82%	33.10%	32,013			
2008	43,552	101,567	42.88%	83%	35.59%	36,148			
2009	48,545	106,645	45.52%	84%	38.24%	40,778			
2010	53,839	111,977	48.08%	85%	40.87%	45,763			
2011	59,494	117,576	50.60%	86%	43.52%	51,164			
2012	65,814	123,455	53.31%	87%	46.38%	57,258			
2013	72,592	129,628	56.00%	88%	49.28%	63,881			
2014	79,842	136,109	58.66%	89%	52.21%	71,059			
2015	87,607	142,915	61.30%	90%	55.17%	78,846			
2016	95,904	150,060	63.91%	91%	58.16%	87,272			
2017	105,174	157,563	66.75%	92%	61.41%	96,760			
2018	115,065	165,441	69.55%	93%	64.68%	107,010			
2019	125,612	173,714	72.31%	94%	67.97%	118,076			
2020	136,854	182,399	75.03%	95%	71.28%	130,011			
2021	148,830	191,519	77.71%	96%	74.60%	142,876			
2022	161,882	201,095	80.50%	97%	78.09%	157,025			
2023	175,529	211,150	83.13%	98%	81.47%	172,018			
2024	189,804	221,707	85.61%	99%	84.75%	187,906			
2025	200,829	232,791	86.27%	100%	86.27%	200,829			

**Public Service Company of New Mexico  
Palo Verde Unit 3**



# Palo Verde Nuclear Generating Station

## Units 1, 2, & 3

### SCPPA 1998 Annual Funding Status Report

#### Section 2.1.7 [Restated]

#### Summary of Major Assumptions

Escalation Factor	6%
Rate of Return	6.83%
Participation Ratio	5.91%
Funding Period	35 years for each unit
Funding Level	Includes Water Reclamation Facility and 25% Contingency Factor

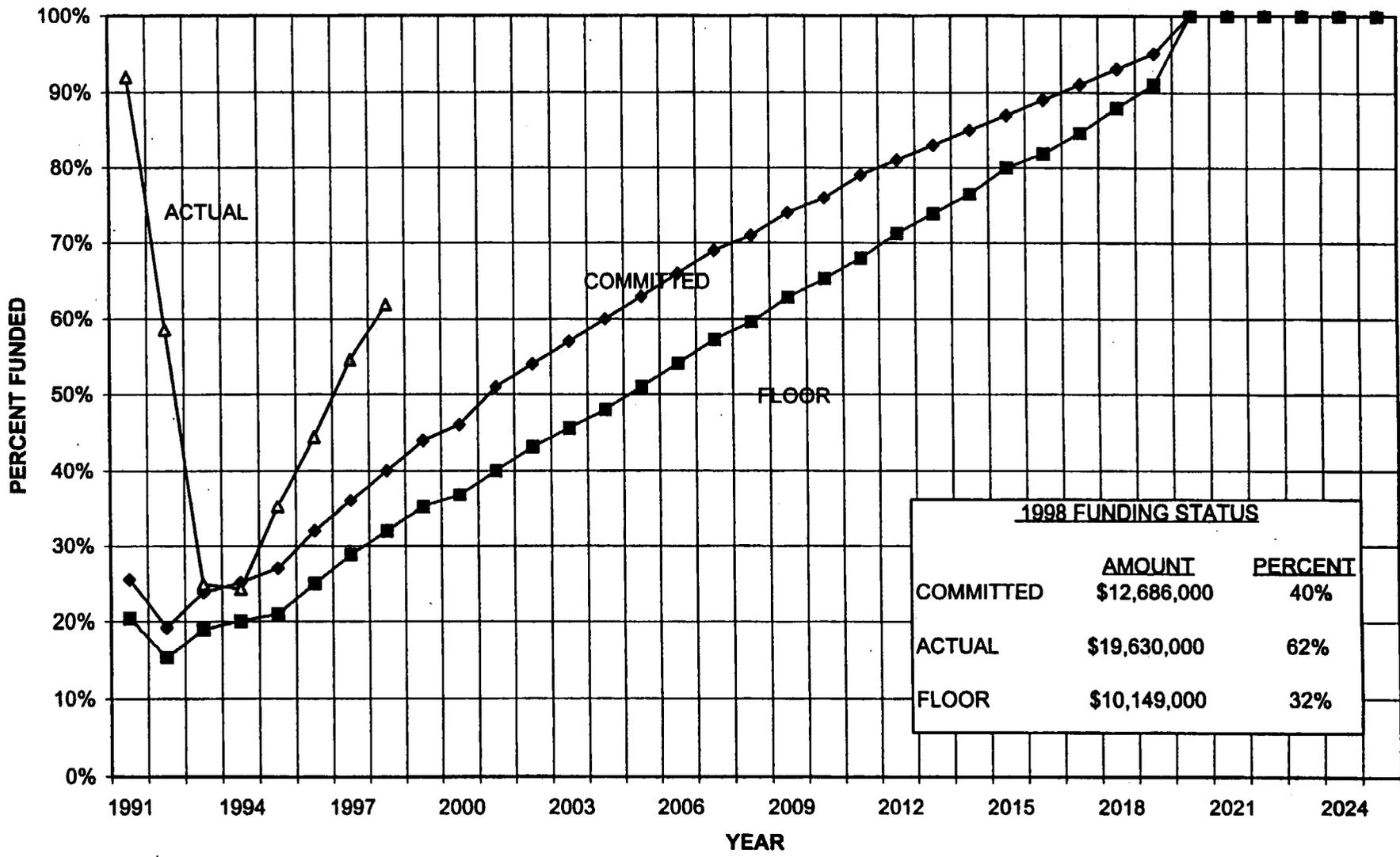
**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**  
**Palo Verde Project - Termination Cost Funding**

UNIT 1				UNIT 2				UNIT 3				GRAND TOTAL		
PERIOD	CONTRIBUTION	INTEREST	BALANCE	PERIOD	CONTRIBUTION	INTEREST	BALANCE	PERIOD	CONTRIBUTION	INTEREST	BALANCE	CONTRIBUTION	INTEREST	TOTAL
DEC 31, 1990	10		\$14,237,604	8			\$14,387,900	6			\$15,396,791			\$44,022,295
JUN 30, 1991	11	\$0	\$625,326	9	\$0	\$1,117,240	15,505,140	7	\$0	\$1,440,621	16,837,412	\$0	\$3,183,187	47,205,482
DEC 31, 1991	12	0	363,880	10	0	443,094	15,948,234	8	0	385,474	17,222,886	0	1,192,448	48,397,930
JUN 30, 1992	13	0	-29,039	11	0	147,301	16,095,535	9	0	297,481	17,520,367	0	415,743	48,813,673
DEC 31, 1992	14	0	563,854	12	0	623,452	16,718,987	10	0	933,298	18,453,665	0	2,120,604	50,934,277
JUN 30, 1993	15	0	791,974	13	0	711,934	17,430,921	11	0	1,081,178	19,534,843	0	2,585,086	53,519,363
DEC 31, 1993	16	0	264,949	14	0	593,006	7,962,403	12	0	168,679	7,830,305	0	1,026,634	22,896,055
JUN 30, 1994	17	0	229,682	15	0	-345,413	7,616,990	13	0	-153,556	7,676,749	0	-269,287	22,626,768
DEC 31, 1994	18	0	16,871	16	0	9,010	7,626,000	14	0	-12,449	7,664,300	0	13,432	22,640,200
JUN 30, 1995	19	0	486,265	17	0	609,810	8,235,810	15	0	578,102	8,242,402	0	1,674,177	24,314,377
DEC 31, 1995	20	1,240,620	302,795	18	1,280,640	233,314	9,749,764	16	1,480,740	261,846	9,984,988	4,002,000	797,955	29,114,332
JUN 30, 1996	21	1,240,620	244,149	19	1,280,640	132,669	11,163,073	17	1,480,740	-19,451	11,446,277	4,002,000	357,367	33,473,699
DEC 31, 1996	22	1,239,380	440,971	20	1,279,360	453,967	12,896,400	18	1,479,260	411,663	13,337,200	3,998,000	1,306,601	38,778,300
JUN 30, 1997	23	1,240,620	670,975	21	1,276,640	686,710	14,859,750	19	1,480,740	682,114	15,500,054	3,998,000	2,039,799	44,816,099
DEC 31, 1997	24	1,654,160	206,445	22	1,703,520	191,930	16,755,200	20	1,974,320	142,126	17,616,500	5,332,000	540,501	50,688,600
JUN 30, 1998	25	827,080	587,713	23	853,760	540,181	18,149,141	21	987,160	726,204	19,329,864	2,668,000	1,854,098	55,210,698
DEC 31, 1998	26	1,240,620	657,875	24	1,276,640	594,163	20,019,944	22	1,480,740	593,888	21,404,492	3,998,000	1,845,926	61,054,624
JUN 30, 1999	27	285,434	670,371	25	295,723	683,681	20,999,348	23	367,906	730,963	22,503,361	949,063	2,085,015	64,088,703
DEC 31, 1999	28	285,434	703,012	26	295,723	717,128	22,012,199	24	367,906	768,490	23,639,756	949,063	2,188,629	67,226,395
JUN 30, 2000	29	285,434	736,767	27	295,723	751,717	23,059,639	25	367,906	807,298	24,814,959	949,063	2,295,781	70,471,240
DEC 31, 2000	30	285,434	771,675	28	295,723	787,487	24,142,849	26	367,906	847,431	26,030,296	949,063	2,406,593	73,826,896
JUN 30, 2001	31	285,434	807,776	29	295,723	824,478	25,263,050	27	367,906	888,935	27,287,136	949,063	2,521,188	77,297,147
DEC 31, 2001	32	285,434	845,109	30	295,723	862,733	26,421,507	28	367,906	931,856	28,586,897	949,063	2,639,698	80,885,908
JUN 30, 2002	33	285,434	883,717	31	295,723	902,294	27,619,524	29	367,906	976,243	29,931,045	949,063	2,762,254	84,597,225
DEC 31, 2002	34	285,434	923,643	32	295,723	943,207	28,858,454	30	367,906	1,022,145	31,321,096	949,063	2,888,995	88,435,283
JUN 30, 2003	35	285,434	964,933	33	295,723	985,516	30,139,694	31	367,906	1,069,615	32,758,617	949,063	3,020,065	92,404,412
DEC 31, 2003	36	285,434	1,007,633	34	295,723	1,029,271	31,464,688	32	367,906	1,118,707	34,245,229	949,063	3,155,611	96,509,085
JUN 30, 2004	37	285,434	1,051,792	35	295,723	1,074,519	32,834,930	33	367,906	1,169,475	35,782,609	949,063	3,295,785	100,753,934
DEC 31, 2004	38	285,434	1,097,458	36	295,723	1,121,313	34,251,966	34	367,906	1,221,976	37,372,491	949,063	3,440,747	105,143,744
JUN 30, 2005	39	285,434	1,144,684	37	295,723	1,169,705	35,717,394	35	367,906	1,276,271	39,016,667	949,063	3,590,659	109,683,466
DEC 31, 2005	40	285,434	1,193,522	38	295,723	1,219,749	37,232,866	36	367,906	1,332,419	40,716,992	949,063	3,745,690	114,378,220
JUN 30, 2006	41	285,434	1,244,029	39	295,723	1,271,502	38,800,091	37	367,906	1,390,485	42,475,382	949,063	3,906,016	119,233,299
DEC 31, 2006	42	285,434	1,296,260	40	295,723	1,325,023	40,420,838	38	367,906	1,450,534	44,293,822	949,063	4,071,817	124,254,179
JUN 30, 2007	43	285,434	1,350,275	41	295,723	1,380,372	42,096,933	39	367,906	1,512,634	46,174,362	949,063	4,243,280	129,446,523
DEC 31, 2007	44	285,434	1,406,134	42	295,723	1,437,610	43,830,266	40	367,906	1,576,854	48,119,122	949,063	4,420,599	134,816,185
JUN 30, 2008	45	285,434	1,463,901	43	295,723	1,496,804	45,622,793	41	367,906	1,643,268	50,130,295	949,063	4,603,973	140,369,221
DEC 31, 2008	46	285,434	1,523,641	44	295,723	1,558,018	47,476,534	42	367,906	1,711,950	52,210,150	949,063	4,793,609	146,111,893
JUN 30, 2009	47	285,434	1,585,421	45	295,723	1,621,324	49,393,581	43	367,906	1,782,977	54,361,033	949,063	4,989,721	152,050,677
DEC 31, 2009	48	285,434	1,649,311	46	295,723	1,686,791	51,376,095	44	367,906	1,856,429	56,585,367	949,063	5,192,531	158,192,271

**Palo Verde Project - Termination Cost Funding**

			UNIT 1			UNIT 2			UNIT 3			GRAND TOTAL			
PERIOD	CONTRIBUTION		INTEREST	BALANCE	PERIOD	CONTRIBUTION	INTEREST	BALANCE	PERIOD	CONTRIBUTION	INTEREST	BALANCE	CONTRIBUTION	INTEREST	TOTAL
JUN 30, 2010	49	285,434	1,715,382	52,231,625	47	295,723	1,754,494	53,426,312	45	367,906	1,932,390	58,885,663	949,063	5,402,266	164,543,600
DEC 31, 2010	50	285,434	1,783,710	54,300,769	48	295,723	1,824,509	55,546,544	46	367,906	2,010,945	61,264,514	949,063	5,619,164	171,111,827
JUN 30, 2011	51	285,434	1,854,371	56,440,575	49	295,723	1,896,914	57,739,182	47	367,906	2,092,183	63,724,603	949,063	5,843,469	177,904,359
DEC 31, 2011	52	285,434	1,927,446	58,653,455	50	295,723	1,971,793	60,006,698	48	367,906	2,176,195	66,268,703	949,063	6,075,434	184,928,856
JUN 30, 2012	53	285,434	2,003,015	60,941,905	51	295,723	2,049,229	62,351,650	49	367,906	2,263,076	68,899,685	949,063	6,315,320	192,193,240
DEC 31, 2012	54	285,434	2,081,166	63,308,506	52	295,723	2,129,309	64,776,682	50	367,906	2,352,924	71,620,515	949,063	6,563,399	199,705,702
JUN 30, 2013	55	285,434	2,161,985	65,755,926	53	295,723	2,212,124	67,284,529	51	367,906	2,445,841	74,434,261	949,063	6,819,950	207,474,715
DEC 31, 2013	56	285,434	2,245,565	68,286,925	54	295,723	2,297,767	69,878,019	52	367,906	2,541,930	77,344,097	949,063	7,085,262	215,509,040
JUN 30, 2014	57	285,434	2,331,998	70,904,358	55	295,723	2,386,334	72,560,076	53	367,906	2,641,301	80,353,303	949,063	7,359,634	223,817,737
DEC 31, 2014	58	285,434	2,421,384	73,611,176	56	295,723	2,477,927	75,333,726	54	367,906	2,744,065	83,465,274	949,063	7,643,376	232,410,176
JUN 30, 2015	59	285,434	2,513,822	76,410,432	57	295,723	2,572,647	78,202,096	55	367,906	2,850,339	86,683,518	949,063	7,936,808	241,296,047
DEC 31, 2015	60	285,434	2,609,416	79,305,283	58	295,723	2,670,602	81,168,421	56	367,906	2,960,242	90,011,666	949,063	8,240,260	250,485,370
JUN 30, 2016	61	285,434	2,708,275	82,298,993	59	295,723	2,771,902	84,236,045	57	367,906	3,073,898	93,453,470	949,063	8,554,075	259,988,508
DEC 31, 2016	62	285,434	2,810,511	85,394,938	60	295,723	2,876,661	87,408,429	58	367,906	3,191,436	97,012,812	949,063	8,878,608	269,816,179
JUN 30, 2017	63	285,434	2,916,237	88,596,610	61	295,723	2,984,998	90,689,151	59	367,906	3,312,988	100,693,705	949,063	9,214,223	279,979,465
DEC 31, 2017	64	285,434	3,025,574	91,907,619	62	295,723	3,097,034	94,081,908	60	367,906	3,438,690	104,500,300	949,063	9,561,299	290,489,827
JUN 30, 2018	65	285,434	3,138,645	95,331,698	63	295,723	3,212,897	97,590,529	61	367,906	3,568,685	108,436,891	949,063	9,920,228	301,359,118
DEC 31, 2018	66	285,434	3,255,577	98,872,710	64	295,723	3,332,717	101,218,968	62	367,906	3,703,120	112,507,916	949,063	10,291,414	312,599,595
JUN 30, 2019	67	285,434	3,376,503	102,534,648	65	295,723	3,456,628	104,971,319	63	367,906	3,842,145	116,717,967	949,063	10,675,276	324,223,934
DEC 31, 2019	68	285,434	3,501,558	106,321,640	66	295,723	3,584,771	108,851,813	64	367,906	3,985,919	121,071,791	949,063	11,072,247	336,245,245
JUN 30, 2020	69	285,434	3,630,884	110,237,959	67	295,723	3,717,289	112,864,826	65	367,906	4,134,602	125,574,298	949,063	11,482,775	348,677,083
DEC 31, 2020	70	285,434	3,764,626	114,288,020	68	295,723	3,854,334	117,014,883	66	367,906	4,288,362	130,230,566	949,063	11,907,322	361,533,469
JUN 30, 2021					69	295,723	3,996,058	121,306,664	67	367,906	4,447,374	135,045,846	663,629	8,443,432	256,352,510
DEC 31, 2021					70	295,723	4,142,623	125,745,010	68	367,906	4,611,816	140,025,567	663,629	8,754,438	265,770,577
JUN 30, 2022									69	367,906	4,781,873	145,175,345	367,906	4,781,873	145,175,345
DEC 31, 2022									70	367,906	4,957,738	150,500,989	367,906	4,957,738	150,500,989

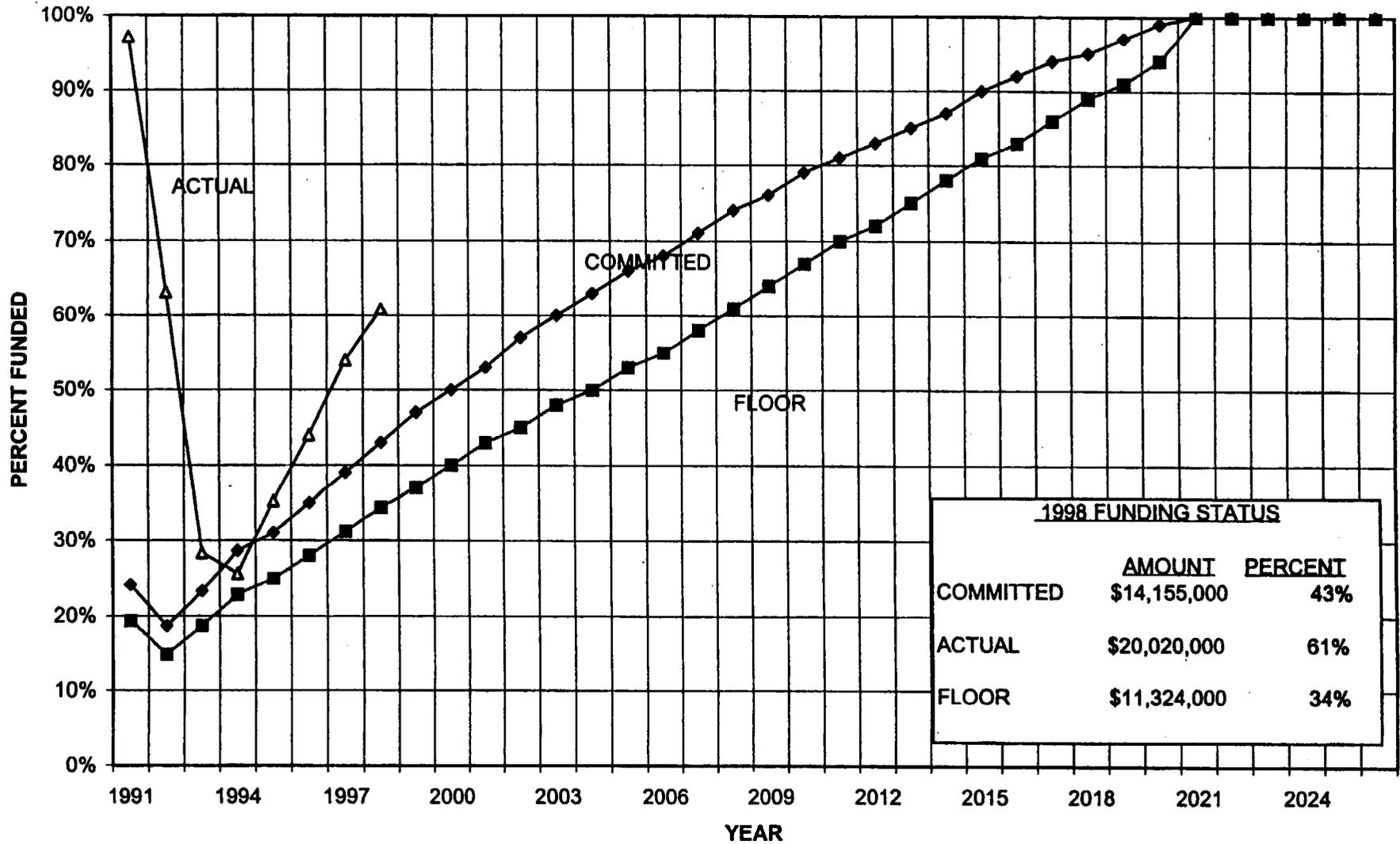
## SCPPA PALO VERDE UNIT 1 FUNDING PLAN



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
1998 PALO VERDE UNIT - 1 FUNDING STATUS  
TERMINATION COST FUNDING  
(\$ THOUSAND)**

YEAR	(1) = (2 x 3)	(2)	(3)	(4)	(5) = (3 x 4)	(6) = (1 x 4)	(7)	(8) = (2)	(9) = (7 / 8)
	AUTHORIZED FUNDING PLAN			FUNDING FLOOR CURVE			ACTUAL FUNDING		
	FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC 1991	\$4,225	\$16,565	26%	80%	20%	\$3,380	\$15,227	\$16,565	92%
DEC 1992	5,176	26,915	19%	80%	15%	4,141	15,762	26,915	59%
DEC 1993	6,782	28,530	24%	80%	19%	5,426	7,103	28,530	25%
DEC 1994	7,597	30,242	25%	80%	20%	6,078	7,350	30,242	24%
DEC 1995	7,190	26,629	27%	80%	21%	5,752	9,380	26,629	35%
DEC 1996	9,033	28,227	32%	80%	25%	7,226	12,545	28,227	44%
DEC 1997	10,771	29,920	36%	80%	29%	8,617	16,317	29,920	55%
DEC 1998	12,686	31,716	40%	80%	32%	10,149	19,630	31,716	62%
DEC 1999	14,792	33,618	44%	80%	35%	11,834			
DEC 2000	16,392	35,636	46%	80%	37%	13,114			
DEC 2001	19,265	37,774	51%	80%	40%	15,412			
DEC 2002	21,622	40,040	54%	80%	43%	17,297			
DEC 2003	24,192	42,443	57%	80%	46%	19,354			
DEC 2004	26,993	44,989	60%	80%	48%	21,595			
DEC 2005	30,044	47,688	63%	81%	51%	24,335			
DEC 2006	33,363	50,550	66%	82%	54%	27,358			
DEC 2007	36,972	53,583	69%	83%	57%	30,687			
DEC 2008	40,326	56,798	71%	84%	60%	33,874			
DEC 2009	44,552	60,206	74%	85%	63%	37,869			
DEC 2010	48,502	63,818	76%	86%	65%	41,711			
DEC 2011	53,441	67,647	79%	87%	68%	46,494			
DEC 2012	58,082	71,706	81%	88%	71%	51,112			
DEC 2013	63,087	76,008	83%	89%	74%	56,147			
DEC 2014	68,483	80,569	85%	90%	77%	61,635			
DEC 2015	74,300	85,403	87%	91%	80%	67,613			
DEC 2016	80,569	90,527	89%	92%	82%	74,123			
DEC 2017	80,431	95,959	91%	93%	85%	74,801			
DEC 2018	86,826	101,716	93%	94%	88%	81,616			
DEC 2019	93,665	107,819	95%	95%	91%	88,982			
DEC 2020	114,288	114,288	100%	100%	100%	114,288			
DEC 2021	120,002	120,002	100%	100%	100%	120,002			
DEC 2022	126,003	126,003	100%	100%	100%	126,003			
DEC 2023	132,303	132,303	100%	100%	100%	132,303			
DEC 2024	138,918	138,918	100%	100%	100%	138,918			
DEC 2025	145,864	145,864	100%	100%	100%	145,864			

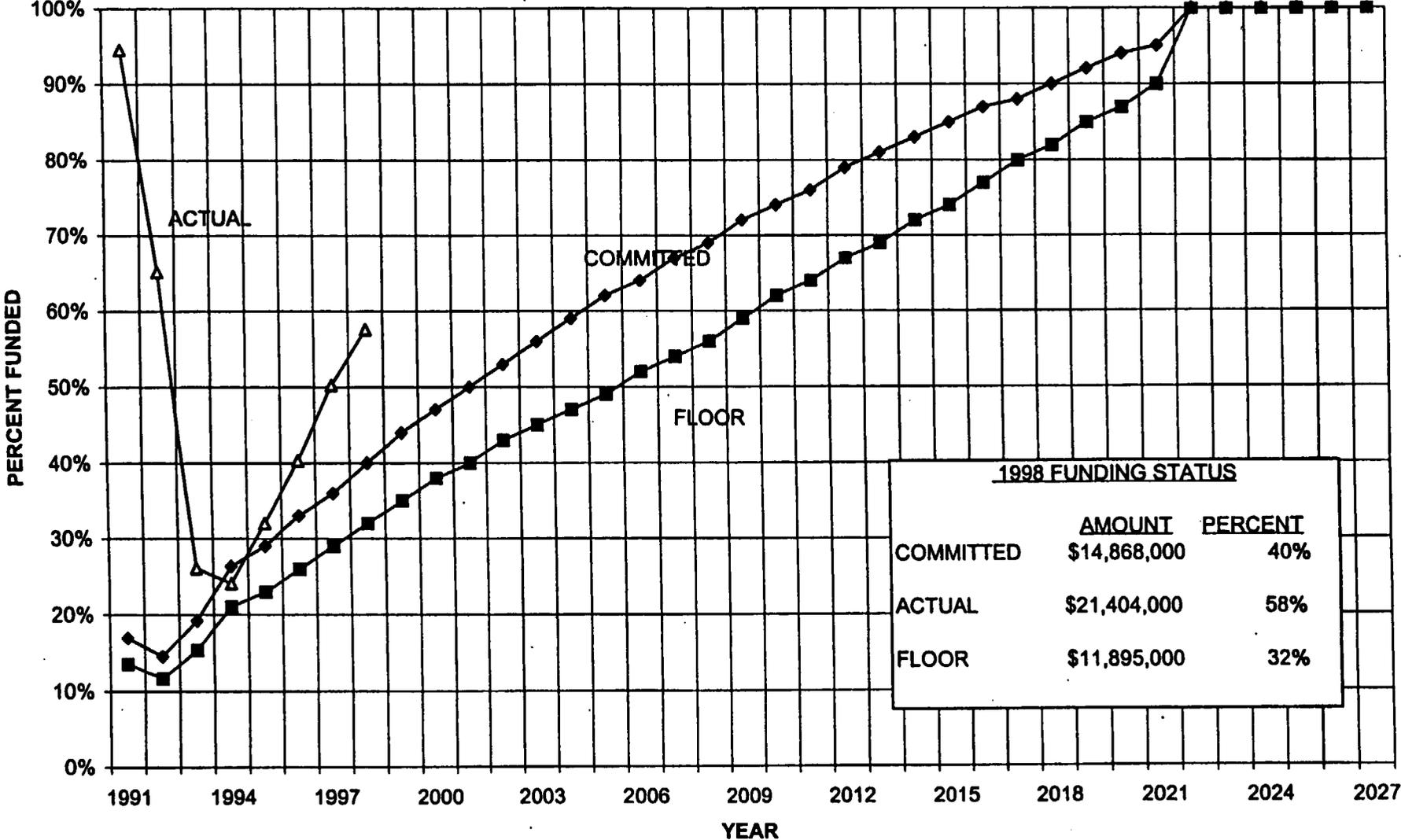
## SCPPA PALO VERDE UNIT 2 FUNDING PLAN



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
1998 PALO VERDE UNIT - 2 FUNDING STATUS  
TERMINATION COST FUNDING  
(\$ THOUSAND)**

YEAR	(1)-(2x3) AUTHORIZED FUNDING PLAN			(4) (5)-(3x4) (6)-(1x4) FUNDING FLOOR CURVE			(7) (8)-(2) (9)-(7/8) ACTUAL FUNDING		
	FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC 1991	\$3,966	\$16,423	24%	80%	19%	\$3,173	\$15,948	\$16,423	97%
DEC 1992	4,932	26,483	19%	80%	15%	3,946	16,719	26,483	63%
DEC 1993	6,548	28,072	23%	80%	19%	5,238	7,962	28,072	28%
DEC 1994	8,515	29,756	29%	80%	23%	6,812	7,626	29,756	26%
DEC 1995	8,568	27,640	31%	80%	25%	6,855	9,750	27,640	35%
DEC 1996	10,254	29,298	35%	80%	28%	8,204	12,896	29,298	44%
DEC 1997	12,112	31,056	39%	80%	31%	9,690	16,755	31,056	54%
<b>DEC 1998</b>	<b>14,155</b>	<b>32,920</b>	<b>43%</b>	<b>80%</b>	<b>34%</b>	<b>11,324</b>	<b>20,020</b>	<b>32,920</b>	<b>61%</b>
DEC 1999	16,401	34,895	47%	80%	37%	13,120			
DEC 2000	18,494	36,989	50%	80%	40%	14,795			
DEC 2001	20,780	39,208	53%	80%	43%	16,624			
DEC 2002	23,689	41,560	57%	80%	45%	18,952			
DEC 2003	26,432	44,054	60%	80%	48%	21,146			
DEC 2004	29,419	46,697	63%	80%	50%	23,535			
DEC 2005	32,669	49,499	66%	80%	53%	26,135			
DEC 2006	35,679	52,469	68%	81%	55%	28,900			
DEC 2007	39,488	55,617	71%	82%	58%	32,380			
DEC 2008	43,626	58,954	74%	83%	61%	36,210			
DEC 2009	47,493	62,491	76%	84%	64%	39,895			
DEC 2010	52,330	66,241	79%	85%	67%	44,481			
DEC 2011	56,874	70,215	81%	86%	70%	48,912			
DEC 2012	61,775	74,428	83%	87%	72%	53,745			
DEC 2013	67,060	78,894	85%	88%	75%	59,013			
DEC 2014	72,756	83,628	87%	89%	78%	64,753			
DEC 2015	79,781	88,645	90%	90%	81%	71,803			
DEC 2016	86,447	93,964	92%	91%	83%	78,667			
DEC 2017	93,626	99,602	94%	92%	86%	86,136			
DEC 2018	100,299	105,578	95%	93%	89%	93,278			
DEC 2019	108,555	111,913	97%	94%	91%	102,042			
DEC 2020	117,441	118,627	99%	95%	94%	111,569			
DEC 2021	125,745	125,745	100%	100%	100%	125,745			
DEC 2022	132,032	132,032	100%	100%	100%	132,032			
DEC 2023	138,634	138,634	100%	100%	100%	138,634			
DEC 2024	145,565	145,565	100%	100%	100%	145,565			
DEC 2025	152,844	152,844	100%	100%	100%	152,844			
DEC 2026	160,486	160,486	100%	100%	100%	160,486			

### SCPPA PALO VERDE UNIT 3 FUNDING PLAN



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
1998 PALO VERDE UNIT - 3 FUNDING STATUS  
TERMINATION COST FUNDING  
(\$ THOUSAND)**

YEAR	(1)-(2x3) AUTHORIZED FUNDING PLAN			(4) (5)-(3x4) (6)-(1x4) FUNDING FLOOR CURVE			(7) (8)-(2) (9)-(7/8) ACTUAL FUNDING		
	FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC 1991	\$3,098	\$18,225	17%	80%	14%	\$2,478	\$17,223	\$18,225	95%
DEC 1992	4,125	28,298	15%	80%	12%	3,300	18,454	28,298	65%
DEC 1993	5,769	29,996	19%	80%	15%	4,615	7,830	29,996	26%
DEC 1994	8,375	31,796	26%	80%	21%	6,700	7,664	31,796	24%
DEC 1995	9,051	31,209	29%	80%	23%	7,240	9,985	31,209	32%
DEC 1996	10,917	33,082	33%	80%	26%	8,734	13,337	33,082	40%
DEC 1997	12,624	35,066	36%	80%	29%	10,099	17,617	35,066	50%
DEC 1998	14,868	37,170	40%	80%	32%	11,895	21,404	37,170	58%
DEC 1999	17,336	39,401	44%	80%	35%	13,869			
DEC 2000	19,629	41,765	47%	80%	38%	15,704			
DEC 2001	22,135	44,271	50%	80%	40%	17,708			
DEC 2002	24,871	46,927	53%	80%	43%	19,897			
DEC 2003	27,856	49,742	56%	80%	45%	22,285			
DEC 2004	31,109	52,727	59%	80%	47%	24,887			
DEC 2005	34,652	55,891	62%	80%	49%	27,722			
DEC 2006	37,916	59,244	64%	80%	52%	30,333			
DEC 2007	42,075	62,799	67%	80%	54%	33,660			
DEC 2008	45,931	66,567	69%	81%	56%	37,204			
DEC 2009	50,804	70,561	72%	82%	59%	41,659			
DEC 2010	55,348	74,794	74%	83%	62%	45,939			
DEC 2011	60,254	79,282	76%	84%	64%	50,614			
DEC 2012	66,391	84,039	79%	85%	67%	56,432			
DEC 2013	72,156	89,081	81%	86%	69%	62,054			
DEC 2014	78,374	94,426	83%	87%	72%	68,185			
DEC 2015	85,078	100,091	85%	88%	74%	74,868			
DEC 2016	92,304	106,097	87%	89%	77%	82,151			
DEC 2017	98,967	112,463	88%	90%	80%	89,071			
DEC 2018	107,290	119,211	90%	91%	82%	97,633			
DEC 2019	116,254	126,363	92%	92%	85%	106,954			
DEC 2020	125,908	133,945	94%	93%	87%	117,095			
DEC 2021	134,883	141,982	95%	94%	90%	126,790			
DEC 2022	150,501	150,501	100%	100%	100%	150,501			
DEC 2023	158,026	158,026	100%	100%	100%	158,026			
DEC 2024	165,927	165,927	100%	100%	100%	165,927			
DEC 2025	174,223	174,223	100%	100%	100%	174,223			
DEC 2026	182,934	182,934	100%	100%	100%	182,934			
DEC 2027	192,081	192,081	100%	100%	100%	192,081			

# Palo Verde Nuclear Generating Station

## Units 1, 2, & 3

### LADWP 1998 Annual Funding Status Report

#### Section 2.1.7 [Restated]

#### Summary of Major Assumptions

Escalation Factor	5%
Rate of Return	7.00%
Participation Ratio	5.7%
Funding Period	35 years for each unit
Funding Level	Includes Water Reclamation Facility and 25% Contingency Factor

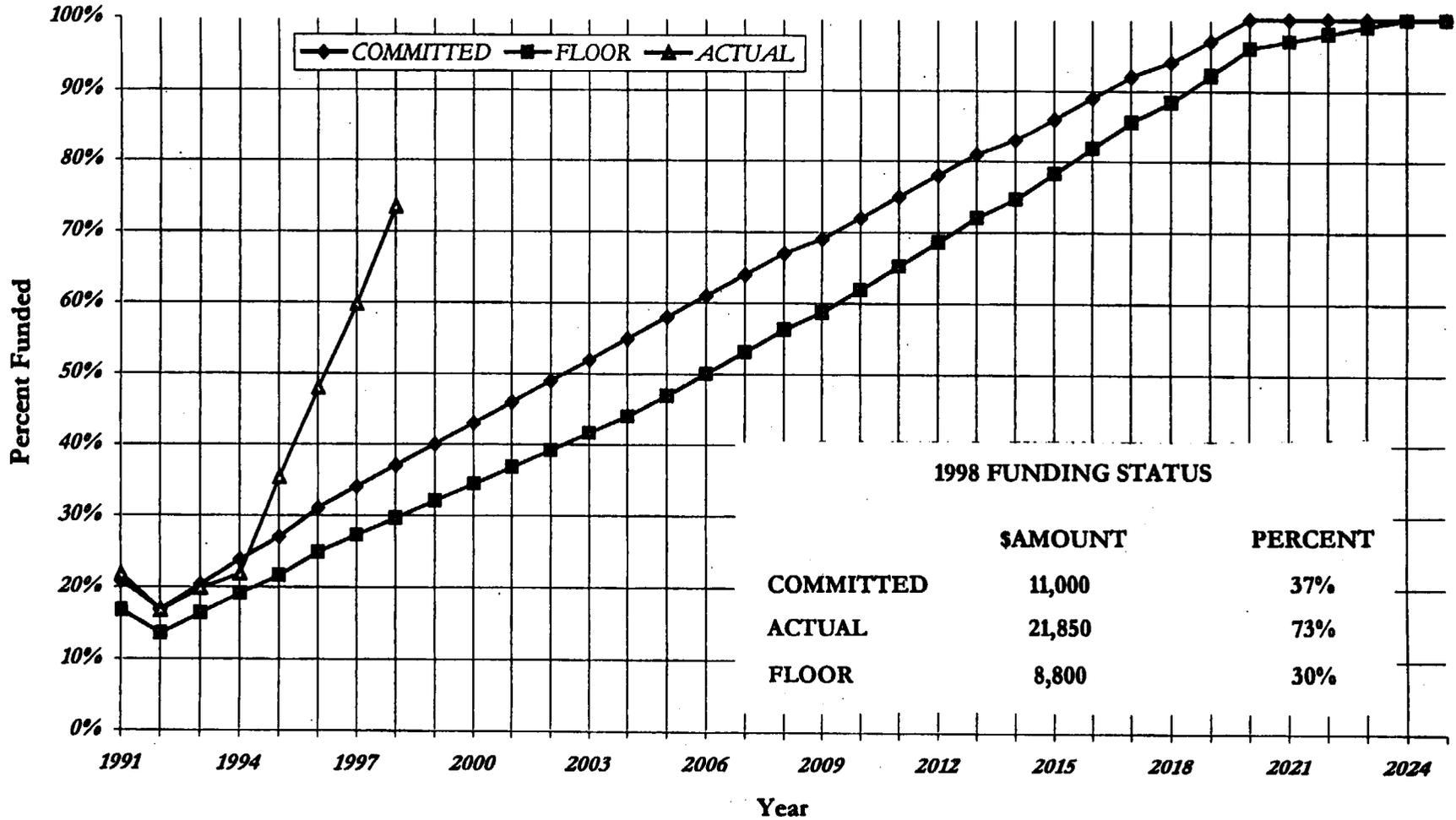
**Department of Water & Power  
Palo Verde Project  
Termination Cost Funding**

Date	Unit 1				Unit 2				Unit 3				Grand Total		
	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Contribution	Interest	Totals
12/31/90	10			2,444,200	8			2,159,244	6			1,493,407	0	0	6,096,851
6/30/91	11	223,326	106,706	2,774,232	9	232,478	105,780	2,497,502	7	270,890	71,900	1,836,197	726,694	284,386	7,107,931
12/31/91	12	223,326	428,941	3,426,499	10	232,478	490,438	3,220,418	8	270,890	432,437	2,539,524	726,694	1,351,816	9,186,441
6/30/92	13	223,326	116,869	3,766,694	11	232,478	111,934	3,564,830	9	270,890	77,462	2,887,876	726,694	306,265	10,219,400
12/31/92	14	434,027	104,872	4,305,593	12	423,694	129,716	4,118,240	10	464,724	84,937	3,437,537	1,322,445	319,525	11,861,370
6/30/93	15	445,545	90,854	4,841,992	13	421,072	173,551	4,712,863	11	477,502	111,010	4,026,049	1,344,119	375,415	13,580,904
12/31/93	16	431,919	87,753	5,361,664	14	414,884	93,888	5,221,635	12	462,987	52,475	4,541,511	1,309,790	234,116	15,124,810
6/30/94	17	431,919	111,532	5,905,115	15	414,884	10,343	5,646,862	13	462,987	47,978	5,052,476	1,309,790	169,853	16,604,453
12/31/94	18	431,919	(131,334)	6,205,700	16	414,884	(120,146)	5,941,600	14	462,987	(159,863)	5,355,600	1,309,790	(411,343)	17,502,900
6/30/95	19	431,919	404,898	7,042,517	17	414,884	339,916	6,696,400	15	462,987	295,915	6,114,502	1,309,790	1,040,729	19,853,419
12/31/95	20	1,755,562	262,538	9,060,617	18	1,669,739	235,585	8,601,724	16	1,884,499	181,886	8,180,887	5,309,800	680,009	25,843,228
6/30/96	21	1,755,562	260,302	11,076,481	19	1,669,739	197,615	10,469,078	17	1,884,499	152,131	10,217,517	5,309,800	610,048	31,763,076
12/31/96	22	1,593,396	258,223	12,928,100	20	1,753,112	211,610	12,433,800	18	1,963,492	150,991	12,332,000	5,310,000	620,824	37,693,900
6/30/97	23	1,593,396	247,064	14,768,560	21	1,753,112	238,202	14,425,114	19	1,963,492	184,812	14,480,304	5,310,000	670,078	43,673,978
12/31/97	24	1,593,396	565,873	16,927,829	22	1,753,112	583,850	16,762,076	20	1,963,492	399,527	16,843,323	5,310,000	1,549,250	50,533,228
6/30/98	25	1,593,396	738,933	19,260,158	23	1,753,112	794,564	19,309,752	21	1,963,492	549,326	19,356,141	5,310,000	2,082,823	57,926,051
12/31/98	26	1,593,396	996,208	21,849,762	24	1,753,112	653,844	21,716,708	22	1,963,492	511,371	21,831,004	5,310,000	2,161,423	65,397,474
6/30/99	27	(121,521)	764,742	22,492,983	25	(98,718)	760,085	22,378,074	23	(11,968)	764,085	22,583,121	(232,208)	2,288,912	67,454,178
12/31/99	28	(121,521)	787,254	23,158,716	26	(98,718)	783,233	23,062,588	24	(11,968)	790,409	23,361,562	(232,208)	2,360,896	69,582,867
6/30/00	29	(121,521)	810,555	23,847,751	27	(98,718)	807,191	23,771,061	25	(11,968)	817,655	24,167,248	(232,208)	2,435,400	71,786,060
12/31/00	30	(121,521)	834,671	24,560,901	28	(98,718)	831,987	24,504,329	26	(11,968)	845,854	25,001,134	(232,208)	2,512,512	74,066,364
6/30/01	31	(121,521)	859,632	25,299,012	29	(98,718)	857,652	25,263,262	27	(11,968)	875,040	25,864,205	(232,208)	2,592,323	76,426,479
12/31/01	32	(121,521)	885,465	26,062,956	30	(98,718)	884,214	26,048,758	28	(11,968)	905,247	26,757,484	(232,208)	2,674,927	78,869,198
6/30/02	33	(121,521)	912,203	26,853,639	31	(98,718)	911,707	26,861,746	29	(11,968)	936,512	27,682,027	(232,208)	2,760,422	81,397,413
12/31/02	34	(121,521)	939,877	27,671,996	32	(98,718)	940,161	27,703,189	30	(11,968)	968,871	28,638,930	(232,208)	2,848,909	84,014,114
6/30/03	35	(121,521)	968,520	28,518,995	33	(98,718)	969,612	28,574,082	31	(11,968)	1,002,363	29,629,324	(232,208)	2,940,494	86,722,401
12/31/03	36	(121,521)	998,165	29,395,639	34	(98,718)	1,000,093	29,475,456	32	(11,968)	1,037,026	30,654,382	(232,208)	3,035,284	89,525,477
6/30/04	37	(121,521)	1,028,847	30,302,965	35	(98,718)	1,031,641	30,408,379	33	(11,968)	1,072,903	31,715,317	(232,208)	3,133,392	92,426,661
12/31/04	38	(121,521)	1,060,604	31,242,048	36	(98,718)	1,064,293	31,373,953	34	(11,968)	1,110,036	32,813,385	(232,208)	3,234,933	95,429,387
6/30/05	39	(121,521)	1,093,472	32,213,999	37	(98,718)	1,098,088	32,373,323	35	(11,968)	1,148,468	33,949,885	(232,208)	3,340,029	98,537,208
12/31/05	40	(121,521)	1,127,490	33,219,968	38	(98,718)	1,133,066	33,407,671	36	(11,968)	1,188,246	35,126,163	(232,208)	3,448,802	101,753,802
6/30/06	41	(121,521)	1,162,699	34,261,146	39	(98,718)	1,169,268	34,478,221	37	(11,968)	1,229,416	36,343,610	(232,208)	3,561,383	105,082,978
12/31/06	42	(121,521)	1,199,140	35,338,766	40	(98,718)	1,206,738	35,586,220	38	(11,968)	1,272,026	37,603,668	(232,208)	3,677,904	108,528,674
6/30/07	43	(121,521)	1,236,857	36,454,102	41	(98,718)	1,245,518	36,733,040	39	(11,968)	1,316,128	38,907,828	(232,208)	3,798,504	112,094,970
12/31/07	44	(121,521)	1,275,894	37,608,474	42	(98,718)	1,285,656	37,919,978	40	(11,968)	1,361,774	40,257,634	(232,208)	3,923,324	115,786,087
6/30/08	45	(121,521)	1,316,297	38,803,250	43	(98,718)	1,327,199	39,148,459	41	(11,968)	1,409,017	41,654,683	(232,208)	4,052,513	119,606,392

**Department of Water & Power  
Palo Verde Project  
Termination Cost Funding**

Date	Unit 1			Unit 2			Unit 3			Grand Total					
	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Contribution	Interest	Totals
12/31/08	46	(121,521)	1,358,114	40,039,843	44	(98,718)	1,370,196	40,419,937	42	(11,968)	1,457,914	43,100,629	(232,208)	4,186,224	123,560,408
6/30/09	47	(121,521)	1,401,395	41,319,717	45	(98,718)	1,414,698	41,735,916	43	(11,968)	1,508,522	44,597,182	(232,208)	4,324,614	127,652,815
12/31/09	48	(121,521)	1,446,190	42,644,386	46	(98,718)	1,460,757	43,097,954	44	(11,968)	1,560,901	46,146,115	(232,208)	4,467,849	131,888,456
6/30/10	49	(121,521)	1,492,554	44,015,419	47	(98,718)	1,508,428	44,507,664	45	(11,968)	1,615,114	47,749,261	(232,208)	4,616,096	136,272,344
12/31/10	50	(121,521)	1,540,540	45,434,437	48	(98,718)	1,557,768	45,966,714	46	(11,968)	1,671,224	49,408,517	(232,208)	4,769,532	140,809,668
6/30/11	51	(121,521)	1,590,205	46,903,122	49	(98,718)	1,608,835	47,476,831	47	(11,968)	1,729,298	51,125,847	(232,208)	4,928,338	145,505,799
12/31/11	52	(121,521)	1,641,609	48,423,210	50	(98,718)	1,661,689	49,039,801	48	(11,968)	1,789,405	52,903,283	(232,208)	5,092,703	150,366,294
6/30/12	53	(121,521)	1,694,812	49,996,502	51	(98,718)	1,716,393	50,657,476	49	(11,968)	1,851,615	54,742,929	(232,208)	5,262,820	155,396,907
12/31/12	54	(121,521)	1,749,878	51,624,859	52	(98,718)	1,773,012	52,331,769	50	(11,968)	1,916,003	56,646,964	(232,208)	5,438,892	160,603,591
6/30/13	55	(121,521)	1,806,870	53,310,208	53	(98,718)	1,831,612	54,064,662	51	(11,968)	1,982,644	58,617,639	(232,208)	5,621,126	165,992,509
12/31/13	56	(121,521)	1,865,857	55,054,544	54	(98,718)	1,892,263	55,858,207	52	(11,968)	2,051,617	60,657,288	(232,208)	5,809,738	171,570,039
6/30/14	57	(121,521)	1,926,909	56,859,933	55	(98,718)	1,955,037	57,714,526	53	(11,968)	2,123,005	62,768,325	(232,208)	6,004,951	177,342,783
12/31/14	58	(121,521)	1,990,098	58,728,509	56	(98,718)	2,020,008	59,635,816	54	(11,968)	2,196,891	64,953,248	(232,208)	6,206,997	183,317,573
6/30/15	59	(121,521)	2,055,498	60,662,486	57	(98,718)	2,087,254	61,624,351	55	(11,968)	2,273,364	67,214,643	(232,208)	6,416,115	189,501,480
12/31/15	60	(121,521)	2,123,187	62,664,153	58	(98,718)	2,156,852	63,682,485	56	(11,968)	2,352,513	69,555,187	(232,208)	6,632,552	195,901,825
6/30/16	61	(121,521)	2,193,245	64,735,877	59	(98,718)	2,228,887	65,812,653	57	(11,968)	2,434,432	71,977,651	(232,208)	6,856,564	202,526,181
12/31/16	62	(121,521)	2,265,756	66,880,112	60	(98,718)	2,303,443	68,017,377	58	(11,968)	2,519,218	74,484,900	(232,208)	7,088,416	209,382,390
6/30/17	63	(121,521)	2,340,804	69,099,395	61	(98,718)	2,380,608	70,299,267	59	(11,968)	2,606,972	77,079,903	(232,208)	7,328,384	216,478,566
12/31/17	64	(121,521)	2,418,479	71,396,353	62	(98,718)	2,460,474	72,661,023	60	(11,968)	2,697,797	79,765,731	(232,208)	7,576,750	223,823,108
6/30/18	65	(121,521)	2,498,872	73,773,705	63	(98,718)	2,543,136	75,105,440	61	(11,968)	2,791,801	82,545,564	(232,208)	7,833,809	231,424,709
12/31/18	66	(121,521)	2,582,080	76,234,264	64	(98,718)	2,628,690	77,635,412	62	(11,968)	2,889,095	85,422,690	(232,208)	8,099,865	239,292,366
6/30/19	67	(121,521)	2,668,199	78,780,942	65	(98,718)	2,717,239	80,253,933	63	(11,968)	2,989,794	88,400,516	(232,208)	8,375,233	247,435,391
12/31/19	68	(121,521)	2,757,333	81,416,754	66	(98,718)	2,808,888	82,964,102	64	(11,968)	3,094,018	91,482,566	(232,208)	8,660,239	255,863,422
6/30/20	69	(121,521)	2,849,586	84,144,820	67	(98,718)	2,903,744	85,769,128	65	(11,968)	3,201,890	94,672,487	(232,208)	8,955,220	264,586,434
12/31/20	70	(121,521)	2,945,069	86,968,368	68	(98,718)	3,001,919	88,672,329	66	(11,968)	3,313,537	97,974,056	(232,208)	9,260,525	273,614,752
6/30/21					69	(98,718)	3,103,532	91,677,142	67	(11,968)	3,429,092	101,391,180	(110,687)	6,532,623	193,068,321
12/31/21					70	(98,718)	3,208,700	94,787,123	68	(11,968)	3,548,691	104,927,903	(110,687)	6,757,391	199,715,025
6/30/22									69	(11,968)	3,672,477	108,588,411	(11,968)	3,672,477	108,588,411
12/31/22									70	(11,968)	3,800,594	112,377,035	(11,968)	3,800,594	112,377,035

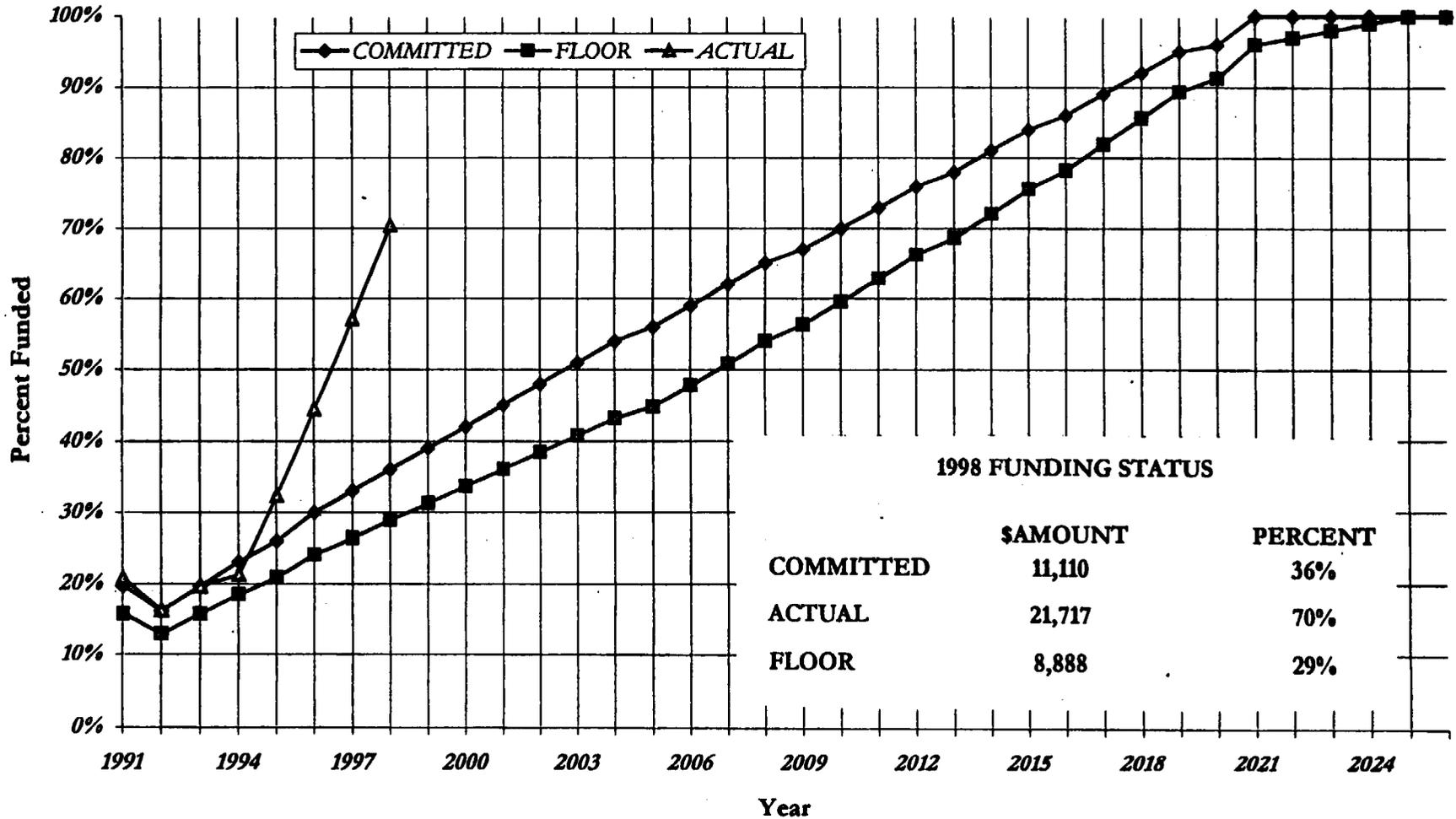
# DWP PALO VERDE UNIT 1 FUNDING PLAN



**DEPARTMENT OF WATER & POWER**  
**1998 PALO VERDE UNIT 1 FUNDING STATUS**  
**TERMINATION COST FUNDING**  
(In Thousand \$)

Month	Year	(1) Authorized Funding Plan			(4) Funding Floor Curve			(7) Actual Funding		
		Fund (2) X (3)	Est. Cost	% Funded	Criteria	Percent (3) X (4)	\$ Amount (1) X (4)	Fund	Est. Cost	% Funded (7)/(8)
DEC	1991	3,261	15,677	21%	80%	17%	2,609	3,426	15,677	22%
DEC	1992	4,330	25,832	17%	80%	13%	3,464	4,306	25,832	17%
DEC	1993	5,513	27,124	20%	80%	16%	4,410	5,362	27,124	20%
DEC	1994	6,780	28,480	24%	80%	19%	5,424	6,206	28,480	22%
DEC	1995	6,934	25,682	27%	80%	22%	5,547	9,061	25,682	35%
DEC	1996	8,359	26,966	31%	80%	25%	6,688	12,928	26,966	48%
DEC	1997	9,627	28,314	34%	80%	27%	7,702	16,928	28,314	60%
DEC	1998	11,000	29,730	37%	80%	30%	8,800	21,850	29,730	73%
DEC	1999	12,487	31,217	40%	80%	32%	9,989			
DEC	2000	14,094	32,777	43%	80%	34%	11,275			
DEC	2001	15,832	34,416	46%	80%	37%	12,665			
DEC	2002	17,707	36,137	49%	80%	39%	14,166			
DEC	2003	19,731	37,944	52%	80%	42%	15,785			
DEC	2004	21,913	39,841	55%	80%	44%	17,530			
DEC	2005	24,263	41,833	58%	81%	47%	19,653			
DEC	2006	26,794	43,925	61%	82%	50%	21,971			
DEC	2007	29,518	46,121	64%	83%	53%	24,500			
DEC	2008	32,446	48,427	67%	84%	56%	27,255			
DEC	2009	35,086	50,849	69%	85%	59%	29,823			
DEC	2010	38,442	53,391	72%	86%	62%	33,060			
DEC	2011	42,045	56,061	75%	87%	65%	36,580			
DEC	2012	45,914	58,864	78%	88%	69%	40,404			
DEC	2013	50,064	61,807	81%	89%	72%	44,557			
DEC	2014	53,865	64,897	83%	90%	75%	48,478			
DEC	2015	58,602	68,142	86%	91%	78%	53,328			
DEC	2016	63,679	71,549	89%	92%	82%	58,584			
DEC	2017	69,116	75,127	92%	93%	86%	64,278			
DEC	2018	74,150	78,883	94%	94%	88%	69,701			
DEC	2019	80,342	82,827	97%	95%	92%	76,325			
DEC	2020	86,968	86,968	100%	96%	96%	83,490			
DEC	2021	91,317	91,317	100%	97%	97%	88,577			
DEC	2022	95,883	95,883	100%	98%	98%	93,965			
DEC	2023	100,677	100,677	100%	99%	99%	99,670			
DEC	2024	105,711	105,711	100%	100%	100%	105,711			
DEC	2025	110,996	110,996	100%	100%	100%	110,996			

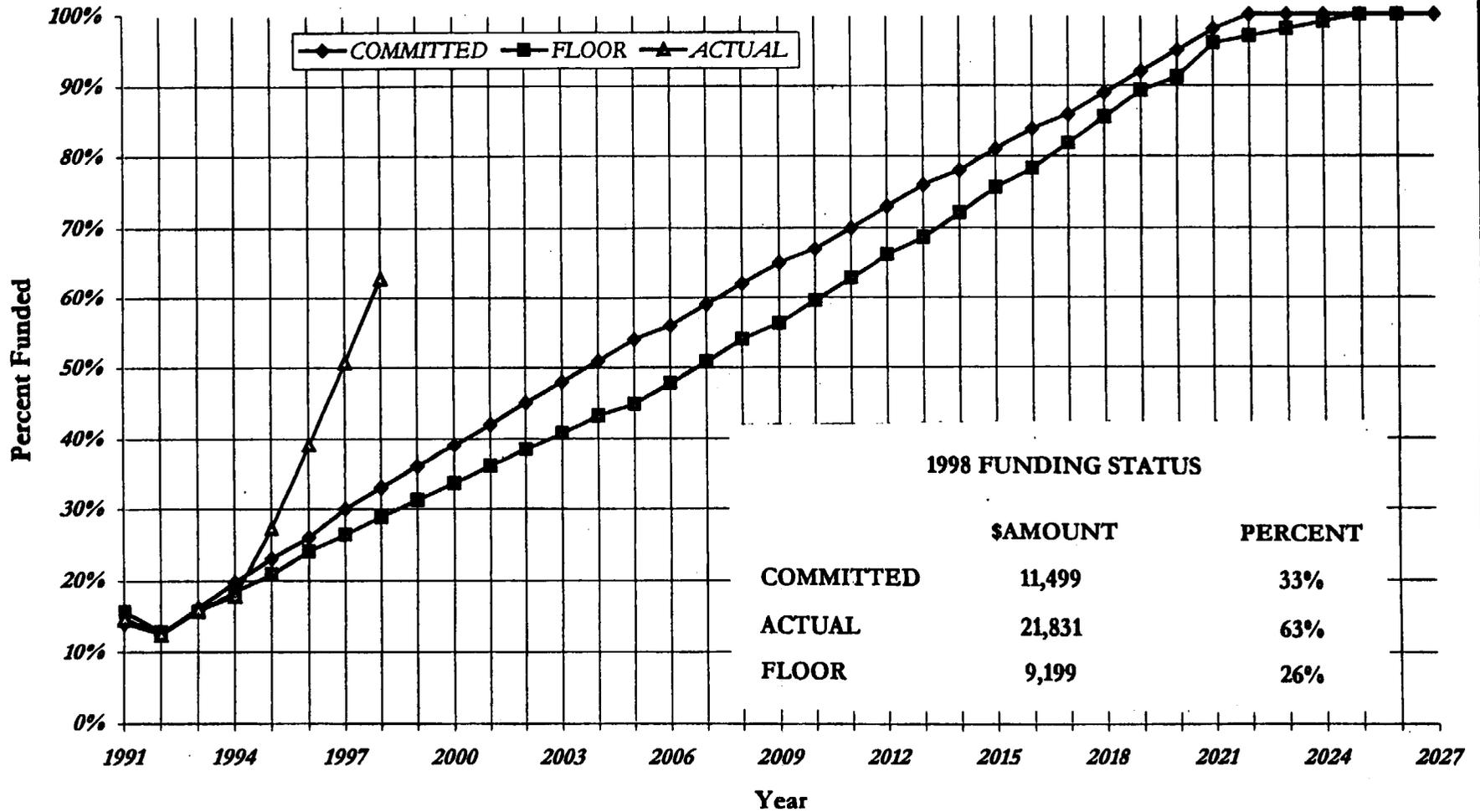
# DWP PALO VERDE UNIT 2 FUNDING PLAN



**DEPARTMENT OF WATER & POWER**  
**1998 PALO VERDE UNIT 2 FUNDING STATUS**  
**TERMINATION COST FUNDING**  
(In Thousand \$)

Month	Year	(1) Authorized Funding Plan			(4) Funding Floor Curve			(7) Actual Funding		
		Fund (2) X (3)	Est. Cost (2)	% Funded (3)	Criteria (4)	Percent (5) (3) X (4)	\$ Amount (6) (1) X (4)	Fund (7)	Est. Cost (8)	% Funded (9) (7)/(8)
DEC	1991	3,055	15,542	20%	80%	16%	2,444	3,220	15,542	21%
DEC	1992	4,104	25,418	16%	80%	13%	3,283	4,118	25,418	16%
DEC	1993	5,237	26,689	20%	80%	16%	4,190	5,222	26,689	20%
DEC	1994	6,449	28,023	23%	80%	18%	5,159	5,942	28,023	21%
DEC	1995	6,931	26,658	26%	80%	21%	5,545	8,602	26,658	32%
DEC	1996	8,397	27,991	30%	80%	24%	6,718	12,434	27,991	44%
DEC	1997	9,699	29,390	33%	80%	26%	7,759	16,762	29,390	57%
DEC	1998	11,110	30,860	36%	80%	29%	8,888	21,717	30,860	70%
DEC	1999	12,637	32,403	39%	80%	31%	10,110			
DEC	2000	14,290	34,023	42%	80%	34%	11,432			
DEC	2001	16,076	35,724	45%	80%	36%	12,861			
DEC	2002	18,005	37,510	48%	80%	38%	14,404			
DEC	2003	20,087	39,386	51%	80%	41%	16,069			
DEC	2004	22,332	41,355	54%	80%	43%	17,865			
DEC	2005	24,317	43,423	56%	80%	45%	19,454			
DEC	2006	26,901	45,594	59%	81%	48%	21,789			
DEC	2007	29,682	47,874	62%	82%	51%	24,339			
DEC	2008	32,674	50,268	65%	83%	54%	27,119			
DEC	2009	35,363	52,781	67%	84%	56%	29,705			
DEC	2010	38,794	55,420	70%	85%	60%	32,975			
DEC	2011	42,479	58,191	73%	86%	63%	36,532			
DEC	2012	46,436	61,101	76%	87%	66%	40,400			
DEC	2013	50,041	64,156	78%	88%	69%	44,036			
DEC	2014	54,564	67,363	81%	89%	72%	48,562			
DEC	2015	59,415	70,732	84%	90%	76%	53,473			
DEC	2016	63,871	74,268	86%	91%	78%	58,122			
DEC	2017	69,404	77,982	89%	92%	82%	63,851			
DEC	2018	75,330	81,881	92%	93%	86%	70,057			
DEC	2019	81,676	85,975	95%	94%	89%	76,775			
DEC	2020	86,663	90,273	96%	95%	91%	82,329			
DEC	2021	94,787	94,787	100%	96%	96%	90,996			
DEC	2022	99,526	99,526	100%	97%	97%	96,541			
DEC	2023	104,503	104,503	100%	98%	98%	102,413			
DEC	2024	109,728	109,728	100%	99%	99%	108,631			
DEC	2025	115,214	115,214	100%	100%	100%	115,214			
DEC	2026	120,975	120,975	100%	100%	100%	120,975			

# DWP PALO VERDE UNIT 3 FUNDING PLAN



**DEPARTMENT OF WATER & POWER**  
**1998 PALO VERDE UNIT 3 FUNDING STATUS**  
**TERMINATION COST FUNDING**  
(In Thousand \$)

Month	Year	(1) (2) (3) Authorized Funding Plan			(4) (5) (6) Funding Floor Curve			(7) (8) (9) Actual Funding		
		Fund (2) X (3)	Est. Cost	% Funded	Criteria	Percent (3) X (4)	\$ Amount (1) X (4)	Fund	Est. Cost	% Funded (7)/(8)
DEC	1991	2,452	17,248	14%	80%	11%	1,962	2,540	17,248	15%
DEC	1992	3,452	27,160	13%	80%	10%	2,762	3,438	27,160	13%
DEC	1993	4,636	28,518	16%	80%	13%	3,709	4,542	28,518	16%
DEC	1994	5,905	29,944	20%	80%	16%	4,724	5,356	29,944	18%
DEC	1995	6,923	30,100	23%	80%	18%	5,538	8,181	30,100	27%
DEC	1996	8,217	31,605	26%	80%	21%	6,574	12,332	31,605	39%
DEC	1997	9,956	33,185	30%	80%	24%	7,964	16,843	33,185	51%
DEC	1998	11,499	34,845	33%	80%	26%	9,199	21,831	34,845	63%
DEC	1999	13,171	36,587	36%	80%	29%	10,537			
DEC	2000	14,982	38,416	39%	80%	31%	11,986			
DEC	2001	16,941	40,337	42%	80%	34%	13,553			
DEC	2002	19,059	42,354	45%	80%	36%	15,247			
DEC	2003	21,346	44,471	48%	80%	38%	17,077			
DEC	2004	23,814	46,695	51%	80%	41%	19,052			
DEC	2005	26,476	49,030	54%	80%	43%	21,181			
DEC	2006	28,829	51,481	56%	80%	45%	23,064			
DEC	2007	31,893	54,055	59%	80%	47%	25,514			
DEC	2008	35,190	56,758	62%	81%	50%	28,504			
DEC	2009	38,737	59,596	65%	82%	53%	31,765			
DEC	2010	41,926	62,576	67%	83%	56%	34,798			
DEC	2011	45,993	65,705	70%	84%	59%	38,634			
DEC	2012	50,363	68,990	73%	85%	62%	42,808			
DEC	2013	55,054	72,439	76%	86%	65%	47,346			
DEC	2014	59,328	76,061	78%	87%	68%	51,615			
DEC	2015	64,690	79,864	81%	88%	71%	56,927			
DEC	2016	70,440	83,857	84%	89%	75%	62,692			
DEC	2017	75,723	88,050	86%	90%	77%	68,151			
DEC	2018	82,283	92,453	89%	91%	81%	74,878			
DEC	2019	89,309	97,076	92%	92%	85%	82,165			
DEC	2020	96,833	101,929	95%	93%	88%	90,055			
DEC	2021	104,885	107,026	98%	94%	92%	98,592			
DEC	2022	112,377	112,377	100%	95%	95%	106,758			
DEC	2023	117,996	117,996	100%	96%	96%	113,276			
DEC	2024	123,896	123,896	100%	97%	97%	120,179			
DEC	2025	130,090	130,090	100%	98%	98%	127,489			
DEC	2026	136,595	136,595	100%	99%	99%	135,229			
DEC	2027	143,425	143,425	100%	100%	100%	143,425			

*Deleted per APS Letter 102-04823, dated August 1, 2002*

**Enclosure 2**

**Application Requesting Information be  
Withheld From Public Disclosure**

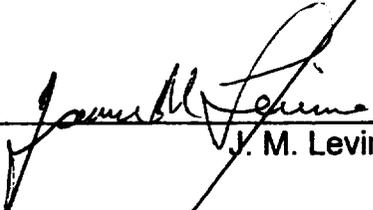
STATE OF ARIZONA     )  
                                  ) ss.  
COUNTY OF MARICOPA )

**AFFIDAVIT OF  
JAMES M. LEVINE**

I, James M. Levine, Senior Vice President, Nuclear, of the Arizona Public Service Company (APS), do hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of APS.
2. In its 1998 Decommissioning Funding Report, submitted pursuant to 10 CFR 50.75(f)(1), APS is providing on behalf of the Participants in Palo Verde Nuclear Generating Station a compilation of information regarding decommissioning funding (Appendix A, Tabs 1-3). The compilation of information in Appendix A is confidential commercial and financial information that should be held in confidence by the NRC and withheld from public disclosure pursuant to 10 CFR § 2.790, because:
  - i. The compiled information provided in the Tables in Appendix A is and has been held in confidence by APS.
  - ii. This information is of a type that is customarily held in confidence by APS, and there is a rational basis for doing so because the information represents a unique compilation of sensitive commercial and financial information concerning the decommissioning funding.
  - iii. This information is being transmitted to the NRC in confidence.
  - iv. This information, as compiled, is not available in public sources and could not be gathered readily from other publicly available information.
  - v. Public disclosure of this information would create substantial harm to the competitive position of APS by disclosing sensitive commercial and financial information about the decommissioning funding for PVNGS to other parties whose commercial interests may be adverse to those of APS.

3. Accordingly, APS requests that the information provided in Appendix A be withheld from public disclosure pursuant to 10 CFR § 2.790.

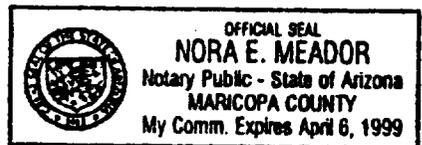
  
\_\_\_\_\_  
J. M. Levine

Sworn To Before Me This 30th Day of March, 1999.

  
\_\_\_\_\_  
Notary Public

My Commission Expires

April 6, 1999



## **Attachment B**

**Updated APS Letter No. 102-04550-GRO/SAB/RKB, dated  
March 29, 2001, from G. R. Overbeck, APS, to NRC,  
“Status of Decommissioning Funding”**



10 CFR 50.75(f)(1)

Palo Verde Nuclear  
Generating Station

Gregg R. Overbeck  
Senior Vice President  
Nuclear

TEL (623) 393-5148  
FAX (623) 393-6077

Mail Station 7602  
P. O. Box 52034  
Phoenix, AZ 85072-2034

102-04550-GRO/SAB/RKB  
March 29, 2001

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Mail Station P1-37  
Washington, DC 20555

Dear Sirs:

**Subject: Palo Verde Nuclear Generating Station (PVNGS)  
Units 1, 2, and 3  
Docket Nos. STN 50-528/529/530  
Status of Decommissioning Funding**

In accordance with the requirements of 10 CFR 50.75(f)(1), Arizona Public Service Company (APS) is submitting the status of the decommissioning funding for PVNGS Units 1, 2, and 3. APS is relying upon the 2000 Annual Funding Status Report from each Participant in providing the information in this report with respect to each Participant's current funds, as well as future funding plans and assumptions.

The report and its appendices, provided in Enclosure 1, contain the status of decommissioning funding for each PVNGS unit and for each of the owners.

~~Please note that the information provided in Appendix A to Enclosure 1 is a proprietary compilation of financial and commercial information. An Affidavit in support of the request that this information be withheld from public disclosure pursuant to 10 CFR 2.790(b)(1), is provided as Enclosure 2.~~

*Deleted per APS Letter 102-04823,  
dated August 1, 2002*

This letter does not make any commitments to the NRC.

If you have any questions, please contact Scott A. Bauer at (623) 393-5978.

Sincerely,

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Status of Decommissioning Funding for PVNGS Units 1, 2, and 3  
Page 2

GRO/SAB/RKB/kg

Enclosures:

1. 2000 Decommissioning Funding Status Report for Palo Verde Nuclear  
Generating Station Units 1, 2 & 3
2. ~~Affidavit of Gregg R. Overbeck Requesting Information Be Withheld  
From Public Disclosure~~ Deleted per APS Letter 102-04823, dated August 1, 2002

cc: E. W. Merschoff w/ Enclosures  
J. N. Donohew w/o Enclosures  
J. H. Moorman w/o Enclosures  
A. V. Godwin [ARRA] w/o Enclosures  
R. S. Wood w/ Enclosures

**Enclosure 1**

**2000 Decommissioning Funding Status Report for  
Palo Verde Nuclear Generating Station Units 1, 2 & 3**

**2000 DECOMMISSIONING FUNDING STATUS REPORT**

10 CFR 50.75(f)(1)

(For The Year Ending December 31, 2000)

**PALO VERDE NUCLEAR GENERATING STATION, UNITS 1, 2 & 3**

Submitted on Behalf of

Arizona Public Service Company  
Salt River Project Agricultural Improvement and Power District  
El Paso Electric Company  
Southern California Edison Company  
Public Service Company of New Mexico  
Southern California Public Power Authority  
Los Angeles Department of Water and Power

## **OVERVIEW**

This Decommissioning Funding Status Report is being submitted pursuant to 10 CFR 50.75(f)(1) by Arizona Public Service Company (APS) as the operator of Palo Verde Nuclear Generating Station (PVNGS), Units 1, 2 & 3. APS is submitting this report on behalf of the seven Participants in PVNGS:

	<b>Participant</b>	<b>% Share of Each Unit</b>
1.	Arizona Public Service Company (APS)	29.10
2.	Salt River Project Agricultural Improvement and Power District (SRP)	17.49
3.	El Paso Electric Company (EPE)	15.80
4.	Southern California Edison Company (SCE)	15.80
5.	Public Service Company of New Mexico (PNM)	10.20
6.	Southern California Public Power Authority (SCPPA)	5.91
7.	Los Angeles Department of Water and Power (LADWP)	5.70

Pursuant to Sections 8A.4 and 8A.7.2.4 of the PVNGS Participation Agreement, as amended through Amendment 14, each Participant provides an annual decommissioning funding status report for review by the Termination Funding Committee established pursuant to the PVNGS Participation Agreement. APS is relying upon the 2000 Annual Funding Status Report from each Participant in providing the information in this report with respect to each Participant's current funds, as well as future funding plans and assumptions.

### **(1) DECOMMISSIONING FUNDS ESTIMATED TO BE REQUIRED**

In a report dated December 1998, TLG Services, Inc. (TLG) prepared a site-specific Decommissioning Cost Study for PVNGS. This study includes cost estimates for basic NRC radiological decommissioning within the meaning of 10 CFR 50.75(b) & (c) (hereafter, Basic Radiological Decommissioning), as well as for spent fuel management and for non-radiological decommissioning activities. The 1998 Total Decommissioning Costs for each unit and the Basic Radiological Decommissioning costs can be broken down as follows (in millions of dollars):

<b>PVNGS Unit</b>	<b>Total Decommissioning Cost Estimate</b>	<b>Basic Radiological Decommissioning</b>
Unit 1	\$557.6	\$424.5
Unit 2	\$586.9	\$454.7
Unit 3	\$631.1	\$485.7

Each participant is entitled to exercise its own judgment regarding additional contingency factors and scope of work beyond the scope of work assumed in TLG's site specific study. In addition, assumptions regarding decommissioning cost escalation and trust fund earnings may affect funding levels. Therefore,

Participants may accumulate funds based upon a Basic Radiological Decommissioning Cost Estimate and Total Decommissioning Cost Estimate that exceed the amounts noted above. Regardless of such independent judgments, each Participant meets NRC requirements for purposes of estimating the decommissioning funds to be required, because the site specific estimates of costs noted above for the Basic Radiological Decommissioning of each PVNGS unit exceed the NRC minimum formula amount calculated in accordance with 10 CFR 50.75(c), NUREG-1307, Rev. 9, Report on Waste Burial Charges: Changes in Decommissioning Waste Disposal Costs at Low-Level Waste Burial Facilities, and Regulatory Guide 1.159, Assuring the Availability of Funds for Decommissioning Nuclear Reactors, as of December, 2000.

### **(2) AMOUNT OF FUNDS ACCUMULATED AS OF DECEMBER 31, 2000**

The total amounts of funds accumulated by each Participant in their respective Nuclear Decommissioning Trusts for each unit as of December 31, 2000 are provided in Appendix A, Tab 1 (Unit 1), Tab 2 (Unit 2), & 3 (Unit 3). These values reflect the fair market value as reported by the respective Trustees at the end of calendar year 2000. In addition, in order to put the current levels of funding in perspective, the charts for each unit provided in Appendix A include: (1) a breakdown for each unit of each Participant's percentage share of the 2000 Total Decommissioning Cost Estimate; (2) the 2000 annual contribution made by each Participant; and (3) the years remaining on the unit's operating license. Note that the cost estimates are in 1998 dollars and do not take into account the individual assumptions made by each Participant, which may result in the accumulation of funds based upon higher cost estimates (e.g., site-specific estimates that may include removal and disposal of spent nuclear fuel and non-radioactive structures).

### **(3) SCHEDULE OF ANNUAL AMOUNTS REMAINING TO BE COLLECTED AND ASSUMPTIONS**

Pursuant to the Participation Agreement, as amended and reformed, the Participants agreed that each Participant would commit to minimum levels of accumulation of funds, regardless of fund investment performance, pursuant to a pre-established percentage funded commitment or "Funding Curve" for each year through the end of plant life. Each Participant's percentage funding commitment was based upon an analysis which incorporated the Participant's individual business judgments (subject to regulatory approvals, as applicable) with respect to expected rates of fund investment earnings and escalation in total decommissioning costs. Every three years a site-specific decommissioning cost estimate is performed, and each participant applies the new cost estimate to its pre-established Funding Curve. A new Decommissioning Cost Estimate will be prepared in 2001. Each Participant is committed to minimum levels of accumulations, which cannot drop below a Funding Floor (which is never less than eighty percent of the Participant's Funding Curve and was established to take into account market fluctuations in the early years of fund accumulation).

These minimum commitment levels are based upon the liquidated, after-tax value of the funds. As such, the unliquidated values relied upon for purposes of NRC's decommissioning financial assurance requirements currently exceed these minimum commitment levels with respect to funds held by the investor-owned utility Participants in PVNGS. For the non-investor-owned Participants, the liquidated and unliquidated values are the same.

The current accumulation and funding schedules submitted in the 2000 Annual Funding Status Reports are based upon a 1998 site specific decommissioning cost estimate, that is escalated by each Participant. The tables and charts submitted by each Participant in the 2000 Annual Funding Status Reports are provided in Appendix B, Tabs 1, 2, 3, 4, 5, 6 & 7. (These Tabs correlate with the numbers assigned to Participants in the "Overview" above, which were assigned in descending order based upon the percentage share size of each Participant.)

The assumptions underlying each Participant's analysis are provided in Section 2.1.7. of the 2000 Annual Funding Status Reports. These assumptions reported by each Participant are restated, respectively, in Appendix B, Tabs 1, 2, 3, 4, 5, 6 & 7.

Actual annual contributions of each Participant may vary from the annual contributions reflected in the tables provided in Appendix B, based upon actual fund performance and other factors. Each Participant is committed to maintaining the accumulation of funds established by the funding percentage curves, rather than any pre-established annual contribution.

#### **(4) MODIFICATIONS TO LICENSEES' METHODS OF PROVIDING FINANCIAL ASSURANCE SINCE PREVIOUS REPORT**

There have been no modifications to the licensees' methods of providing financial assurance.

In the Decommissioning Funding Sections of the NRC's Safety Evaluations related to the proposed restructuring of Public Service Company of New Mexico (PNM) and El Paso Electric Company (EPE), dated September 29, 2000 and December 4, 2000, respectively, there is a discussion that by the time of the next biennial report to the NRC in March 2001 the precise method for collecting decommissioning costs via the New Mexico non-bypassable wires charge should be known. However, PNM and EPE report that New Mexico has enacted legislation that delays deregulation until 2007. Therefore, no further information is available with respect to the precise method for collecting decommissioning costs via the New Mexico non-bypassable wires charge.

#### **(5) CONTRACTUAL OBLIGATIONS PURSUANT TO (e)(1)(v)**

No PVNGS Participant is relying upon a contract for purposes of providing decommissioning funding within the meaning of 10 CFR 50.75(e)(1)(v).

## **(6) MATERIAL CHANGES TO TRUST AGREEMENT**

The APS Master Trust Agreement has been amended on June 30, 2000. The amendment is provided at Appendix C, Tab 1. There have been no other amendments to the Trust Agreements of the various Participants since the last status report to the NRC.

The following Table provides the names of the current Trustees and Investment Managers as reported by each Participant in Section 1.1 of their 2000 Annual Funding Status Reports to the Termination Funding Committee.

<b>Participant</b>	<b>Trustee(s)</b>	<b>Investment Manager(s)</b>
APS	Mellon Bank, N.A.	RCM Capital Mellon Capital Delaware Investment Advisers
SRP	Marshall & Ilsley Trust Company of Arizona	Vanguard Group Pacific Investment Management
EPE	Bank of America, N.A.	Phoenix Duff & Phelps Investment Advisors Rorer Asset Management
SCE	The Northern Trust Company	STW Fixed Income Management Bankers Trust Company PanAgora Asset Management BlackRock Financial Management, Inc. Stanford C. Bernstein & Co., Inc.
PNM	Mellon Bank, N.A.	T. Rowe Price and Associates, Inc. Strong Capital Management
SCPPA	US Bank Trust, N.A.	None
LADWP	US Bank Trust, N.A.	None

~~CONFIDENTIAL INFORMATION - 10 CFR 2.790~~

## Palo Verde Nuclear Generating Station Unit 1

(\$M)

Participants	<u>% Ownership</u>	Total (1) Site Specific <u>Estimate</u>	NRC (1) Basic Radiological <u>Estimate</u>	Total Nuclear Decommissioning Trust (As of 12/31/00)	Fiscal (2) Year 2000 <u>Contributions</u>	Years To End Of Operating <u>License</u> (12/31/2024)
Arizona Public Service Company	29.10 %	\$ 162.26	\$ 123.53	\$ 68.72 (3)	\$ 3.80	24
Salt River Project Agricultural Improvement and Power District	17.49 %	97.52	74.25	40.74 (4)	1.22	24
El Paso Electric Company	15.80 %	88.10	67.07	21.20 (5)	1.69	24
Southern California Edison Company	15.80 %	88.10	67.07	153.41 (6)	3.72	24
Public Service Company of New Mexico	10.20 %	56.87	43.30	18.51 (7)	1.56	24
Southern California Public Power Authority	5.91 %	32.95	25.09	27.22 (8)	2.48	24
Los Angeles Department of Water and Power	5.70 %	31.78	24.20	26.09 (9)	0.00	24
TOTAL	100.00 %	\$ 557.58	\$ 424.50	\$ 355.89	\$ 14.47	

(1) - Decommissioning Cost Study for PVNGS, prepared by TLG Services, Inc. (December, 1998)

(2) - Section 2.4 of 2000 Annual Funding Status Reports

(3) - Exhibit B of APS 2000 Annual Funding Status Report

(4) - Section 2.2.2 of SRP 2000 Annual Funding Status Report

(5) - Section 2.2 of EPE 2000 Annual Funding Status Report

(6) - Section 2.2.2 of SCE 2000 Annual Funding Status Report – Note: SCE accumulates funds based upon cost estimates that exceed the amounts noted above due to SCE judgments with respect to contingency factors and a scope of work beyond the scope of work assumed in the 1998 TLG study. In addition, its funding levels are also affected by assumptions regarding decommissioning cost escalation and trust fund earnings.

(7) - Section 2.2.1 of PNM 2000 Annual Funding Status Report

(8) - Section 2.2.1 of SCPPA 2000 Annual Funding Status Report

(9) - Section 2.2.1 of LADWP 2000 Annual Funding Status Report

Deleted per APS Letter 102-04823, dated August 1, 2002

~~CONFIDENTIAL INFORMATION - 10 CFR 2.790~~

Appendix A, Tab 2

**Unit 2**  
**Palo Verde Nuclear Generating Station**  
**(\$M)**

<u>Participants</u>	<u>% Ownership</u>	<u>Total (1)</u> <u>Site Specific</u> <u>Estimate</u>	<u>NRC (1)</u> <u>Basis</u> <u>Radiological</u> <u>Estimate</u>	<u>Total</u> <u>Nuclear</u> <u>Decommissioning</u> <u>Trust</u> <u>(As of 12/31/00)</u>	<u>Fiscal (2)</u> <u>Year 2000</u> <u>Contributions</u>	<u>Years</u> <u>To End Of</u> <u>Operating</u> <u>License</u> <u>(12/9/2025)</u>
Arizona Public Service Company	29.10 %	\$ 170.80	\$ 132.31	\$ 67.60 (3)	\$ 4.07	25
Salt River Project Agricultural Improvement and Power District	17.49 %	102.66	79.53	38.95 (4)	1.43	25
El Paso Electric Company	15.80 %	92.74	71.84	21.26 (5)	1.52	25
Southern California Edison Company	15.80 %	92.74	71.84	152.92 (6)	4.32	25
Public Service Company of New Mexico	10.20 %	59.87	46.38	19.07 (7)	1.52	25
Southern California Public Power Authority	5.91 %	34.69	26.87	27.78 (8)	2.64	25
Los Angeles Department of Water and Power	5.70 %	33.46	25.92	26.27 (9)	0.00	25
<b>TOTAL</b>	<b>100.00 %</b>	<b>\$ 586.95</b>	<b>\$ 454.69</b>	<b>\$ 353.86</b>	<b>\$ 15.49</b>	

(1) - Decommissioning Cost Study for PVNGS, prepared by TLG Services, Inc. (December, 1998)

(2) - Section 2.4 of 2000 Annual Funding Status Report

(3) - Exhibit B of APS 2000 Annual Funding Status Report

(4) - Section 2.2.2 of SRP 2000 Annual Funding Status Report

(5) - Section 2.2 of EPE 2000 Annual Funding Status Report

(6) - Section 2.2.2 of SCE 2000 Annual Funding Status Report - Note: SCE accumulates funds based upon cost estimates that exceed the amounts noted above due to SCE judgments with respect to contingency factors and a scope of work beyond the scope of work assumed in the 1998 TLG study. In addition, its funding levels are also affected by assumptions regarding decommissioning cost escalation and trust fund earnings.

(7) - Section 2.2.1 of PNM 2000 Annual Funding Status Report

(8) - Section 2.2.1 of SCPPA 2000 Annual Funding Status Report

(9) - Section 2.2.1 of LADWP 2000 Annual Funding Status Report

## Palo Verde Nuclear Generating Station Unit 3

(\$M)

Participants	% Ownership	Total (1) Site Specific Estimate	NRC (1) Basic Radiological Estimate	Total Nuclear Decommissioning Trust (As of 12/31/00)	Fiscal (2) Year 2000 Contributions	Years To End Of Operating License (3/25/2027)
Arizona Public Service Company	29.10 %	\$ 183.65	\$ 141.35	\$ 60.71 (3)	\$ 3.57	26
Salt River Project Agricultural Improvement and Power District	17.49 %	110.38	84.95	41.08 (4)	1.39	26
El Paso Electric Company	15.80 %	99.71	76.75	17.68 (5)	1.70	26
Southern California Edison Company	15.80 %	99.71	76.75	166.63 (6)	4.66	26
Public Service Company of New Mexico	10.20 %	64.37	49.54	18.33 (7)	0.8	26
Southern California Public Power Authority	5.91 %	37.30	28.71	30.12 (8)	2.88	26
Los Angeles Department of Water and Power	5.70 %	35.97	27.69	26.23 (9)	0.00	26
<b>TOTAL</b>	<b>100.00 %</b>	<b>\$ 631.10</b>	<b>\$ 485.73</b>	<b>\$ 360.78</b>	<b>\$ 15.00</b>	

(1) - Decommissioning Cost Study for PVNGS, prepared by TLG Services, Inc. (December, 1998)

(2) - Section 2.4 of 2000 Annual Funding Status Reports

(3) - Exhibit B of APS 2000 Annual Funding Status Report

(4) - Section 2.2.2 of SRP 2000 Annual Funding Status Report

(5) - Section 2.2 of EPE 2000 Annual Funding Status Report

(6) - Section 2.2.2 of SCE 2000 Annual Funding Status Report -- Note: SCE accumulates funds based upon cost estimates that exceed the amounts noted above due to SCE judgments with respect to contingency factors and a scope of work beyond the scope of work assumed in the 1998 TLG study. In addition, its funding levels are also affected by assumptions regarding decommissioning cost escalation and trust fund earnings.

(7) - Section 2.2.1 of PNM 2000 Annual Funding Status Report

(8) - Section PNM's funding requirements under the Participation Agreement.

(9) - Section 2.2.1 of LADWP 2000 Annual Funding Status Report

**Units 1, 2, & 3**

**APS 2000 Annual Funding Status Report**

Section 2.1.7 [Restated]

Assumptions used in developing committed Accumulations: (See Exhibit E - Funding Tables and Curves, attached)

# ARIZONA PUBLIC SERVICE COMPANY

## ANNUAL FUNDING STATUS REPORT FOR THE YEAR ENDING DECEMBER 31, 2000

### EXHIBIT E

#### Assumptions used by APS in Decommissioning Funding Tables and Curves:

##### Decommissioning Costs:

Funding Curve applied to Official 1998 TLG Study Costs

##### Escalation Factor and Future Value of Decommissioning Costs:

Escalation factor of 5.00% Annually

##### After Tax Rate of Return For Assets in Trust:

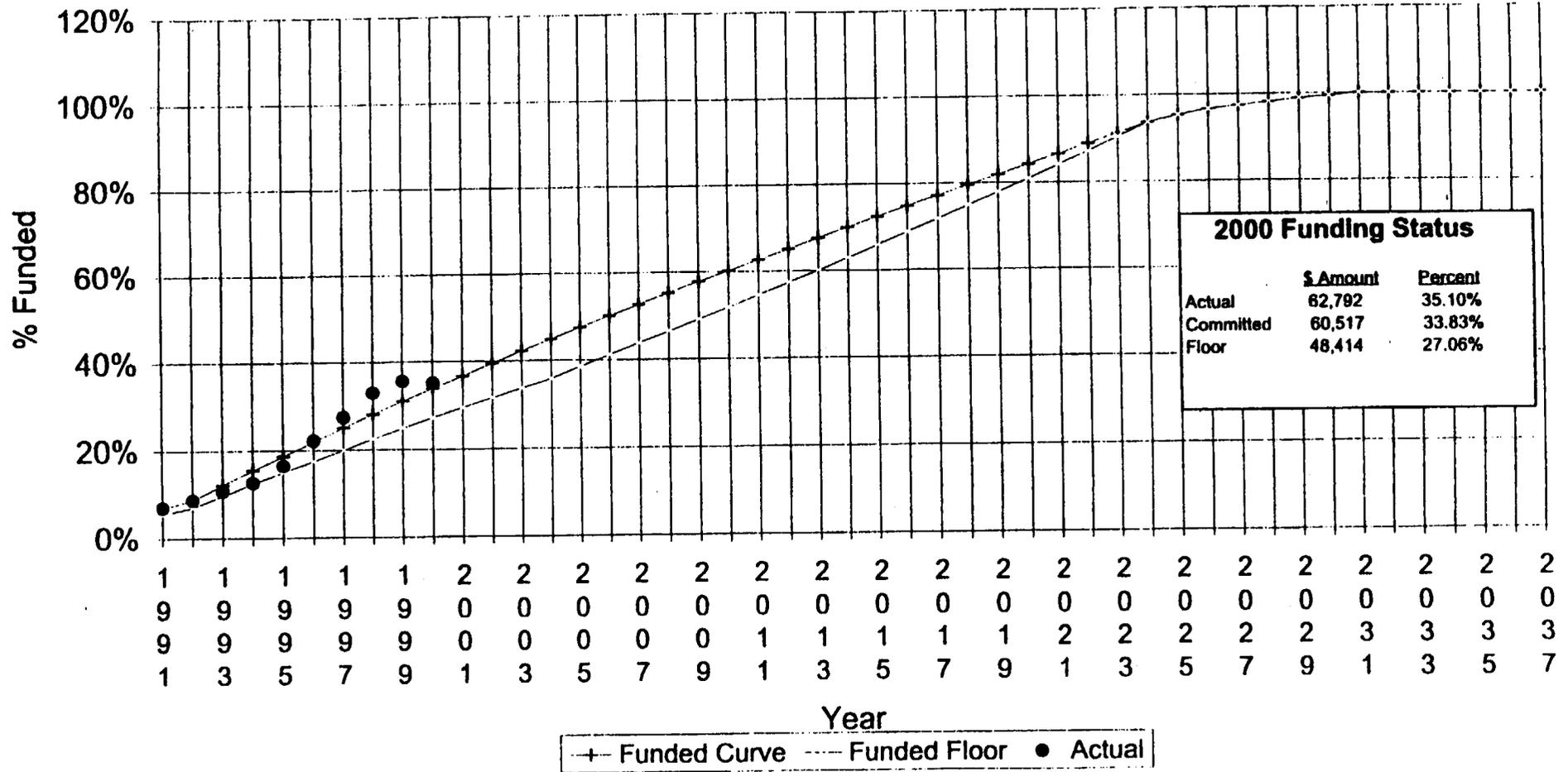
Annual Rate of Return is 6.75%

##### Contribution Assumptions:

All contributions made quarterly



## Arizona Public Service Decommissioning Funding Plan PV Unit #1

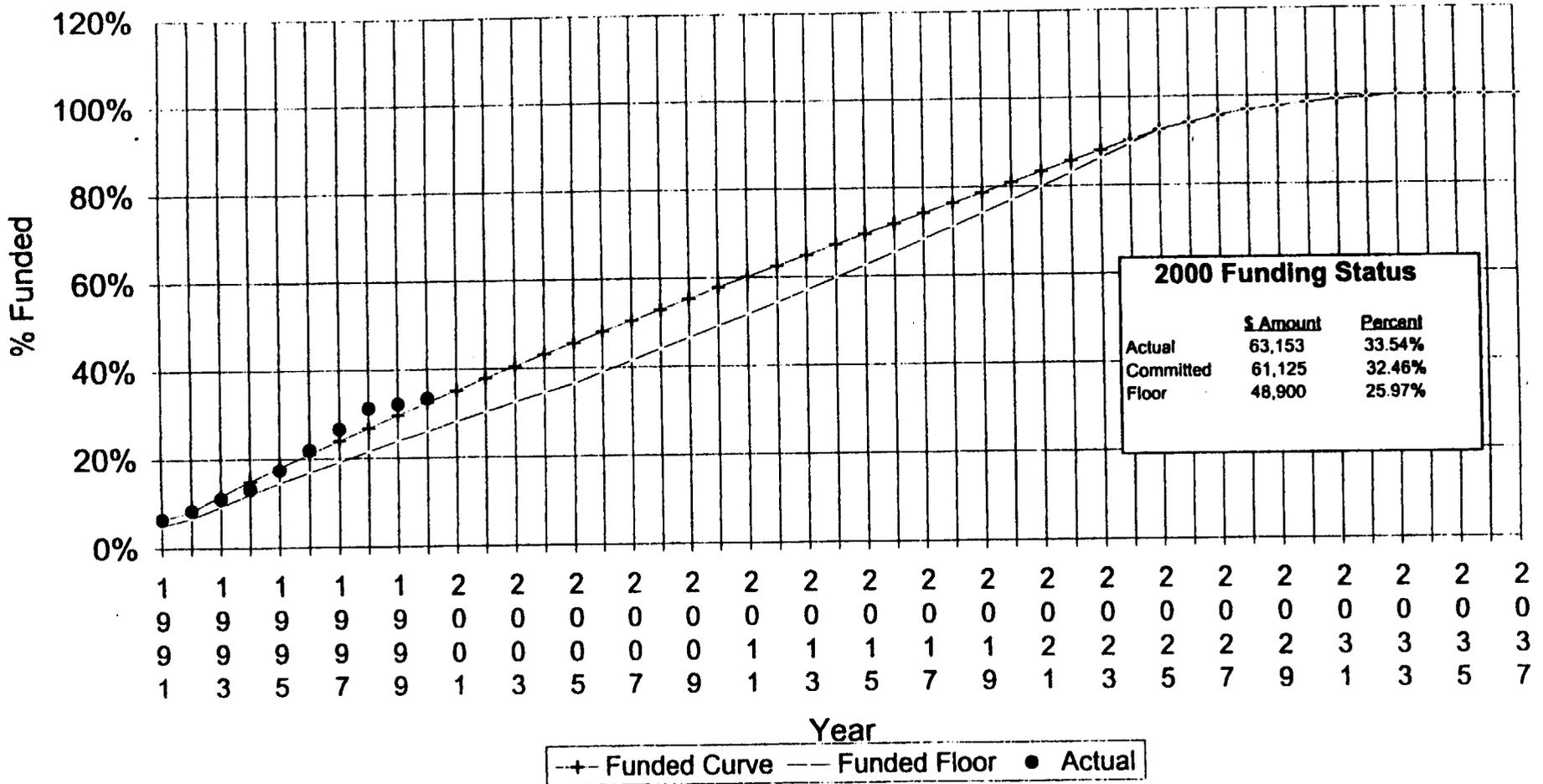


<b>2000 Funding Status</b>		
	<b>\$ Amount</b>	<b>Percent</b>
Actual	62,792	35.10%
Committed	60,517	33.83%
Floor	48,414	27.06%

ESTIMATED ANNUAL COSTS UNIT TWO

2024				105																	
Target \$'s	PV Dollars	Year	FV Dollars	Sum PV Lab	1	2	3	4	5	6	7	8	9	10	11	12	13	14			
		1998	0	170,801,839	0	4,580,319	24,214,226	23,717,810	23,990,921	23,477,414	23,477,414	20,535,754	10,559,488	3,504,368	4,918,104	4,636,619	459,111	3,060,291			
		1999	1	179,341,931	0	4,788,335	25,424,938	24,803,700	24,875,467	24,651,285	24,651,285	21,582,541	11,087,462	3,878,586	5,184,008	4,868,450	482,066	3,202,806			
		2000	2	188,309,027	0	5,027,752	26,886,185	26,148,885	26,119,241	25,883,849	25,883,849	22,840,868	11,641,835	3,883,585	5,422,209	5,111,873	508,170	3,362,946			
		2001	3	197,724,479	0	5,279,140	28,030,984	27,456,329	27,425,203	27,178,042	27,178,042	23,772,702	12,223,927	4,058,743	5,693,320	5,367,487	531,478	3,531,093			
		2002	4	207,610,703	0	5,543,086	29,432,544	28,829,146	28,796,463	28,536,944	28,536,944	24,861,337	12,835,124	4,258,581	5,977,886	5,636,840	558,052	3,707,848			
		2003	5	217,991,238	0	5,820,251	30,804,171	30,270,803	30,236,288	29,963,791	29,963,791	26,208,404	13,478,880	4,472,580	6,278,885	5,917,832	585,955	3,983,030			
		2004	6	228,880,800	0	6,111,264	32,449,378	31,784,133	31,748,100	31,461,981	31,461,981	27,518,874	14,150,724	4,686,188	6,590,729	6,213,513	615,252	4,087,887			
		2005	7	240,335,340	0	6,416,827	34,071,848	33,373,340	33,335,805	33,035,080	33,035,080	28,985,888	14,858,260	4,930,997	6,920,266	6,524,188	646,015	4,292,066			
		2006	8	252,352,107	0	6,737,868	35,775,441	35,042,007	35,002,280	34,688,834	34,688,834	30,340,861	15,601,173	5,177,547	7,268,279	6,850,398	678,316	4,508,669			
		2007	9	264,969,712	0	7,074,552	37,564,213	36,784,107	36,752,394	36,421,175	36,421,175	31,857,894	16,381,232	5,438,424	7,629,583	7,182,919	712,231	4,732,003			
		2008	10	278,218,198	0	7,428,279	39,442,223	38,633,812	38,600,014	38,242,234	38,242,234	33,450,579	17,200,293	5,708,245	8,011,073	7,552,584	747,843	4,988,603			
		2009	11	292,129,108	0	7,799,893	41,414,544	40,585,503	40,518,515	40,154,348	40,154,348	35,123,108	18,080,308	5,993,668	8,411,828	7,830,183	785,235	5,217,033			
		2010	12	306,735,563	0	8,199,878	43,485,272	42,593,778	42,545,491	42,182,063	42,182,063	36,879,283	18,963,323	6,293,341	8,832,208	8,328,702	824,497	5,477,888			
		2011	13	322,072,341	0	8,599,162	45,658,535	44,723,487	44,672,785	44,270,186	44,270,186	38,723,228	19,811,489	6,608,008	9,273,818	8,743,837	865,722	5,751,779			
		2012	14	338,178,958	0	9,029,120	47,842,512	46,859,840	46,806,403	46,483,875	46,483,875	40,858,387	20,907,064	6,938,408	9,737,808	9,180,188	909,008	6,039,388			
		2013	15	355,084,756	0	9,490,576	50,338,638	49,307,823	49,251,723	48,807,858	48,807,858	42,882,367	21,952,417	7,285,328	10,224,384	9,638,188	954,458	6,341,336			
		2014	16	372,838,984	0	9,984,605	52,858,819	51,773,004	51,714,310	51,248,251	51,248,251	44,828,875	23,060,038	7,648,585	10,735,884	10,121,158	1,002,181	6,658,403			
		2015	17	391,480,943	0	10,452,335	55,488,450	54,381,834	54,300,028	53,810,884	53,810,884	47,088,323	24,202,540	8,032,075	11,272,384	10,627,217	1,052,290	6,981,323			
		2016	18	411,054,981	0	10,974,952	58,274,423	57,079,737	57,015,028	56,501,187	56,501,187	49,421,740	25,412,867	8,433,878	11,838,003	11,158,577	1,104,905	7,340,888			
		2017	19	431,607,740	0	11,523,898	61,188,144	59,933,723	59,865,778	59,328,257	59,328,257	51,862,827	26,683,300	8,855,362	12,427,803	11,718,508	1,160,150	7,707,934			
		2018	20	453,188,127	0	12,099,884	64,247,551	62,930,410	62,858,087	62,292,570	62,292,570	54,487,488	28,017,465	9,298,130	13,048,183	12,302,332	1,218,157	8,083,330			
		2019	21	475,847,534	0	12,704,879	67,458,929	66,076,930	66,002,020	65,407,188	65,407,188	57,211,841	29,418,338	9,763,037	13,701,853	12,917,448	1,279,065	8,497,897			
		2020	22	499,838,910	0	13,340,123	70,832,825	69,380,776	69,302,121	68,677,558	68,677,558	60,072,433	30,889,255	10,251,189	14,388,738	13,583,321	1,343,018	8,922,897			
		2021	23	524,821,806	0	14,007,129	74,374,572	72,849,815	72,787,227	72,111,438	72,111,438	63,078,055	32,433,718	10,783,748	15,108,072	14,241,487	1,410,168	9,368,042			
	1 0876	2022	24	550,853,001	0	14,707,485	78,093,300	76,492,306	76,405,588	75,717,008	75,717,008	66,228,858	34,055,404	11,301,836	15,861,378	14,953,561	1,488,678	9,837,484			
		2023	25	578,385,851	0	15,442,858	81,987,985	80,316,821	80,225,868	79,502,858	79,502,858	69,541,351	35,758,174	11,887,032	16,854,445	15,701,239	1,554,712	10,329,388			
		2024	26	607,315,434	0	16,215,002	86,067,863	84,332,787	84,237,181	83,478,001	83,478,001	73,018,418	37,548,083	12,480,384	17,487,187	16,486,301	1,632,447	10,845,837			
		2025	27	637,681,205	0	17,025,753	90,402,757	88,549,408	88,449,019	87,651,901	87,651,901	78,869,339	39,423,387	13,083,403	18,381,525	17,318,816	1,714,070	11,388,129			
	17,025,753	4,580,319	2026	668,822,894	0	17,874,226	94,922,894	92,976,878	92,871,470	92,034,498	92,034,498	80,502,808	41,384,558	13,737,573	19,279,802	18,178,147	1,799,773	11,957,515			
	86,820,744	24,214,226	2027	699,803,587	0	18,752,720	99,688,115	97,625,720	97,515,044	96,636,221	96,636,221	84,527,846	43,484,284	14,424,452	20,243,582	19,084,964	1,888,782	12,555,412			
	85,889,944	23,717,810	2028	731,326,771	0	19,663,300	104,588,115	102,462,306	102,350,028	101,488,032	101,488,032	88,754,344	45,637,498	15,145,874	21,285,781	20,039,202	1,984,250	13,183,182			
	84,189,988	23,880,921	2029	763,326,774	0	20,604,171	109,624,223	107,442,512	107,324,234	106,541,434	106,541,434	91,882,061	47,842,512	15,902,858	22,318,549	21,041,182	2,083,462	13,842,341			
	82,044,033	23,477,414	2030	795,829,146	0	21,582,541	114,804,171	112,518,812	112,390,014	111,600,014	111,600,014	97,851,884	50,315,342	16,688,106	23,434,476	22,083,220	2,187,636	14,534,459			
	80,669,049	23,477,414	2031	828,829,146	0	22,604,171	120,148,171	117,784,133	117,655,491	116,810,884	116,810,884	104,869,339	52,831,108	17,533,011	24,808,200	23,197,881	2,297,017	15,261,181			
	80,430,487	20,535,754	2032	862,329,146	0	23,688,812	125,658,115	123,218,410	123,089,014	122,232,570	122,232,570	112,907,488	54,869,255	18,488,130	26,348,183	24,032,332	2,418,157	16,045,837			
	35,115,903	10,559,488	2033	896,329,146	0	24,823,487	131,342,512	128,803,410	128,674,014	127,717,008	127,717,008	121,018,418	56,907,465	19,488,130	27,948,183	25,132,332	2,638,157	16,857,837			
	11,462,835	3,504,368	2034	930,829,146	0	26,023,487	137,197,512	134,518,410	134,389,014	133,432,008	133,432,008	129,128,418	59,037,465	20,588,130	29,148,183	26,282,332	2,868,157	17,717,837			
	18,891,545	4,918,104	2035	965,829,146	0	27,288,115	143,222,512	140,443,410	140,314,014	139,257,008	139,257,008	135,248,418	61,247,465	21,788,130	30,448,183	27,482,332	3,118,157	18,647,837			
	16,721,008	4,636,818	2036	1,001,329,146	0	28,603,115	149,427,512	146,548,410	146,419,014	145,262,008	145,262,008	141,268,418	63,547,465	23,088,130	31,848,183	28,882,332	3,378,157	19,647,837			
	1,738,472	459,111	2037	1,037,329,146	0	30,003,115	155,802,512	152,823,410	152,694,014	151,537,008	151,537,008	147,318,418	65,947,465	24,488,130	33,348,183	30,382,332	3,648,157	20,747,837			
	12,127,768	3,060,291																			
	602,017,579	170,801,839																			
		29.1% of																			
		588,347,900																			

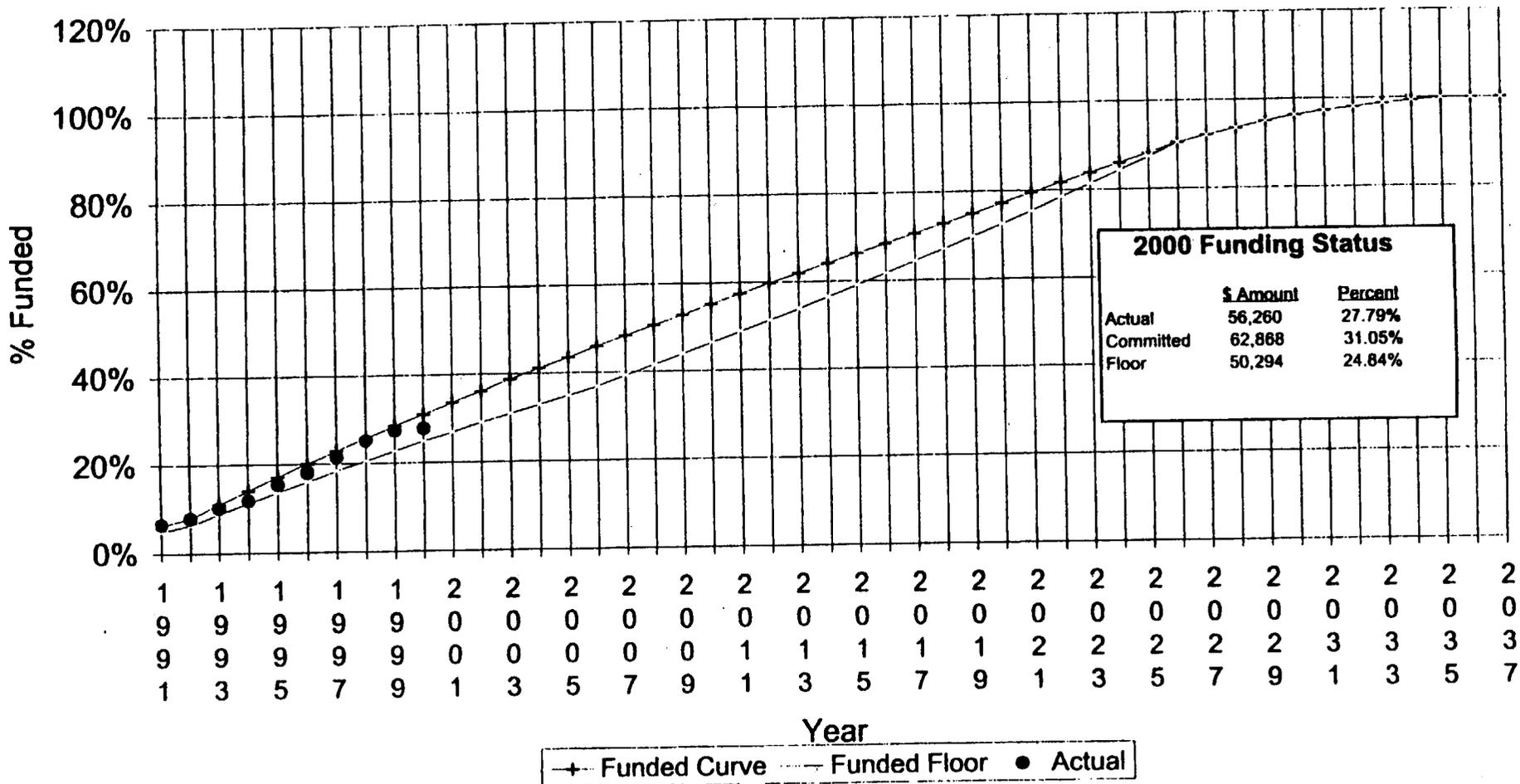
# Arizona Public Service Decommissioning Funding Plan PV Unit #2



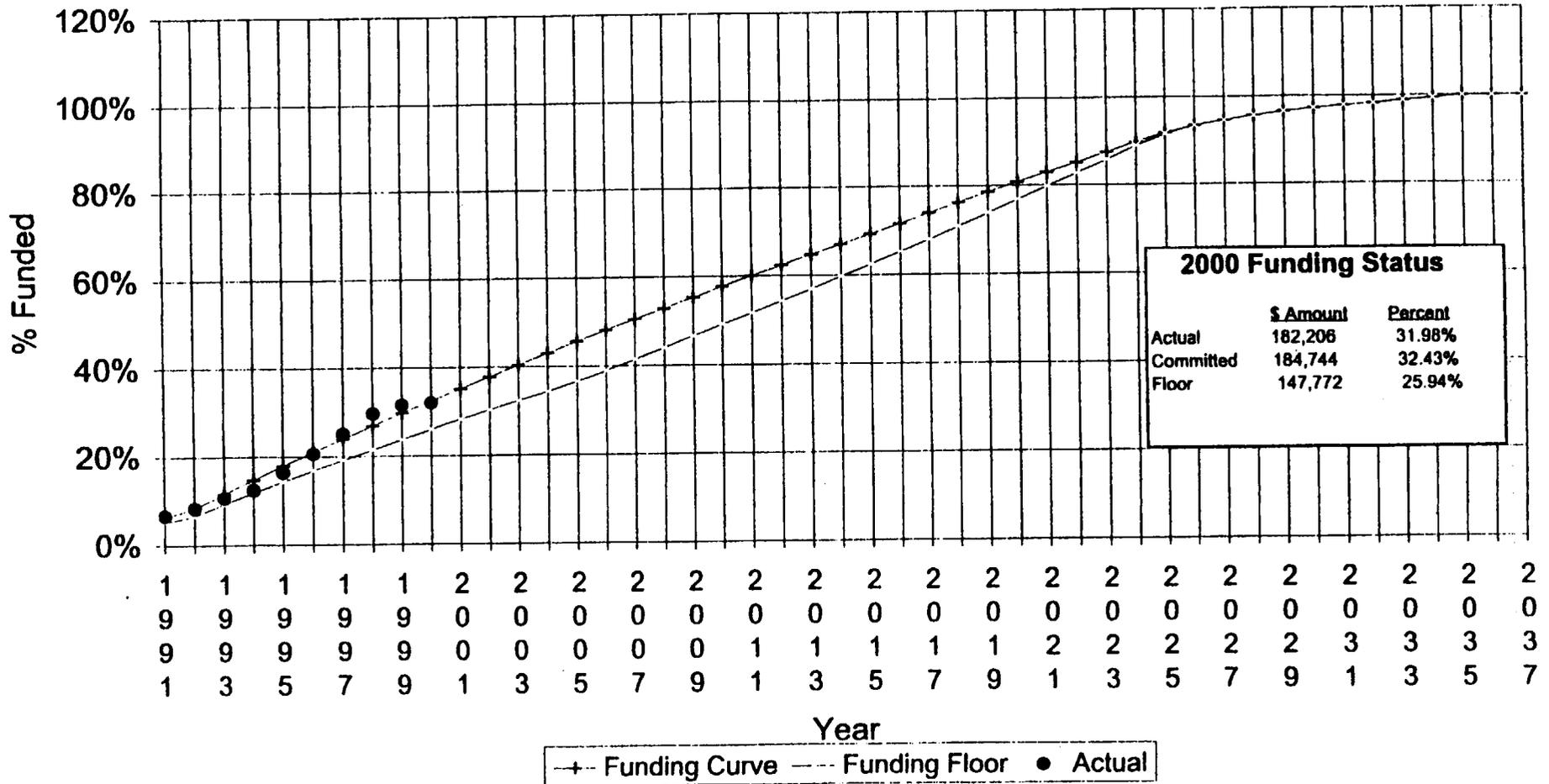
ESTIMATED ANNUAL COSTS UNIT THREE

2024			1.05															
Target \$'s	PV Dollars	Year	PV Dollars	Sum PV Liab	2	3	4	5	6	7	8	9	10	11	12	13	14	
		1998	0	183,649,227	3,236,066	3,236,066	20,869,707	23,798,096	23,276,770	23,255,003	20,303,332	20,356,156	20,416,415	13,475,395	8,724,820	459,111	3,050,291	
		1999	1	182,831,888	3,367,869	3,367,869	21,062,662	24,966,001	24,440,808	24,417,753	21,318,496	21,378,084	21,437,236	14,149,165	9,161,061	482,068	3,702,806	
		2000	2	202,473,273	3,567,762	3,567,762	22,115,827	26,237,401	26,662,630	26,636,841	22,384,423	22,444,867	22,509,087	14,856,623	9,619,114	508,170	3,362,946	
		2001	3	212,566,936	3,746,160	3,746,160	23,221,618	27,549,271	28,945,771	28,920,573	23,503,645	23,567,111	23,634,552	15,589,464	10,180,070	531,478	3,531,093	
		2002	4	223,226,783	3,933,458	3,933,458	24,382,069	28,926,735	28,293,050	28,268,802	24,878,827	24,745,468	24,816,279	16,379,427	10,605,073	558,052	3,707,648	
		2003	5	234,368,122	4,130,131	4,130,131	25,801,834	30,373,072	29,707,712	29,679,832	25,912,768	25,982,740	26,057,683	17,196,308	11,135,327	585,955	3,893,030	
		2004	6	246,107,529	4,336,637	4,336,637	26,881,926	31,801,725	31,193,088	31,163,926	27,208,407	27,281,877	27,358,948	18,056,316	11,662,084	615,252	4,067,682	
		2005	7	258,412,908	4,553,469	4,553,469	28,226,022	33,488,312	32,752,783	32,722,125	28,568,827	28,645,970	28,727,945	19,081,234	12,276,898	646,015	4,262,068	
		2006	8	271,333,550	4,781,143	4,781,143	29,837,323	35,180,627	34,380,360	34,358,231	29,997,268	30,078,269	30,164,343	19,908,296	12,890,533	678,316	4,506,669	
		2007	9	284,909,228	5,020,200	5,020,200	31,119,188	36,816,658	36,109,910	36,078,142	31,497,132	31,582,182	31,672,880	20,804,781	13,535,080	712,231	4,732,003	
		2008	10	299,145,236	5,271,210	5,271,210	32,675,148	38,784,581	37,915,405	37,879,950	33,071,968	33,161,291	33,258,188	21,949,999	14,211,613	747,843	4,968,603	
		2009	11	314,102,501	5,534,770	5,534,770	34,308,908	40,702,621	39,811,178	39,773,947	34,725,568	34,819,358	34,918,967	23,047,499	14,822,403	785,235	5,217,033	
		2010	12	329,807,626	5,811,509	5,811,509	36,024,351	42,737,962	41,801,734	41,762,844	36,481,867	36,580,324	36,684,947	24,199,674	15,468,524	824,497	5,477,885	
		2011	13	346,298,007	6,102,084	6,102,084	37,825,589	44,874,880	43,891,821	43,850,777	38,284,880	38,388,340	38,498,194	25,408,887	16,151,960	865,722	5,751,779	
		2012	14	363,612,908	6,407,188	6,407,188	39,716,847	47,118,603	46,088,412	46,043,315	40,199,208	40,307,757	40,423,104	26,880,361	17,274,547	908,008	6,039,388	
		2013	15	381,783,553	6,727,548	6,727,548	41,702,880	49,474,533	48,380,733	48,345,481	42,208,188	42,323,146	42,444,258	28,514,379	18,136,275	954,458	6,341,336	
		2014	16	400,883,231	7,063,825	7,063,825	43,787,824	51,948,280	50,810,270	50,762,785	44,218,827	44,338,302	44,466,472	29,415,088	19,045,188	1,002,181	6,658,403	
		2015	17	420,927,392	7,417,121	7,417,121	45,977,215	54,545,673	53,350,783	53,300,883	46,535,608	46,661,267	46,794,798	30,888,853	19,987,448	1,052,290	6,991,323	
		2016	18	441,973,782	7,787,877	7,787,877	48,276,076	57,272,957	56,018,322	56,065,938	48,884,331	49,134,536	49,288,145	32,430,145	20,967,320	1,104,806	7,340,889	
		2017	19	464,072,450	8,177,378	8,177,378	50,886,880	60,136,604	58,819,238	58,764,235	51,305,509	51,444,047	51,581,283	34,051,653	22,047,188	1,160,150	7,707,934	
		2018	20	487,278,073	8,586,245	8,586,245	53,224,374	63,143,435	61,780,200	61,702,448	53,870,784	54,016,249	54,170,628	35,754,236	23,148,545	1,218,157	8,083,330	
		2019	21	511,639,878	9,016,557	9,016,557	55,885,982	66,300,806	64,848,210	64,767,589	56,584,323	56,717,082	56,879,367	37,541,947	24,307,023	1,279,065	8,497,997	
		2020	22	537,221,870	9,466,335	9,466,335	58,879,872	69,615,637	68,080,821	68,026,947	58,382,538	58,552,915	58,723,335	39,419,044	25,522,374	1,343,018	8,922,897	
		2021	23	564,082,863	9,939,852	9,939,852	61,813,886	73,086,418	71,485,152	71,428,294	62,382,186	62,530,981	62,709,502	41,389,988	26,798,493	1,410,169	9,389,042	
		2022	24	592,287,112	10,436,835	10,436,835	64,994,559	76,751,239	75,089,908	74,999,709	65,480,275	65,657,089	65,844,977	43,489,498	28,136,417	1,480,678	9,837,494	
		2023	25	621,901,467	10,968,488	10,968,488	67,829,297	80,588,801	78,823,405	78,749,885	68,754,298	68,938,943	69,137,228	45,832,471	29,545,338	1,554,712	10,329,368	
		2024	26	652,988,541	11,508,390	11,508,390	71,325,751	84,618,241	82,784,575	82,687,179	72,182,003	72,386,940	72,594,087	47,914,095	31,022,805	1,632,447	10,845,837	
		2025	27	12,081,709	685,846,368	12,081,709	74,862,039	88,849,153	86,902,804	86,821,338	75,801,803	76,008,287	76,223,792	50,309,799	32,573,735	1,714,070	11,388,129	
		2026	28	12,885,795	707,242,801	12,885,795	78,638,641	93,291,811	91,247,944	91,162,815	78,581,883	78,806,802	80,034,881	52,825,289	34,262,422	1,799,773	11,957,535	
		2027	29	82,588,473	729,284,952	82,588,473	82,568,473	97,956,192	95,810,341	95,720,746	83,571,267	83,798,932	84,036,730	55,468,854	35,912,543	1,889,762	12,555,412	
		2028	30	102,854,001	679,052,303	102,854,001	102,854,001	100,000,858	100,000,858	100,000,858	97,749,830	97,988,778	98,238,867	58,238,867	37,708,170	1,984,250	13,183,182	
		2029	31	105,839,891	605,008,216	105,839,891	105,839,891	105,839,891	105,839,891	105,839,891	105,532,122	105,532,122	105,532,122	61,161,876	39,593,579	2,083,482	13,842,341	
		2030	32	110,808,729	524,348,181	110,808,729	110,808,729	110,808,729	110,808,729	110,808,729	110,808,729	110,808,729	110,808,729	64,208,469	41,573,258	2,187,638	14,534,459	
		2031	33	101,581,388	434,214,325	101,581,388	101,581,388	101,581,388	101,581,388	101,581,388	101,581,388	101,581,388	101,581,388	67,419,943	43,651,920	2,297,017	15,261,181	
		2032	34	108,948,479	349,264,574	108,948,479	108,948,479	108,948,479	108,948,479	108,948,479	108,948,479	108,948,479	108,948,479	70,780,940	45,834,516	2,411,868	16,024,241	
		2033	35	112,617,256	254,431,800	112,617,256	112,617,256	112,617,256	112,617,256	112,617,256	112,617,256	112,617,256	112,617,256	74,330,487	48,126,242	2,532,482	16,825,453	
		2034	36	78,047,011	148,906,376	78,047,011	78,047,011	78,047,011	78,047,011	78,047,011	78,047,011	78,047,011	78,047,011	78,047,011	50,532,554	2,659,085	17,666,725	
		2035	37	53,058,182	74,401,283	53,058,182	53,058,182	53,058,182	53,058,182	53,058,182	53,058,182	53,058,182	53,058,182	53,058,182	53,058,182	2,792,039	18,550,061	
		2036	38	2,831,841	22,408,205	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	2,831,841	19,477,565	
		2037	39	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	20,451,443	
				183,649,227	902,268,018	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	183,649,227	
				29.1% of	631,067,000													

## Arizona Public Service Decommissioning Funding Plan PV Unit #3



# Arizona Public Service Decommissioning Funding Plan Palo Verde Units 1, 2, & 3



2000 Funding Status		
	\$ Amount	Percent
Actual	182,206	31.98%
Committed	184,744	32.43%
Floor	147,772	25.94%

(1998 TLG Study)

# Palo Verde Nuclear Generating Station

Appendix B, Tab 2

## Units 1, 2, & 3

### SRP 2000 Annual Funding Status Report

Section 2.1.7 [Restated]

#### Summary of Assumptions

>Investment Return Assumption:	7.65%
>Inflation/Escalation Assumption:	5.92%
>1998 Cost Study, Including 25% Contingency	

**SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST**

**UNIT I**

All Participants Decom Costs in 1998\$ \$556,640  
 SRP Share in 1998\$ \$97,356  
 Plan Balance as of 12/31/98 in 1998\$ \$34,354

SRP Share 17.49%  
 Projected return on investments 7.65%  
 Projected inflation 5.92%

Years To Start of Decom (Funding Yrs Left) 24

FV of Total Decom. Charges Discounted to 2024 \$434,302

FV of 12/31/98 Plan Balance in 24 years \$136,599

FV of Balance Owed to be Funded by Contributions and Earnings \$297,703

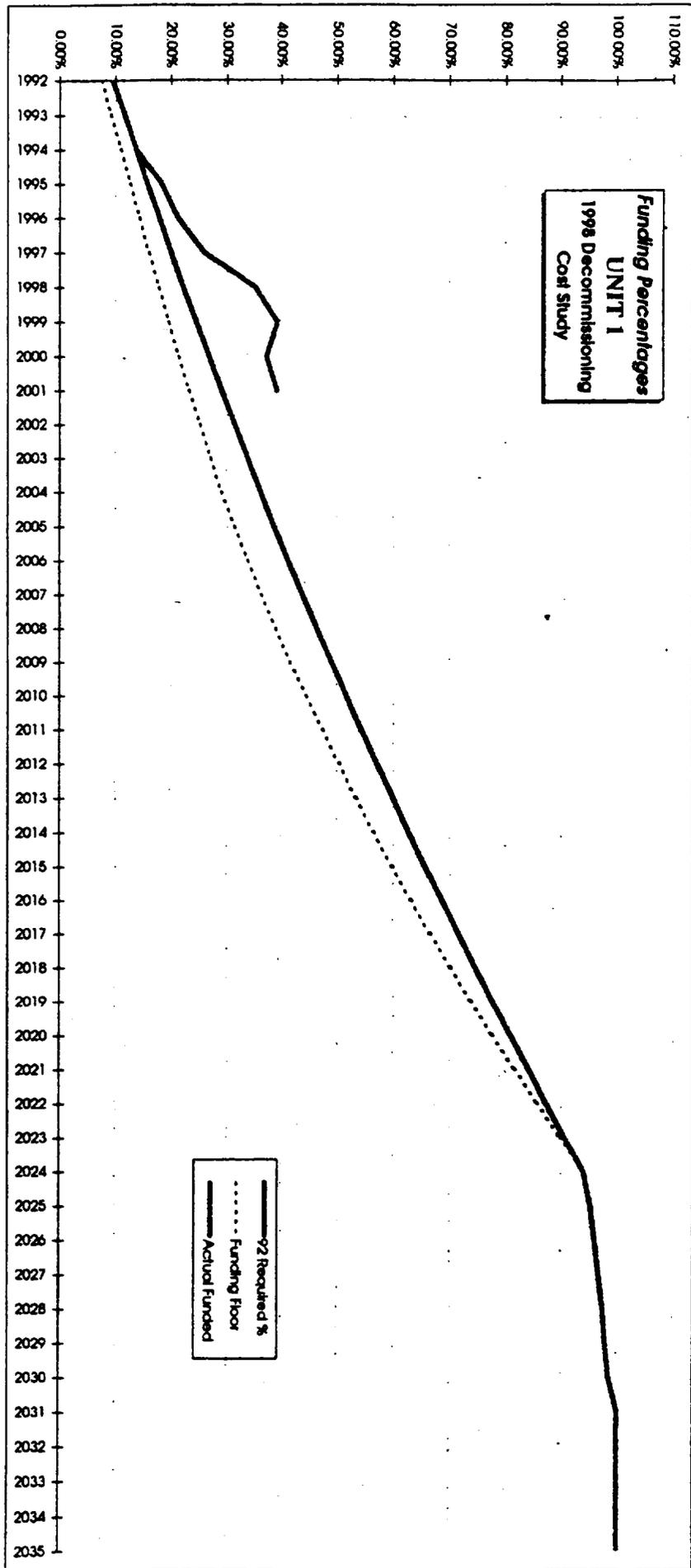
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Years Since Study	Calendar Year End 31-Dec	Current Annual Payment (Inflat Adj.)	Earnings (Inflat Adj.)	Balance Before Decom Charges	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio
	1987	721	26	747	0.00	747		
	1988	960	31	1,738	0.00	1,738		
	1989	805	135	2,678	0.00	2,678	43,630	6.14%
	1990	841	499	4,018	0.00	4,018	44,983	8.93%
	1991	1,746	280	6,044	0.00	6,044	47,646	12.68%
	1992	1,107	462	7,617	0.00	7,617	79,718	9.56%
	1993	1842	313	9,772	0.00	9,772	84,438	11.57%
	1994	2,360	69	12,201	0.00	12,201	89,436	13.64%
	1995	1,775	3,317	17,292	0.00	17,292	94,731	18.25%
	1996	1,292	2,752	21,336	0.00	21,336	100,339	21.26%
	1997	1,369	4,881	27,586	0.00	27,586	106,279	25.96%
0	1998	1,450	5,318	34,354	0.00	34,354	97,356	35.29%
1	1999	1,267	4,915	40,536	0.00	40,536	103,120	39.31%
2	2000	1,223	(1,019)	40,740	0.00	40,740	109,225	37.30%
3	2001	1,517	3,117	45,374	0.00	45,374	115,691	39.22%
4	2002	1,607	3,471	50,451	0.00	50,451	122,540	41.17%
5	2003	1,702	3,860	56,013	0.00	56,013	129,794	43.16%
6	2004	1,803	4,285	62,100	0.00	62,100	137,478	45.17%
7	2005	1,909	4,751	68,761	0.00	68,761	145,616	47.22%
8	2006	2,022	5,260	76,043	0.00	76,043	154,237	49.30%
9	2007	2,142	5,817	84,003	0.00	84,003	163,368	51.42%
10	2008	2,269	6,426	92,698	0.00	92,698	173,039	53.57%
11	2009	2,403	7,091	102,192	0.00	102,192	183,283	55.76%
12	2010	2,546	7,818	112,556	0.00	112,556	194,133	57.98%
13	2011	2,696	8,610	123,862	0.00	123,862	205,626	60.24%
14	2012	2,856	9,475	136,194	0.00	136,194	217,799	62.53%
15	2013	3,025	10,419	149,637	0.00	149,637	230,693	64.86%
16	2014	3,204	11,447	164,288	0.00	164,288	244,350	67.23%
17	2015	3,394	12,568	180,250	0.00	180,250	258,815	69.64%
18	2016	3,595	13,789	197,634	0.00	197,634	274,137	72.09%
19	2017	3,807	15,119	216,560	0.00	216,560	290,366	74.58%
20	2018	4,033	16,567	237,160	0.00	237,160	307,556	77.11%
21	2019	4,271	18,143	259,574	0.00	259,574	325,763	79.68%
22	2020	4,524	19,857	283,956	0.00	283,956	345,048	82.29%
23	2021	4,792	21,723	310,471	0.00	310,471	365,475	84.95%
24	2022	5,076	23,751	339,298	0.00	339,298	387,111	87.65%
25	2023	5,376	25,956	370,630	0.00	370,630	410,028	90.39%
26	2024	5,695	28,353	404,678	91	404,587	434,211	93.18%
27	2025	0.00	30,951	435,538	49,041	386,497	410,876	94.07%
28	2026	0.00	29,567	416,064	66,517	349,548	368,683	94.81%
29	2027	0.00	26,740	376,288	80,829	295,459	309,680	95.41%
30	2028	0.00	22,603	318,062	82,014	236,048	245,999	95.95%
31	2029	0.00	18,058	254,106	85,178	168,928	175,384	96.32%
32	2030	0.00	12,923	181,851	90,221	91,630	95,546	95.90%
33	2031	0.00	7,010	98,640	45,173	53,467	56,030	95.43%
34	2032	0.00	4,090	57,557	11,093	46,464	48,254	96.29%
35	2033	0.00	3,554	50,018	12,567	37,451	38,543	97.17%
36	2034	0.00	2,865	40,317	20,048	20,269	20,777	97.55%
37	2035	0.00	1,551	21,819	22,002	0.00	0.00	100.00%
		95,022	469,565	564,586	564,774	0.00	0.00	

### FUNDING FLOOR ANALYSIS FOR UNIT 1 (\$000's)

Year	ESTIMATED FUNDING			FUNDING FLOOR CURVE			ACTUAL		
	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage	Minimum \$ AMI	Percentage	\$ AMI	Floor Satisfied?
1991	6,071	47,646	12.74%	80.00%	10.19%	4,857	12.68%	6,044	YES
1992	7,617	79,718	9.56%	80.00%	7.64%	6,090	9.56%	7,617	YES
1993	9,772	84,438	11.57%	80.00%	9.26%	7,822	11.58%	9,772	YES
1994	12,201	89,436	13.64%	80.00%	10.91%	9,761	13.64%	12,201	YES
1995	14,909	94,731	15.74%	80.00%	12.59%	11,927	18.25%	17,292	YES
1996	21,336	100,339	21.26%	80.00%	14.30%	14,344	21.26%	21,336	YES
1997	27,586	106,279	25.96%	80.00%	16.03%	17,034	25.96%	27,586	YES
1998	34,354	97,356	35.29%	80.00%	17.79%	17,318	35.29%	34,354	YES
1999	40,536	103,120	39.31%	80.00%	19.56%	20,188	39.31%	40,536	YES
2000	40,740	109,225	37.30%	80.00%	21.40%	23,370	37.30%	40,740	YES
2001	45,374	115,691	39.22%	80.00%	23.24%	26,891	39.22%	45,374	YES
2002	50,451	122,540	41.17%	80.00%	25.12%	30,785			
2003	56,013	129,794	43.16%	80.00%	27.03%	35,085			
2004	62,100	137,478	45.17%	80.00%	28.97%	39,830			
2005	68,761	145,616	47.22%	81.00%	31.33%	45,623			
2006	76,043	154,237	49.30%	82.00%	33.77%	52,089			
2007	84,003	163,368	51.42%	83.00%	36.30%	59,298			
2008	92,698	173,039	53.57%	84.00%	38.91%	67,326			
2009	102,192	183,283	55.76%	85.00%	41.61%	76,258			
2010	112,556	194,133	57.98%	86.00%	44.40%	86,186			
2011	123,862	205,626	60.24%	87.00%	47.27%	97,209			
2012	136,194	217,799	62.53%	88.00%	50.25%	109,439			
2013	149,637	230,693	64.86%	89.00%	53.32%	122,997			
2014	164,288	244,350	67.23%	90.00%	56.48%	138,014			
2015	180,250	258,815	69.64%	91.00%	59.75%	154,635			
2016	197,634	274,137	72.09%	92.00%	63.11%	173,019			
2017	216,560	290,366	74.58%	93.00%	66.58%	193,339			
2018	237,160	307,556	77.11%	94.00%	70.16%	215,784			
2019	259,574	325,763	79.68%	95.00%	73.85%	240,561			
2020	283,956	345,048	82.29%	96.00%	77.64%	267,895			
2021	310,471	365,475	84.95%	97.00%	81.55%	298,035			
2022	339,298	387,111	87.65%	98.00%	85.57%	331,250			
2023	370,630	410,028	90.60%	99.00%	89.69%	367,743			
2024	404,587	434,211	93.95%	100.00%	93.93%	407,864			
2025	386,497	410,876	95.20%	100.00%	95.17%	391,039			
2026	349,548	368,683	95.93%	100.00%	95.91%	353,604			
2027	295,459	309,680	96.67%	100.00%	96.64%	299,270			
2028	236,048	245,999	97.35%	100.00%	97.33%	239,430			
2029	168,928	175,384	97.86%	100.00%	97.85%	171,613			
2030	91,630	95,546	98.39%	100.00%	98.38%	93,998			
2031	53,467	54,030	100.00%	100.00%	100.00%	54,030			
2032	46,464	48,254	100.00%	100.00%	100.00%	48,254			
2033	37,451	38,543	100.00%	100.00%	100.00%	38,543			
2034	20,269	20,777	100.00%	100.00%	100.00%	20,777			
2035	0.00	0.00	100.00%	100.00%	100.00%	0.00			



SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST

**UNIT 2**

All Participants Decom Costs in 1998\$ 556,008.5  
SRP Share in 1998\$ 5102,492.9  
Plan Balance as of 12/31/98 in 1998\$ 532,398.0

SRP Share 17.49%  
Projected return on investments 7.65%  
Projected inflation 5.92%  
Years To Start of Decom (Funding Yrs Left) 25

FV of Total Decom. Charges Discounted to 2025 \$484,282.7  
FV of 12/31/98 Plan Balance in 25 years \$136,448.1  
FV of Balance Owed to be Funded by Contributions and Earnings \$347,834.6

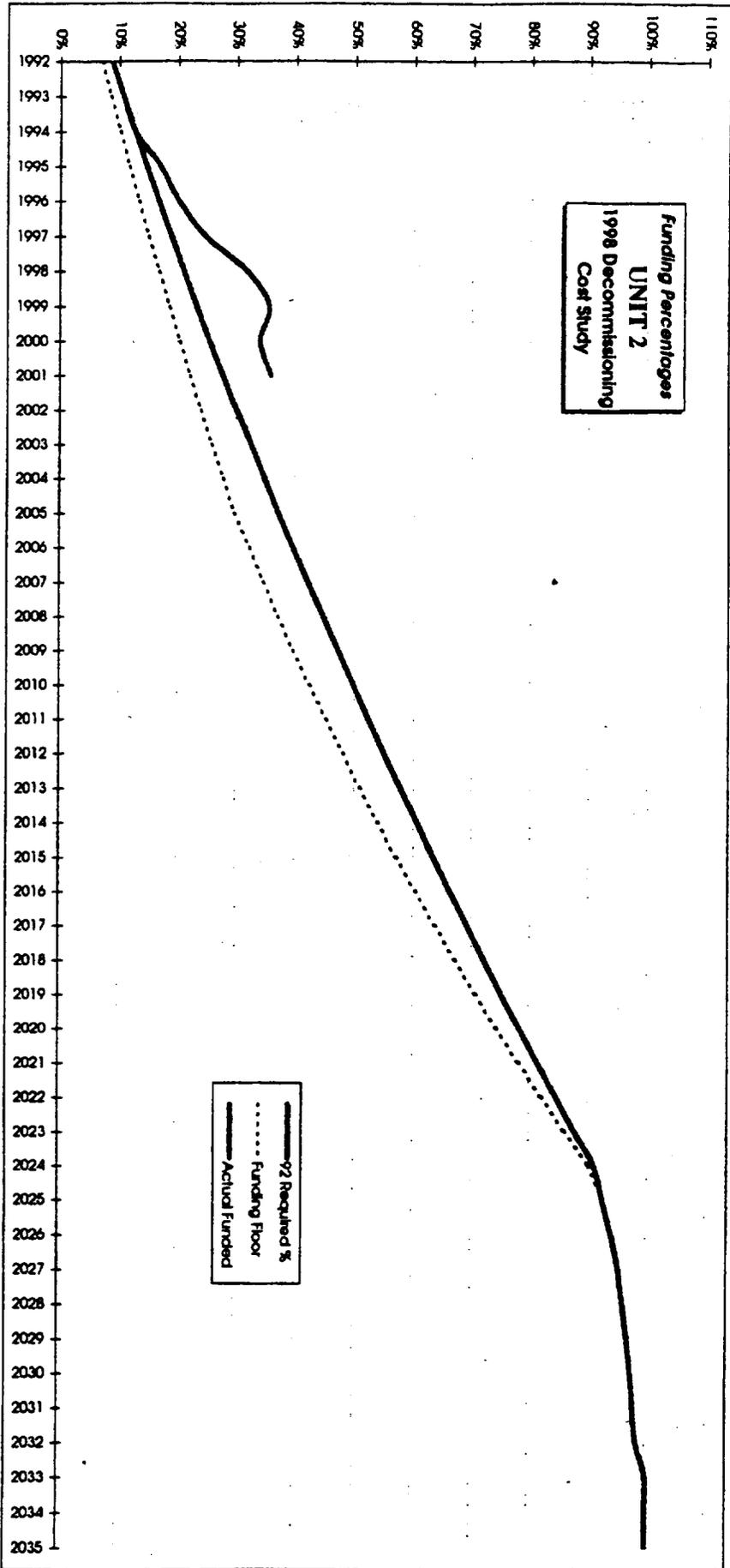
ACTUAL

FORECAST

Years Since Study	Calendar Year End 31-Dec	Current Annual Payment (Inflat Adj.)	Earnings (Inflat Adj.)	Balance Before Decom Charges	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio
	1988	960	0.00	960	0.00	960		
	1989	805	74	1,839	0.00	1,839	43,256	4.25%
	1990	841	343	3,023	0.00	3,023	44,597	6.78%
	1991	1,909	218	5,150	0.00	5,150	47,237	10.90%
	1992	1,292	394	6,839	0.00	6,839	78,467	8.72%
	1993	1,761	281	8,881	0.00	8,881	83,112	10.69%
	1994	2,241	63	11,185	0.00	11,185	88,032	12.71%
	1995	1,714	3,042	15,940	0.00	15,940	93,244	17.10%
	1996	1,379	2,537	19,856	0.00	19,856	98,764	20.10%
	1997	1,460	4,545	25,860	0.00	25,860	104,611	24.72%
0	1998	1,546	4,991	32,398	0.00	32,398	102,493	31.61%
1	1999	1,452	4,635	38,485	0.00	38,485	108,560	35.45%
2	2000	1,430	(966)	38,949	0.00	38,949	114,987	33.87%
3	2001	1,717	2,980	43,646	0.00	43,646	121,794	35.84%
4	2002	1,819	3,339	48,804	0.00	48,804	129,005	37.83%
5	2003	1,927	3,733	54,464	0.00	54,464	136,642	39.86%
6	2004	2,041	4,166	60,671	0.00	60,671	144,731	41.92%
7	2005	2,161	4,641	67,473	0.00	67,473	153,299	44.01%
8	2006	2,289	5,162	74,924	0.00	74,924	162,374	46.14%
9	2007	2,425	5,732	83,081	0.00	83,081	171,987	48.31%
10	2008	2,568	6,356	92,005	0.00	92,005	182,169	50.51%
11	2009	2,720	7,038	101,764	0.00	101,764	192,963	52.74%
12	2010	2,882	7,785	112,431	0.00	112,431	204,376	55.01%
13	2011	3,052	8,601	124,084	0.00	124,084	216,475	57.32%
14	2012	3,233	9,492	136,809	0.00	136,809	229,290	59.67%
15	2013	3,424	10,466	150,699	0.00	150,699	242,864	62.05%
16	2014	3,627	11,528	165,855	0.00	165,855	257,242	64.47%
17	2015	3,842	12,688	182,384	0.00	182,384	272,470	66.94%
18	2016	4,069	13,952	200,405	0.00	200,405	288,601	69.44%
19	2017	4,310	15,331	220,046	0.00	220,046	305,686	71.98%
20	2018	4,565	16,834	241,445	0.00	241,445	323,782	74.57%
21	2019	4,835	18,471	264,751	0.00	264,751	342,950	77.20%
22	2020	5,122	20,253	290,126	0.00	290,126	363,253	79.87%
23	2021	5,425	22,195	317,745	0.00	317,745	384,758	82.58%
24	2022	5,746	24,308	347,799	0.00	347,799	407,535	85.34%
25	2023	6,086	26,607	380,492	0.00	380,492	431,661	88.15%
26	2024	6,446	29,108	416,046	0.00	416,046	457,216	91.00%
27	2025	6,828	31,827	454,701	17,546	437,155	466,737	93.66%
28	2026	0.00	33,442	470,598	77,704	392,894	416,664	94.30%
29	2027	0.00	30,056	422,950	75,567	347,383	365,763	94.97%
30	2028	0.00	26,575	373,958	79,950	294,008	307,467	95.62%
31	2029	0.00	22,492	316,500	83,920	232,580	241,749	96.21%
32	2030	0.00	17,792	250,373	88,888	161,485	167,173	96.60%
33	2031	0.00	12,354	173,838	82,353	91,485	94,716	96.59%
34	2032	0.00	6,999	98,484	44,853	53,631	55,470	96.68%
35	2033	0.00	4,103	57,734	15,766	41,967	42,988	97.63%
36	2034	0.00	3,210	45,178	23,437	21,741	22,096	98.39%
37	2035	0.00	1,663	23,404	23,404	(0.00)	0.00	100.00%
		<u>111,949</u>	<u>501,435</u>	<u>613,385</u>	<u>613,384</u>	<u>(0.00)</u>	<u>0.00</u>	

## FUNDING FLOOR ANALYSIS FOR UNIT 2 (\$000's)

Year	ESTIMATED FUNDING			FUNDING FLOOR CURVE			ACTUAL		
	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage	Minimum \$ AMI	Percentage	\$ AMI	Floor Satisfied?
1991	5,163	47,646	10.93%	80.00%	8.74%	4,166	10.81%	5,150	YES
1992	6,836	78,467	8.71%	80.00%	6.97%	5,469	8.72%	6,839	YES
1993	8,887	83,112	10.69%	80.00%	8.55%	7,109	10.69%	8,881	YES
1994	11,185	88,032	12.71%	80.00%	10.16%	8,948	12.71%	11,185	YES
1995	13,755	93,244	14.75%	80.00%	11.80%	11,004	17.10%	15,940	YES
1996	19,856	98,764	20.10%	80.00%	13.46%	13,298	20.10%	19,856	YES
1997	25,860	104,611	24.72%	80.00%	15.15%	15,853	24.72%	25,860	YES
1998	32,398	102,493	31.61%	80.00%	16.87%	17,294	31.61%	32,398	YES
1999	38,485	108,560	35.45%	80.00%	18.62%	20,213	35.45%	38,485	YES
2000	38,949	114,987	33.87%	80.00%	20.39%	23,450	33.87%	38,949	YES
2001	43,646	121,794	35.84%	80.00%	22.20%	27,035	35.84%	43,646	YES
2002	48,804	129,005	37.83%	80.00%	24.03%	31,001			
2003	54,464	136,642	39.86%	80.00%	25.89%	35,382			
2004	60,671	144,731	41.92%	80.00%	27.79%	40,217			
2005	67,473	153,299	44.01%	80.00%	29.71%	45,548			
2006	74,924	162,374	46.14%	81.00%	32.06%	52,063			
2007	83,081	171,987	48.31%	82.00%	34.50%	59,330			
2008	92,005	182,169	50.51%	83.00%	37.01%	67,427			
2009	101,764	192,953	52.74%	84.00%	39.62%	76,439			
2010	112,431	204,376	55.01%	85.00%	42.30%	86,460			
2011	124,084	216,475	57.32%	86.00%	45.08%	97,591			
2012	136,809	229,290	59.67%	87.00%	47.95%	109,945			
2013	150,699	242,864	62.05%	88.00%	50.91%	123,645			
2014	165,855	257,242	64.47%	89.00%	53.97%	138,825			
2015	182,384	272,470	66.94%	90.00%	57.12%	155,632			
2016	200,405	288,601	69.44%	91.00%	60.37%	174,227			
2017	220,046	305,686	71.98%	92.00%	63.72%	194,786			
2018	241,445	323,782	74.57%	93.00%	67.18%	217,502			
2019	264,751	342,950	77.20%	94.00%	70.73%	242,585			
2020	290,126	363,253	79.87%	95.00%	74.40%	270,264			
2021	317,745	384,758	82.58%	96.00%	78.18%	300,792			
2022	347,799	407,535	85.34%	97.00%	82.06%	334,442			
2023	380,492	431,661	88.15%	98.00%	86.07%	371,515			
2024	416,046	457,216	91.09%	99.00%	90.16%	412,209			
2025	437,155	466,737	93.66%	100.00%	92.55%	431,970			
2026	392,894	416,664	94.30%	100.00%	94.02%	391,744			
2027	347,383	365,763	95.26%	100.00%	95.24%	348,356			
2028	294,008	307,467	96.02%	100.00%	96.00%	295,167			
2029	232,580	241,749	96.75%	100.00%	96.72%	233,830			
2030	161,485	167,173	97.45%	100.00%	97.40%	162,832			
2031	91,485	94,716	100.00%	100.00%	97.86%	92,686			
2032	53,631	55,470	100.00%	100.00%	98.40%	54,580			
2033	41,967	42,988	100.00%	100.00%	100.00%	42,988			
2034	21,741	22,096	100.00%	100.00%	100.00%	22,096			
2035	(0.00)	0.00	100.00%	100.00%	100.00%	0.00			



**SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST**

**UNIT 3**

All Participants Decom Costs in 1998\$ 5632,975.6  
 SRP Share in 1998\$ 1110,707.4  
 Plan Balance as of 12/31/98 in 1998\$ 534,380.0

SRP Share 17.49%  
 Projected return on investments 7.65%  
 Projected Inflation 5.92%  
 Years To Start of Decom (Funding Yrs Left) 27

FV of Total Decom. Charges Discounted to 2027 \$586,864.7

FV of 12/31/98 Plan Balance in 27 years \$162,446.8

FV of Balance Owed to be Funded by Contributions and Earnings \$424,417.9

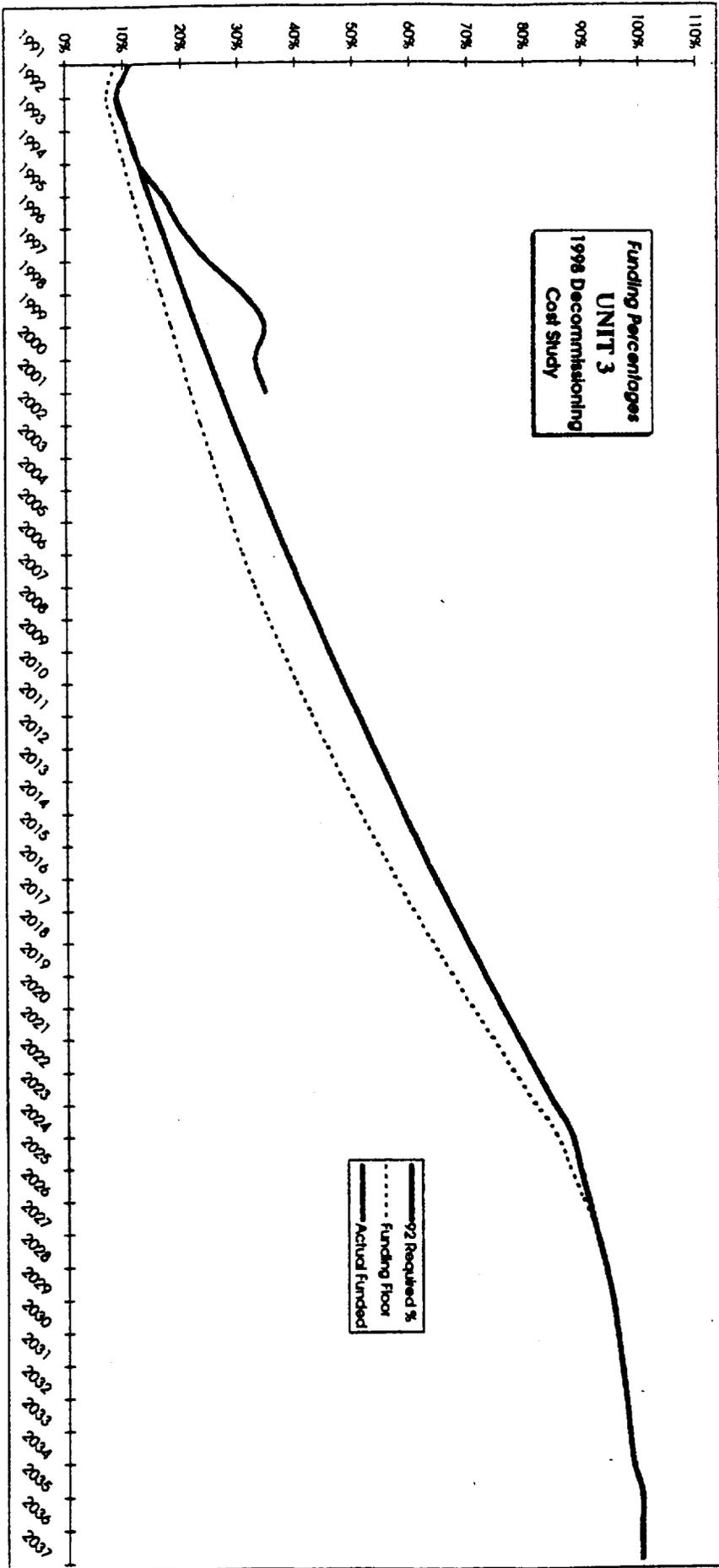
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Years Since Study	Calendar Year End 31-Dec	Current Annual Payment (Inflat Adj.)	Earnings (Inflat Adj.)	Balance Before Decom Charges	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio
	1988	960	0.00	960	0.00	960		
	1989	805	74	1,839	0.00	1,839	45,998	4.00%
	1990	841	343	3,023	0.00	3,023	47,424	6.37%
	1991	2,154	218	5,395	0.00	5,395	50,232	10.74%
	1992	1,590	413	7,401	0.00	7,401	82,736	8.95%
	1993	1,787	304	9,493	0.00	9,493	87,634	10.83%
	1994	2,290	67	11,849	0.00	11,849	92,822	12.77%
	1995	1,721	3,221	16,791	0.00	16,791	98,317	17.08%
	1996	1,517	2,672	20,980	0.00	20,980	104,138	20.15%
	1997	1,606	4,802	27,388	0.00	27,388	110,303	24.83%
0	1998	1,702	5,289	34,380	0.00	34,380	110,707	31.05%
1	1999	1,416	4,918	40,714	0.00	40,714	117,261	34.72%
2	2000	1,391	(1,022)	41,083	0.00	41,083	124,203	33.08%
3	2001	1,675	3,143	45,901	0.00	45,901	131,556	34.89%
4	2002	1,774	3,511	51,187	0.00	51,187	139,344	36.73%
5	2003	1,879	3,916	56,982	0.00	56,982	147,593	38.61%
6	2004	1,991	4,359	63,331	0.00	63,331	156,331	40.51%
7	2005	2,108	4,845	70,284	0.00	70,284	165,586	42.45%
8	2006	2,233	5,377	77,894	0.00	77,894	175,388	44.41%
9	2007	2,365	5,959	86,219	0.00	86,219	185,771	46.41%
10	2008	2,505	6,596	95,320	0.00	95,320	196,769	48.44%
11	2009	2,654	7,292	105,265	0.00	105,265	208,418	50.51%
12	2010	2,811	8,053	116,129	0.00	116,129	220,756	52.61%
13	2011	2,977	8,884	127,990	0.00	127,990	233,825	54.74%
14	2012	3,153	9,791	140,935	0.00	140,935	247,667	56.90%
15	2013	3,340	10,782	155,056	0.00	155,056	262,329	59.11%
16	2014	3,538	11,862	170,456	0.00	170,456	277,859	61.35%
17	2015	3,747	13,040	187,243	0.00	187,243	294,308	63.62%
18	2016	3,969	14,324	205,537	0.00	205,537	311,731	65.93%
19	2017	4,204	15,724	225,464	0.00	225,464	330,186	68.28%
20	2018	4,453	17,248	247,165	0.00	247,165	349,733	70.67%
21	2019	4,717	18,908	270,790	0.00	270,790	370,437	73.10%
22	2020	4,996	20,715	296,502	0.00	296,502	392,367	75.57%
23	2021	5,292	22,682	324,476	0.00	324,476	415,595	78.07%
24	2022	5,605	24,822	354,903	0.00	354,903	440,198	80.62%
25	2023	5,937	27,150	387,990	0.00	387,990	466,258	83.21%
26	2024	6,288	29,681	423,959	0.00	423,959	493,860	85.85%
27	2025	6,660	32,433	463,052	0.00	463,052	523,097	88.52%
28	2026	7,055	35,424	505,531	0.00	505,531	554,064	91.24%
29	2027	7,472	38,673	551,676	63,912	487,764	522,953	93.27%
30	2028	0.00	37,314	525,078	80,312	444,766	473,600	93.91%
31	2029	0.00	34,025	478,791	83,203	395,589	418,434	94.54%
32	2030	0.00	30,263	425,851	88,046	337,805	355,160	95.11%
33	2031	0.00	25,842	363,647	81,421	282,226	294,764	95.75%
34	2032	0.00	21,590	303,817	86,474	217,342	225,740	96.28%
35	2033	0.00	16,627	233,969	91,856	142,114	147,248	96.51%
36	2034	0.00	10,872	152,985	64,216	88,769	91,749	96.75%
37	2035	0.00	6,791	95,560	44,039	51,520.67	53,142	96.95%
38	2036	0.00	3,941	55,462	7,364	48,098.35	48,924	98.31%
39	2037	0.00	3,680	51,778	51,820	0.00	0.00	100.00%
		<u>125,179</u>	<u>617,436</u>	<u>742,615</u>	<u>742,652</u>	<u>0.00</u>	<u>0.00</u>	

### FUNDING FLOOR ANALYSIS FOR UNIT 3 (\$000's)

Year	ESTIMATED FUNDING			FUNDING FLOOR CURVE			ACTUAL		
	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage	Minimum S.AMI	Percentage	SAMI	Floor Satisfied?
1991	5,408	47,646	10.93%	80.00%	8.74%	4,166	11.32%	5,395	YES
1992	7,398	82,736	8.94%	80.00%	7.15%	5,918	8.95%	7,401	YES
1993	9,498	87,634	10.84%	80.00%	8.67%	7,598	10.83%	9,493	YES
1994	12,498	92,822	12.77%	80.00%	10.21%	9,479	12.77%	11,849	YES
1995	14,477	98,317	14.72%	80.00%	11.78%	11,581	17.08%	16,791	YES
1996	20,980	104,138	20.15%	80.00%	13.37%	13,926	20.15%	20,980	YES
1997	27,388	110,303	24.83%	80.00%	14.99%	16,535	24.83%	27,388	YES
1998	34,380	110,707	31.05%	80.00%	16.64%	18,417	31.05%	34,380	YES
1999	40,714	117,261	34.72%	80.00%	18.31%	21,468	34.72%	40,714	YES
2000	41,083	124,203	33.08%	80.00%	20.01%	24,850	33.08%	41,083	YES
2001	45,901	131,556	34.89%	80.00%	21.73%	28,593	34.89%	45,901	YES
2002	51,187	139,344	36.73%	80.00%	23.49%	32,732			
2003	56,982	147,593	38.61%	80.00%	25.27%	37,303			
2004	63,331	156,331	40.51%	80.00%	27.09%	42,346			
2005	70,284	165,586	42.45%	80.00%	28.93%	47,904			
2006	77,894	175,388	44.41%	80.00%	30.80%	54,024			
2007	86,219	185,771	46.41%	80.00%	32.71%	60,759			
2008	95,320	196,769	48.44%	81.00%	35.07%	69,014			
2009	105,266	208,418	50.51%	82.00%	37.52%	78,202			
2010	116,129	220,756	52.61%	83.00%	40.05%	88,419			
2011	127,990	233,825	54.74%	84.00%	42.67%	99,768			
2012	140,935	247,667	56.90%	85.00%	45.37%	112,363			
2013	155,056	262,329	59.11%	86.00%	48.16%	126,331			
2014	170,456	277,859	61.35%	87.00%	51.04%	141,808			
2015	187,243	294,308	63.62%	88.00%	54.01%	158,945			
2016	205,537	311,731	65.93%	89.00%	57.07%	177,904			
2017	225,464	330,186	68.28%	90.00%	60.23%	198,868			
2018	247,165	349,733	70.67%	91.00%	63.49%	222,030			
2019	270,790	370,437	73.10%	92.00%	66.84%	247,608			
2020	296,502	392,367	75.60%	93.00%	70.30%	275,834			
2021	324,476	415,595	78.59%	94.00%	73.86%	306,967			
2022	354,903	440,198	81.62%	95.00%	77.53%	341,285			
2023	387,990	466,258	84.71%	96.00%	81.31%	379,096			
2024	423,959	493,860	87.82%	97.00%	85.18%	420,651			
2025	463,052	523,097	89.26%	98.00%	87.46%	457,499			
2026	505,531	554,064	91.24%	99.00%	89.80%	497,523			
2027	487,764	522,953	93.27%	100.00%	92.14%	481,859			
2028	444,766	473,600	93.91%	100.00%	93.60%	443,301			
2029	395,589	418,434	94.89%	100.00%	94.87%	396,978			
2030	337,805	355,160	95.76%	100.00%	95.73%	339,992			
2031	282,226	294,764	100.00%	100.00%	96.46%	284,343			
2032	217,342	225,740	100.00%	100.00%	97.18%	219,366			
2033	142,114	147,248	100.00%	100.00%	97.79%	143,994			
2034	88,769	91,749	100.00%	100.00%	98.40%	90,282			
2035	51,521	53,142	100.00%	100.00%	100.00%	53,142			
2036	48,098	48,924	100.00%	100.00%	100.00%	48,924			
2037	0.00	0.00	100.00%	100.00%	100.00%	0.00			



**SALT RIVER PROJECT  
NUCLEAR DECOMMISSIONING TRUST ('000's)**

**ALL UNITS**

Aggregate Decom Costs in 1998\$ \$1,775,625  
 SRP Share in 1998\$ \$310,557  
 Ending Balance as of 12/31/98 in 1998\$ \$101,132

SRP Share 17.49%  
 Projected return on investments 7.65%  
 Projected inflation 5.92%

FV of Total Decom. Charges Discounted to Start of Decom \$1,505,449  
 FV of 12/31/95 Fund Balance value at Start of Decom \$435,494  
 FV of Balance Owed to be Funded by Contributions and Earnings \$1,069,955

Years To Start of Decom (Funding Yrs Left)		
Unit 1	Unit 2	Unit 3
24	25	27

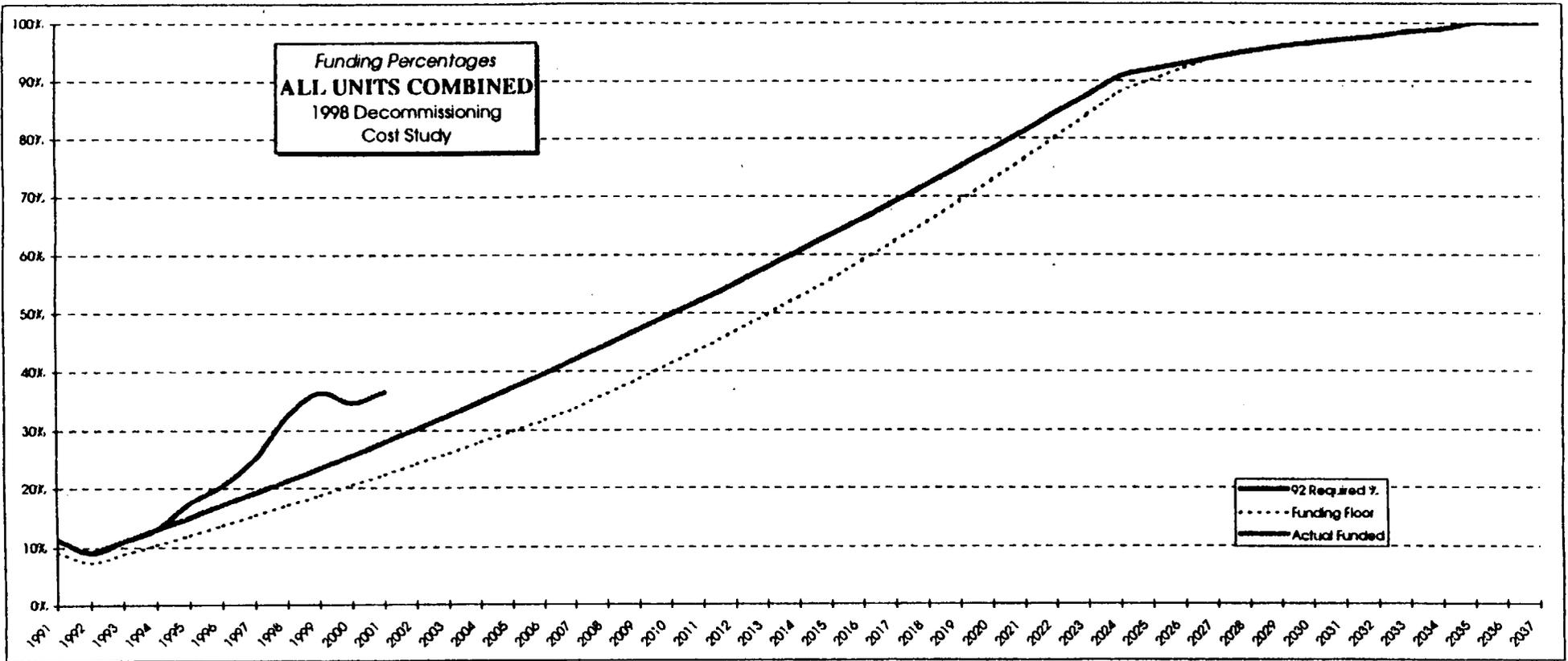
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Year(s)	Calendar Year End	Current Annual Payment (Inflat Adj.)	Earnings (Inflat Adj.)	Balance Before Decom Charges	Decom Charges (Inflat Adj.)	Ending Balance	Termination Costs (Inflat Adj.)	Funded Ratio
	1987	721	26	747	0.00	747		
	1988	2,880	31	3,658	0.00	3,658		
	1989	2,415	283	6,356	0.00	6,356	132,884	4.78%
	1990	2,523	1,185	10,064	0.00	10,064	137,004	7.35%
	1991	5,809	716	16,589	0.00	16,589	145,115	11.43%
	1992	3,989	1,269	21,857	0.00	21,857	240,921	9.07%
	1993	5,390	899	28,147	0.00	28,147	255,184	11.03%
	1994	6,890	198	35,234	0.00	35,234	270,291	13.04%
	1995	5,210	9,579	50,024	0.00	50,024	286,292	17.47%
	1996	4,188	7,961	62,172	0.00	62,172	303,241	20.50%
	1997	4,435	14,228	80,834	0.00	80,834	321,193	25.17%
0	1998	4,698	15,598	101,132	0.00	101,132	310,557	32.56%
1	1999	4,135	14,468	119,735	0.00	119,735	328,942	36.40%
2	2000	4,044	(3,007)	120,772	0.00	120,772	348,415	34.66%
3	2001	4,909	9,239	134,920	0.00	134,920	369,041	36.56%
4	2002	5,200	10,321	150,442	0.00	150,442	390,888	38.49%
5	2003	5,508	11,509	167,458	0.00	167,458	414,029	40.45%
6	2004	5,834	12,811	186,102	0.00	186,102	438,540	42.44%
7	2005	6,179	14,237	206,518	0.00	206,518	464,501	44.46%
8	2006	6,545	15,799	228,862	0.00	228,862	492,000	46.52%
9	2007	6,932	17,508	253,302	0.00	253,302	521,126	48.61%
10	2008	7,343	19,378	280,023	0.00	280,023	551,977	50.73%
11	2009	7,777	21,422	309,222	0.00	309,222	584,654	52.89%
12	2010	8,238	23,655	341,115	0.00	341,115	619,265	55.08%
13	2011	8,726	26,095	375,936	0.00	375,936	655,926	57.31%
14	2012	9,242	28,759	413,937	0.00	413,937	694,756	59.58%
15	2013	9,789	31,666	455,393	0.00	455,393	735,886	61.88%
16	2014	10,369	34,838	500,599	0.00	500,599	779,450	64.22%
17	2015	10,983	38,296	549,878	0.00	549,878	825,594	66.60%
18	2016	11,633	42,066	603,576	0.00	603,576	874,469	69.02%
19	2017	12,321	46,174	662,071	0.00	662,071	926,238	71.48%
20	2018	13,051	50,648	725,770	0.00	725,770	981,071	73.98%
21	2019	13,824	55,521	795,115	0.00	795,115	1,039,150	76.52%
22	2020	14,642	60,826	870,584	0.00	870,584	1,100,668	79.10%
23	2021	15,509	66,600	952,692	0.00	952,692	1,165,828	81.72%
24	2022	16,427	72,881	1,042,000	0.00	1,042,000	1,234,845	84.38%
25	2023	17,399	79,713	1,139,112	0.00	1,139,112	1,307,947	87.09%
26	2024	18,429	87,142	1,244,683	91	1,244,592	1,385,287	89.84%
27	2025	13,488	95,211	1,353,292	66,586	1,286,705	1,400,709	91.86%
28	2026	7,055	98,433	1,392,193	144,220	1,247,972	1,339,411	93.17%
29	2027	7,472	95,470	1,350,915	220,308	1,130,607	1,198,396	94.34%
30	2028	0.00	86,491	1,217,098	242,275	974,823	1,027,066	94.91%
31	2029	0.00	74,574	1,049,397	252,300	797,096	835,568	95.40%
32	2030	0.00	60,978	858,074	267,154	590,920	617,879	95.64%
33	2031	0.00	45,205	636,125	208,947	427,178	445,510	95.89%
34	2032	0.00	32,679	459,857	142,420	317,437	329,464	96.35%
35	2033	0.00	24,284	341,721	120,189	221,532	228,780	96.83%
36	2034	0.00	16,947	238,479	107,701	130,778	134,622	97.14%
37	2035	0.00	10,005	140,783	89,450	51,521	53,142	96.95%
38	2036	0.00	3,941	55,462	7,364	48,098	48,924	98.31%
39	2037	0.00	3,680	51,778	51,820	0.00	0.00	100.00%
		<u>332,150</u>	<u>1,588,436</u>	<u>1,920,587</u>	<u>1,920,817</u>	<u>0.00</u>	<u>0.00</u>	

## FUNDING FLOOR ANALYSIS FOR ALL UNITS (\$000's)

Year	ESTIMATED FUNDING			FUNDING FLOOR CURVE			ACTUAL		
	Ending Fund Balance	Est. Costs	% Funded	Minimum Band	Minimum Percentage	Minimum \$ AMT	Percentage	\$ AMT	Floor Satisfied?
1991	16,642	145,115	11.47%	80.00%	9.17%	13,314	11.43%	16,589	YES
1992	21,851	240,921	9.07%	80.00%	7.25%	17,478	9.07%	21,857	YES
1993	28,157	255,184	11.03%	80.00%	8.83%	22,530	11.03%	28,147	YES
1994	35,235	270,291	13.04%	80.00%	10.43%	28,188	13.04%	35,234	YES
1995	43,140	286,292	15.07%	80.00%	12.05%	34,512	17.47%	50,024	YES
1996	62,172	303,241	20.50%	80.00%	13.71%	41,567	20.50%	62,172	YES
1997	80,834	321,193	25.17%	80.00%	15.39%	49,423	25.17%	80,834	YES
1998	101,132	310,557	32.56%	80.00%	17.08%	53,029	32.56%	101,132	YES
1999	119,735	328,942	36.40%	80.00%	18.81%	61,869	36.40%	119,735	YES
2000	120,772	348,415	34.66%	80.00%	20.57%	71,670	34.66%	120,772	YES
2001	134,920	369,041	36.56%	80.00%	22.36%	82,520	36.56%	134,920	YES
2002	150,442	390,888	38.49%	80.00%	24.18%	94,518			
2003	167,458	414,029	40.45%	80.00%	26.03%	107,770			
2004	186,102	438,540	42.44%	80.00%	27.91%	122,392			
2005	206,518	464,501	44.46%	80.00%	29.82%	138,511			
2006	228,862	492,000	46.52%	80.00%	31.76%	156,263			
2007	253,302	521,126	48.61%	80.00%	33.73%	175,796			
2008	280,023	551,977	50.73%	81.00%	36.19%	199,738			
2009	309,222	584,654	52.89%	82.00%	38.72%	226,388			
2010	341,115	619,265	55.08%	83.00%	41.34%	256,023			
2011	375,936	655,926	57.31%	84.00%	44.05%	288,946			
2012	413,937	694,756	59.58%	85.00%	46.85%	325,490			
2013	455,393	735,886	61.88%	86.00%	49.74%	366,017			
2014	500,599	779,450	64.22%	87.00%	52.72%	410,927			
2015	549,878	825,594	66.60%	88.00%	55.80%	460,656			
2016	603,576	874,469	69.02%	89.00%	58.97%	515,680			
2017	662,071	926,238	71.48%	90.00%	62.24%	576,522			
2018	725,770	981,071	73.98%	91.00%	65.62%	643,752			
2019	795,115	1,039,150	76.52%	92.00%	69.09%	717,995			
2020	870,584	1,100,668	79.10%	93.00%	72.68%	799,932			
2021	952,692	1,165,828	81.72%	94.00%	76.37%	890,309			
2022	1,042,000	1,234,845	84.40%	95.00%	80.17%	989,941			
2023	1,139,112	1,307,947	87.59%	96.00%	84.07%	1,099,628			
2024	1,244,592	1,385,287	90.81%	97.00%	88.08%	1,220,160			
2025	1,286,705	1,400,709	92.11%	98.00%	90.24%	1,264,048			
2026	1,247,972	1,339,411	93.17%	99.00%	92.24%	1,235,418			
2027	1,130,607	1,198,396	94.34%	100.00%	94.25%	1,129,484			
2028	974,823	1,027,066	95.23%	100.00%	95.21%	977,898			
2029	797,096	835,568	96.05%	100.00%	96.03%	802,420			
2030	590,920	617,879	96.62%	100.00%	96.59%	596,823			
2031	427,178	445,510	97.23%	100.00%	97.21%	433,060			
2032	317,437	329,464	97.82%	100.00%	97.80%	322,200			
2033	221,532	228,780	98.59%	100.00%	98.58%	225,525			
2034	130,778	134,622	98.93%	100.00%	98.91%	133,155			
2035	51,521	53,142	100.00%	100.00%	100.00%	53,142			
2036	48,098	48,924	100.00%	100.00%	100.00%	48,924			
2037	0.00	0.00	100.00%	100.00%	100.00%	0.00			



**Units 1, 2, & 3**

**EPE 2000 Annual Funding Status Report**

Section 2.1.7 [Restated]

Summary of Model Assumptions:

Assumed Rate of Earnings	7.3310%
Assumed Rate of Cost Escalation	5.2925%
Assumed Rate of Inflation	3.9031%
Treatment of Water Reclamation Facility	Included
Contingency Factor	25.0000%

# EL PASO ELECTRIC COMPANY

## Annual Funding Status Report

For the Year Ended December 31, 2000

**2.10 Fund Liabilities at End of the Reporting Period:**

Other than accrued administrative expenses and potential taxes on unrealized gains, no liabilities exist against the Funds.

**2.11 Defaults, If any, Experienced on Investments:**

None

**2.12 Summary of Investment Ratings:**

See Exhibit 1 for current rating on each municipal bond held.

# EL PASO ELECTRIC COMPANY

Annual Funding Status Report  
For the Year Ended December 31, 2000

**3.1.1 Table For Unit 1 (In Thousands) - continued:**

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
2011	2,980.838	6,166.623	89,894.946	186,112.716	48.30%	42.02%
2012	3,317.760	6,865.187	100,077.893	195,962.705	51.07%	44.94%
2013	3,449.163	7,636.102	111,163.158	206,334.004	53.88%	47.95%
2014	3,585.771	8,475.150	123,224.079	217,254.202	56.72%	51.05%
2015	4,065.222	9,397.178	136,686.478	228,752.350	59.75%	54.38%
2016	4,226.229	10,416.018	151,328.725	240,859.036	62.83%	57.80%
2017	4,393.613	11,523.935	167,246.272	253,606.467	65.95%	61.33%
2018	5,138.776	12,743.895	185,128.943	267,028.554	69.33%	65.17%
2019	5,342.302	14,096.977	204,568.222	281,161.003	72.76%	69.12%
2020	5,553.889	15,567.572	225,689.683	296,041.410	76.24%	73.19%
2021	6,957.220	17,197.815	249,844.719	311,709.360	80.15%	77.75%
2022	7,232.768	19,025.510	276,102.996	328,206.534	84.12%	82.44%
2023	7,519.229	21,011.985	304,634.210	345,576.819	88.15%	87.27%
2024	7,817.036	23,106.171	334,709.788	362,973.935	92.21%	92.21%
2025		25,087.342	358,030.257	380,323.895	94.14%	94.14%
2026		25,233.305	360,113.346	376,077.046	95.76%	95.76%
2027		21,501.537	306,855.984	317,265.368	96.72%	96.72%
2028		17,190.449	245,330.930	251,175.083	97.67%	97.67%
2029		12,240.609	174,690.029	177,200.486	98.58%	98.58%
2030		6,587.274	94,009.301	94,692.148	99.28%	99.28%
2031		2,415.824	34,477.067	34,477.067	100.00%	100.00%

# EL PASO ELECTRIC COMPANY

Annual Funding Status Report  
For the Year Ended December 31, 2000

3.1.2 Table for Unit 2 (In Thousands) - continued:

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
2015	3,535.811	8,750.184	127,117.521	225,077.871	56.48%	50.83%
2016	3,675.850	9,679.802	140,473.173	236,990.086	59.27%	53.94%
2017	3,821.436	10,690.173	154,984.782	249,532.753	62.11%	57.14%
2018	4,392.538	11,799.390	171,176.710	262,739.239	65.15%	60.59%
2019	4,566.509	13,024.259	188,767.478	276,644.676	68.23%	64.14%
2020	4,747.370	14,354.720	207,869.568	291,286.057	71.36%	67.79%
2021	5,730.719	15,821.210	229,421.497	306,702.331	74.80%	71.81%
2022	5,957.690	17,451.419	252,830.607	322,934.509	78.29%	75.94%
2023	6,193.650	19,221.815	278,246.072	340,025.772	81.83%	80.19%
2024	8,791.549	21,208.585	308,246.207	358,021.589	86.10%	85.24%
2025	9,139.748	23,478.715	340,864.670	376,969.831	90.42%	90.42%
2026		25,671.399	366,365.540	396,741.353	92.34%	92.34%
2027		27,381.115	390,765.507	414,599.909	94.25%	94.25%
2028		27,376.844	390,704.542	407,652.600	95.84%	95.84%
2029		23,348.142	333,209.534	344,105.794	96.83%	96.83%
2030		18,467.306	263,553.410	269,530.194	97.78%	97.78%
2031		12,867.270	183,633.329	186,096.933	98.68%	98.68%
2032		6,475.243	92,410.462	93,077.319	99.28%	99.28%
2033		2,359.251	33,669.696	33,669.696	100.00%	100.00%

# EL PASO ELECTRIC COMPANY

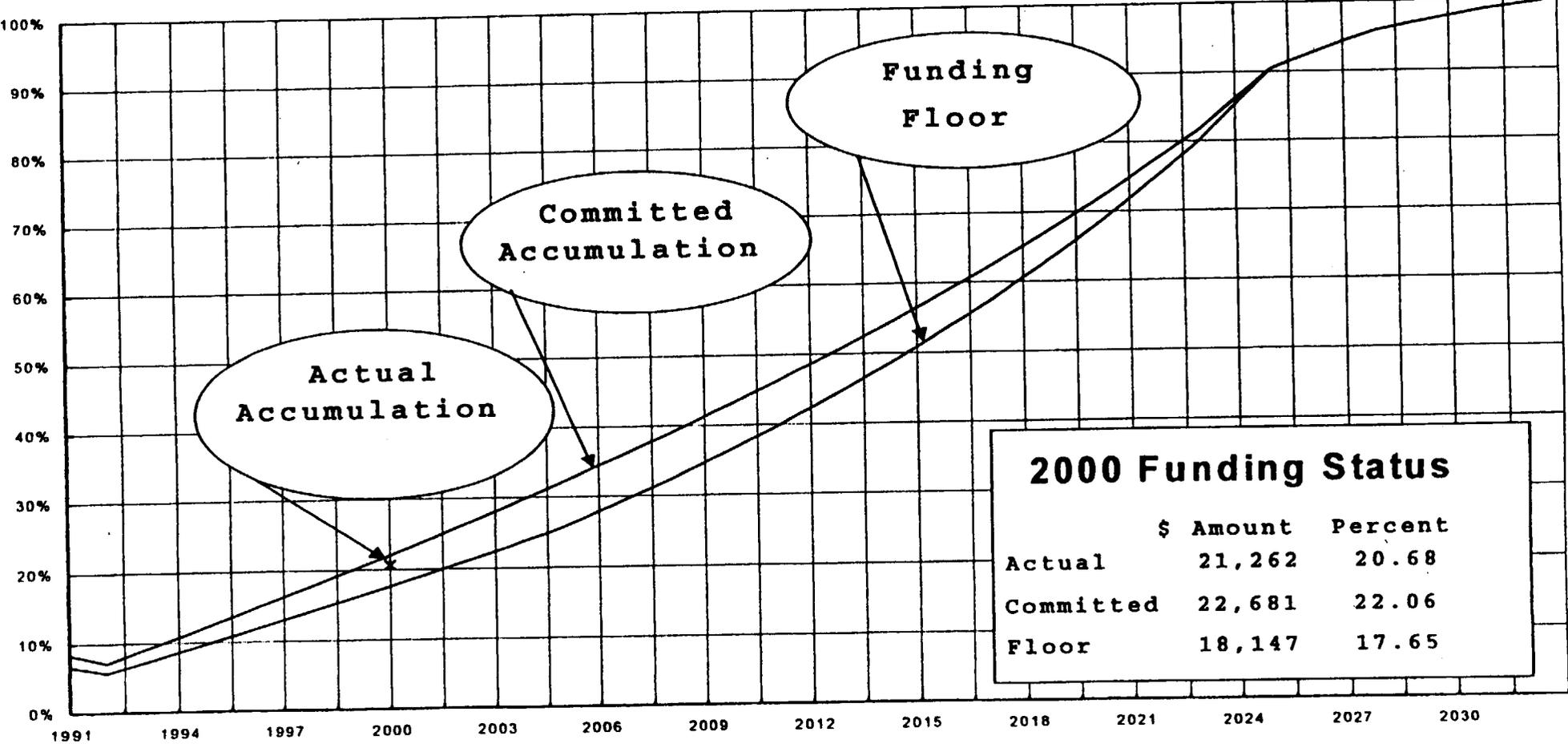
## Annual Funding Status Report For the Year Ended December 31, 2000

**3.1.3 Table for Unit 3 (In Thousands) - continued:**

Year	Estimated Deposits	Estimated Income	Estimated Accumulation	Estimated Costs	Percent Funded	Funding Floor
2015	3,814.940	8,414.484	122,503.517	237,720.247	51.53%	45.35%
2016	3,966.035	9,340.145	135,809.697	250,301.558	54.26%	48.29%
2017	4,123.113	10,347.106	150,279.916	263,548.733	57.02%	51.32%
2018	4,659.502	11,452.246	166,391.665	277,497.013	59.96%	54.57%
2019	4,844.046	12,671.365	183,907.075	292,183.503	62.94%	57.91%
2020	5,035.900	13,996.451	202,939.426	307,647.274	65.96%	61.35%
2021	5,889.479	15,454.105	224,283.010	323,929.463	69.24%	65.08%
2022	6,122.738	17,068.788	247,474.536	341,073.385	72.56%	68.93%
2023	6,365.235	18,822.970	272,662.741	359,124.646	75.92%	72.89%
2024	8,106.273	20,768.965	301,537.978	378,131.267	79.74%	77.35%
2025	8,427.330	22,953.584	332,918.891	398,143.812	83.62%	81.95%
2026	8,761.103	25,327.357	367,007.351	419,215.517	87.55%	86.67%
2027	2,243.965	27,779.761	397,031.077	441,402.440	89.95%	89.95%
2028		29,734.433	424,350.531	462,220.811	91.81%	91.81%
2029		31,725.894	452,771.373	483,203.810	93.70%	93.70%
2030		32,272.786	460,576.256	483,014.441	95.35%	95.35%
2031		28,835.010	411,514.545	426,558.518	96.47%	96.47%
2032		23,533.147	335,849.805	344,686.147	97.44%	97.44%
2033		17,436.197	248,838.081	252,952.800	98.37%	98.37%
2034		10,463.311	149,325.578	150,544.024	99.19%	99.19%
2035		4,310.701	61,519.522	61,519.522	100.00%	100.00%

**EL PASO ELECTRIC COMPANY**  
 Annual Funding Status Report  
 For the Year Ended December 31, 2000

**3.2.2 Unit 2 Curve:**



**Units 1, 2, & 3**

**SCE 2000 Annual Funding Status Report**

Section 2.1.7 [Restated]

Assumptions Used in Developing Committed Accumulations:

Cost Study:	1998 TLG study, including all Summary Table Costs (page xiii of xx) (all non-unit specific costs are allocated equally among all three units)
Contingency Factors:	1998 TLG Study
Annual Escalation Assumption:	Approximately 7.3% over the funding period.
Rate of Return Assumption:	5.25% per year (after tax)





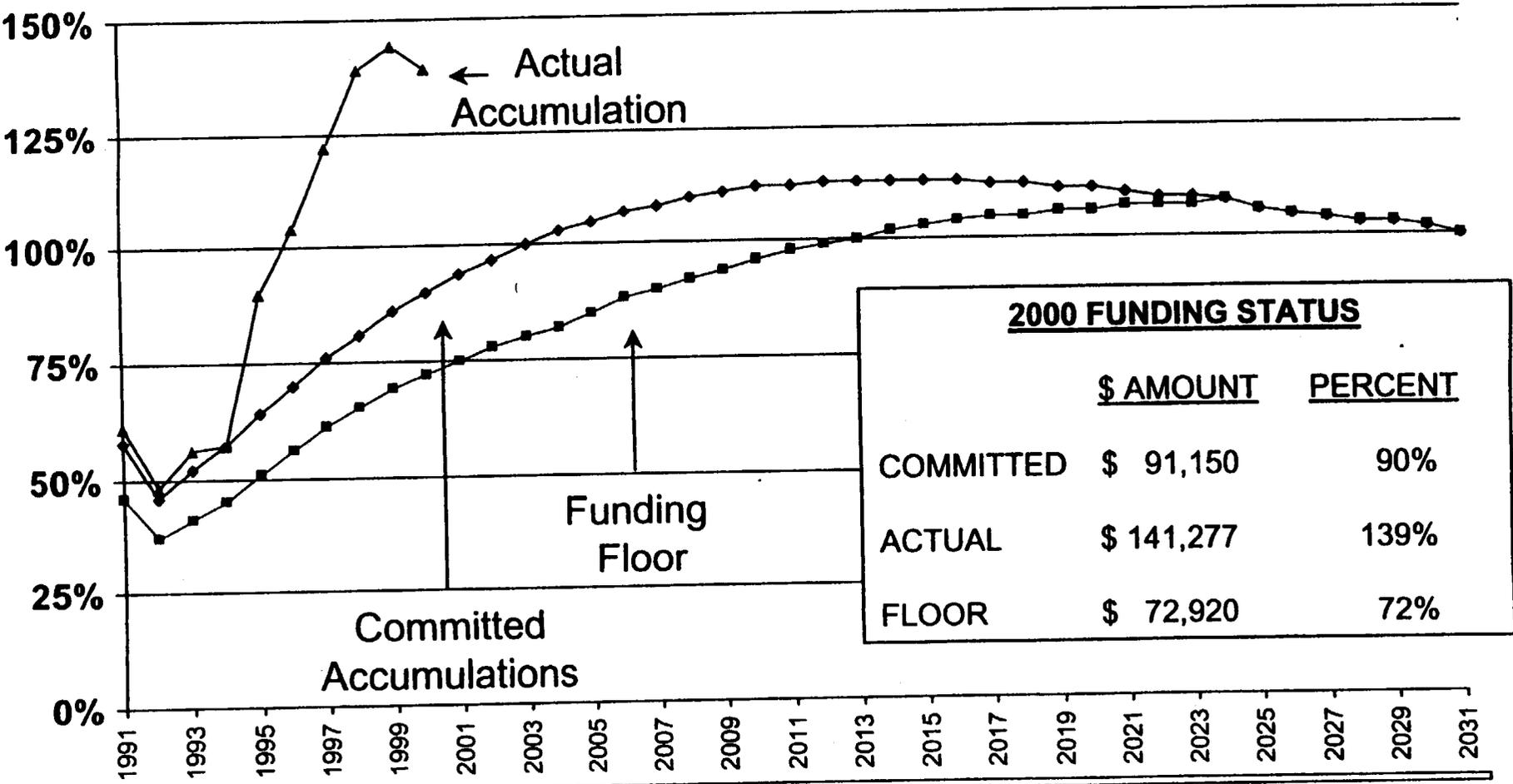
SOUTHERN CALIFORNIA EDISON COMPANY  
2000 PALO VERDE UNIT 3 FUNDING STATUS  
(\$ THOUSANDS)

YEAR	(1) FUNDING PLAN			(4) FUNDING FLOOR CURVE			(7) ACTUAL FUNDING		
	EUNDS	EST.COST	%FUNDED	CAPITAL	PERCENT	\$AMOUNT	EUNDS	EST.COST	%FUNDED
1991	26,067	48,798	53%	80%	43%	20,870	27,730	48,798	57%
1992	34,110	73,450	46%	80%	37%	27,288	35,578	73,450	48%
1993	41,582	74,905	55%	80%	44%	33,280	44,473	74,905	59%
1994	49,405	80,314	62%	80%	49%	39,524	49,825	80,314	62%
1995	59,873	84,114	69%	80%	55%	46,283	69,421	83,434	83%
1996	70,480	92,333	76%	80%	61%	54,390	85,640	89,458	96%
1997	81,854	99,000	83%	80%	66%	58,318	107,775	95,917	112%
1998	93,828	104,150	88%	80%	71%	72,401	131,789	102,842	128%
1999	106,428	113,815	94%	80%	75%	80,398	147,469	106,913	136%
2000	119,688	122,034	98%	80%	78%	89,871	153,445	114,632	134%
2001	133,646	130,847	102%	80%	82%				
2002	148,336	140,296	106%	80%	85%				
2003	163,798	150,427	109%	80%	87%				
2004	180,072	161,290	112%	80%	89%				
2005	197,200	172,937	116%	80%	91%				
2006	215,227	185,426	116%	80%	93%				
2007	234,201	198,816	118%	81%	95%				
2008	254,171	213,174	119%	82%	96%				
2009	275,189	228,568	120%	83%	100%				
2010	297,311	245,074	121%	84%	102%				
2011	320,594	262,772	122%	85%	104%				
2012	345,099	281,747	122%	86%	106%				
2013	370,891	302,094	123%	87%	107%				
2014	398,037	323,909	123%	88%	108%				
2015	428,609	347,300	123%	89%	109%				
2016	458,680	372,380	123%	90%	110%				
2017	488,330	399,271	122%	91%	111%				
2018	521,641	428,104	122%	92%	112%				
2019	556,702	459,019	121%	93%	113%				
2020	593,603	492,167	121%	94%	113%				
2021	632,442	527,709	120%	95%	114%				
2022	673,319	568,817	119%	96%	114%				
2023	716,343	608,677	118%	97%	115%				
2024	761,625	650,487	117%	98%	115%				
2025	809,284	700,291	116%	99%	114%				
2026	859,446	753,907	114%	100%	114%				
2027	912,241	811,628	112%	100%	112%				
2028	960,134	873,769	110%	100%	110%				
2029	981,127	881,263	108%	100%	108%				
2030	845,825	793,489	107%	100%	107%				
2031	700,015	664,025	106%	100%	106%				
2032	532,660	510,759	104%	100%	104%				
2033	341,615	330,865	103%	100%	103%				
2034	150,456	147,093	102%	100%	102%				
2035	0	(7)	100%	100%	100%				

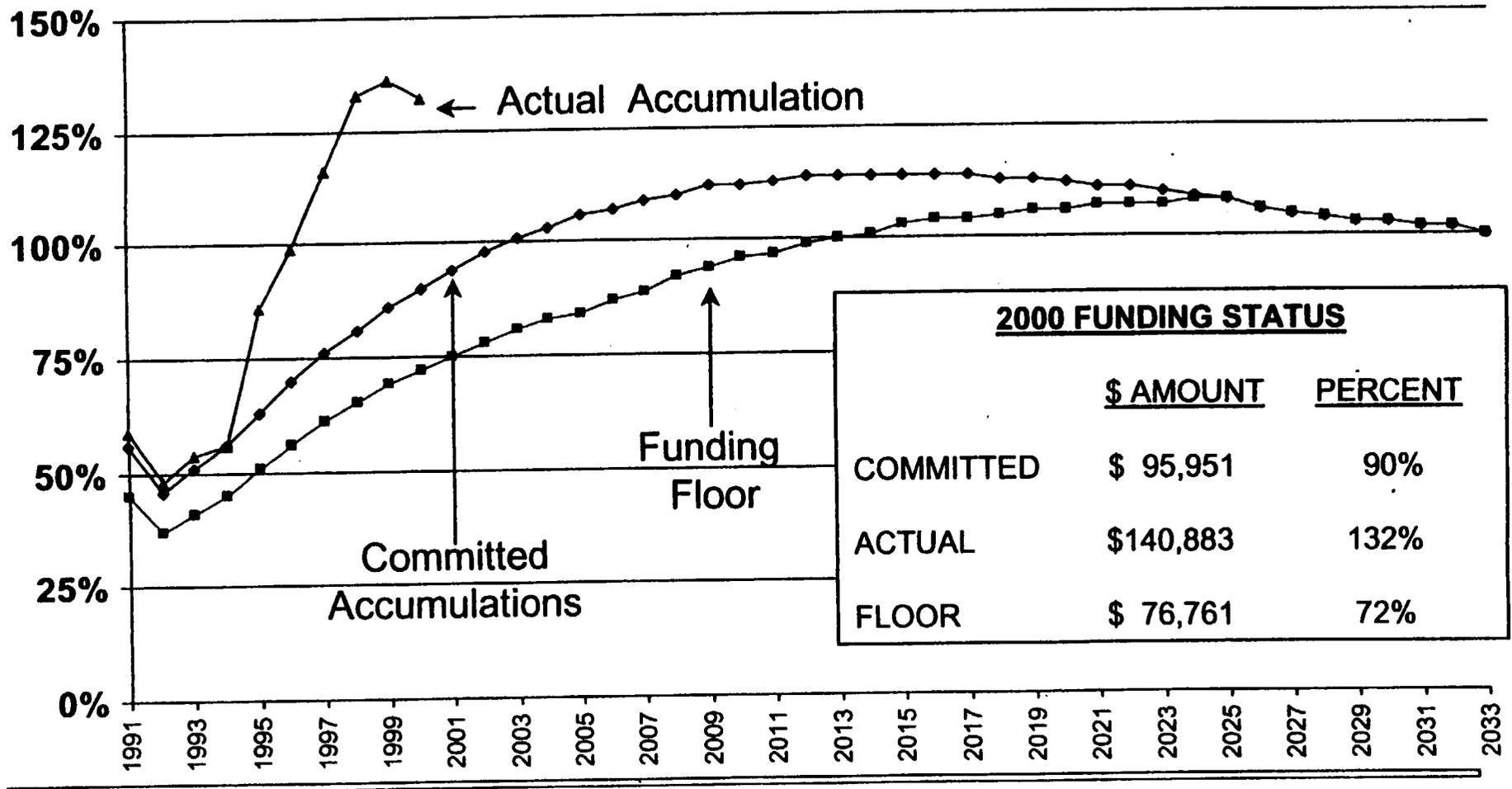
SOUTHERN CALIFORNIA EDISON COMPANY  
2000 AMP FUNDING PLAN—ALL UNITS  
(\$ THOUSANDS)

YEAR	(1) FUNDING PLAN			(4) FUNDING FLOOR CURVE	(6) END'S	(7) ACTUAL FUNDING		
	END'S	EST. COST	% FUNDING			EST. COST	% FUNDING	% FUNDING
1991	76,082	136,843	56%	80%	60,866	80,674	136,843	59%
1992	98,049	212,047	46%	80%	78,439	102,234	212,047	48%
1993	118,481	224,715	53%	80%	94,761	126,875	224,715	56%
1994	139,923	240,942	58%	80%	111,938	141,113	240,942	59%
1995	169,179	258,342	65%	80%	120,045	157,024	228,518	66%
1996	199,972	276,998	72%	80%	141,804	243,378	245,017	99%
1997	232,381	297,001	78%	80%	159,726	306,343	262,707	117%
1998	266,493	318,449	84%	80%	188,284	374,776	281,675	133%
1999	302,398	341,445	89%	80%	214,173	419,061	300,804	139%
2000	340,182	366,102	93%	80%	239,957	435,605	322,522	135%
2001	379,953	392,540	97%	80%	0	0	0	0
2002	421,811	420,887	100%	80%	0	0	0	0
2003	465,867	451,281	103%	80%	0	0	0	0
2004	512,236	483,870	104%	80%	0	0	0	0
2005	561,039	518,812	108%	80%	0	0	0	0
2006	612,408	564,278	110%	81%	0	0	0	0
2007	666,467	596,449	112%	82%	0	0	0	0
2008	723,366	639,521	113%	83%	0	0	0	0
2009	783,266	686,704	114%	84%	0	0	0	0
2010	846,286	735,221	115%	85%	0	0	0	0
2011	912,629	788,315	116%	86%	0	0	0	0
2012	982,453	845,242	116%	87%	0	0	0	0
2013	1,055,943	906,281	117%	88%	0	0	0	0
2014	1,133,290	971,727	117%	89%	0	0	0	0
2015	1,214,699	1,041,900	117%	90%	0	0	0	0
2016	1,300,382	1,117,140	116%	91%	0	0	0	0
2017	1,390,544	1,197,813	116%	92%	0	0	0	0
2018	1,485,478	1,284,312	116%	93%	0	0	0	0
2019	1,586,378	1,377,058	115%	94%	0	0	0	0
2020	1,690,521	1,474,501	114%	96%	0	0	0	0
2021	1,801,166	1,583,126	114%	96%	0	0	0	0
2022	1,917,658	1,697,480	114%	97%	0	0	0	0
2023	2,040,246	1,820,030	112%	98%	0	0	0	0
2024	2,169,270	1,961,442	111%	99%	0	0	0	0
2025	2,297,424	2,082,870	110%	100%	0	0	0	0
2026	2,444,391	2,063,070	108%	100%	0	0	0	0
2027	2,167,156	2,010,597	108%	100%	0	0	0	0
2028	1,962,316	1,838,717	107%	100%	0	0	0	0
2029	1,664,149	1,572,415	106%	100%	0	0	0	0
2030	1,280,103	1,217,033	106%	100%	0	0	0	0
2031	886,227	846,336	106%	100%	0	0	0	0
2032	595,600	572,698	104%	100%	0	0	0	0
2033	341,615	330,855	103%	100%	0	0	0	0
2034	150,456	147,093	102%	100%	0	0	0	0
2035	0	0	0%	100%	0	0	0	0

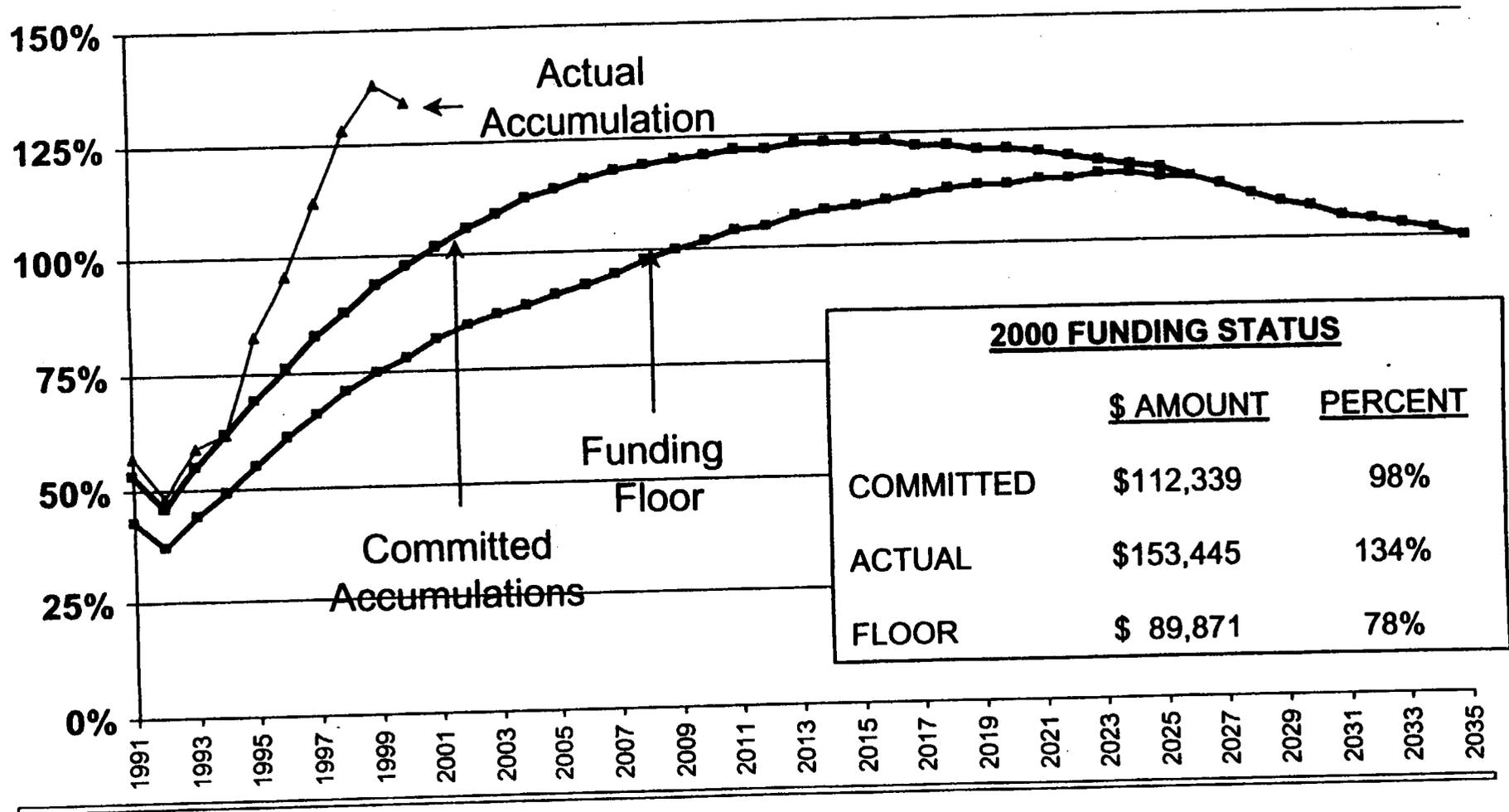
# Southern California Edison Company Palo Verde Unit 1 Funding Plan



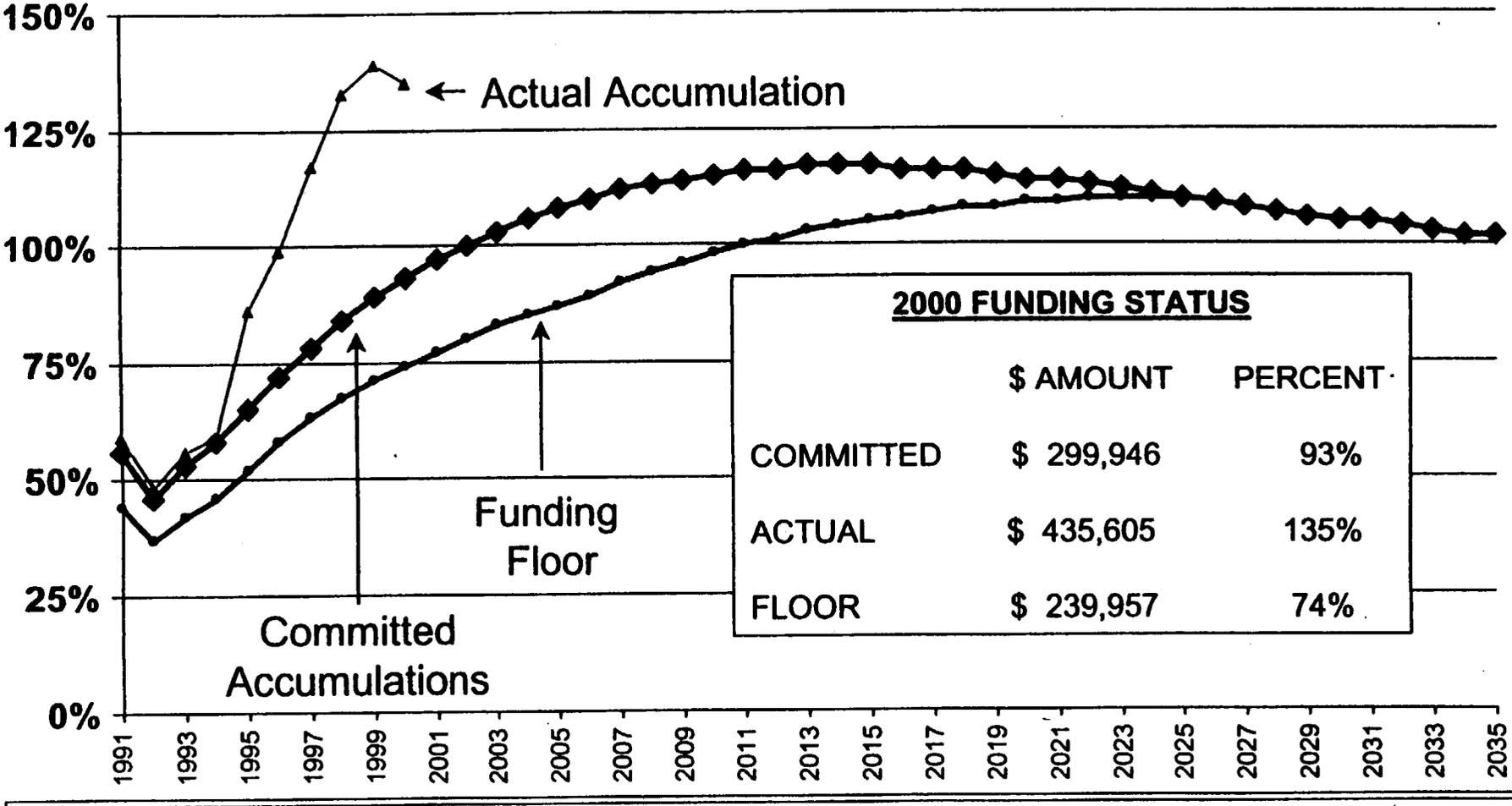
# Southern California Edison Company Palo Verde Unit 2 Funding Plan



# Southern California Edison Company Palo Verde Unit 3 Funding Plan



# Southern California Edison Company ANPP Funding Plan - All Units



**Palo Verde Nuclear Generating Station**

**Units 1, 2, & 3**

**PNM 2000 Annual Funding Status Report**

Section 2.1.7 [Restated]

Summary of Major Assumptions

Portfolio Yield	9.50%
Mortality	1983 Group Annuity Mortality
Policy Loan Interest Rate	8.50%
Inflation Rate	5.00%
Side Fund Interest Rate	5% After Tax
Composite Tax Rate	39.59%
Cost Study	1998 TLG
Water Reclamation Facility	Included
Water Treatment and Ponds	Included
Reservoir	Included
ISFSI	Included

PUBLIC SERVICE COMPANY OF NEW MEXICO  
PALO VERDE UNIT I  
(\$000)

Year	Funding Plan			Funding Floor Curve			Actual Funding		
	Fund \$	Est. Costs	% Funded	Criteria	Percent	\$ Amount	Fund \$	Est. Cost	% Funded
1991	1,095	28,746	3.81%	80%	3.05%	876	1,096	28,746	3.81%
1992	3,450	45,099	7.65%	80%	6.12%	2,760	2,334	45,099	5.18%
1993	5,981	47,354	12.63%	80%	10.10%	4,785	3,691	47,354	7.79%
1994	6,807	49,722	13.69%	80%	10.95%	5,446	4,117	49,722	8.28%
1995	7,018	45,959	15.27%	80%	12.22%	5,614	4,235	45,959	9.21%
1996	8,107	48,257	16.80%	80%	13.44%	6,486	8,094	48,257	16.77%
1997	9,212	50,670	18.18%	80%	14.54%	7,369	9,999	50,670	19.73%
1998	11,170	56,873	19.64%	80%	15.71%	8,936	14,095	56,873	24.78%
1999	12,953	59,717	21.69%	80%	17.35%	10,362	17,434	59,717	29.19%
2000	15,193	62,703	24.23%	80%	19.38%	12,154	18,507	62,703	29.52%
2001	17,638	65,838	26.79%	80%	21.43%	14,110			
2002	20,303	69,130	29.37%	80%	23.50%	16,243			
2003	23,213	72,586	31.98%	80%	25.58%	18,570			
2004	26,363	76,215	34.59%	80%	27.67%	21,090			
2005	29,794	80,026	37.23%	80%	29.78%	23,835			
2006	33,519	84,028	39.89%	81%	32.31%	27,150			
2007	37,541	88,229	42.55%	82%	34.89%	30,784			
2008	41,883	92,640	45.21%	83%	37.52%	34,763			
2009	46,681	97,272	47.99%	84%	40.31%	39,212			
2010	51,773	102,136	50.69%	85%	43.09%	44,007			
2011	57,214	107,243	53.35%	86%	45.88%	49,204			
2012	63,295	112,605	56.21%	87%	48.90%	55,067			
2013	69,806	118,235	59.04%	88%	51.96%	61,429			
2014	76,785	124,147	61.85%	89%	55.05%	68,339			
2015	84,248	130,354	64.63%	90%	58.17%	75,823			
2016	92,224	136,872	67.38%	91%	61.32%	83,924			
2017	101,133	143,716	70.37%	92%	64.74%	93,042			
2018	110,641	150,901	73.32%	93%	68.19%	102,896			
2019	120,784	158,446	76.23%	94%	71.66%	113,537			
2020	131,598	166,369	79.10%	95%	75.15%	125,018			
2021	143,121	174,687	81.93%	96%	78.65%	137,396			
2022	155,670	183,422	84.87%	97%	82.32%	151,000			
2023	169,443	192,593	87.98%	98%	86.22%	166,054			
2024	184,529	202,180	91.27%	99%	90.36%	182,684			
2025	177,461	191,808	92.52%	100%	92.52%	177,461			
2026	162,427	173,237	93.76%	100%	93.76%	162,427			
2027	138,046	145,297	95.01%	100%	95.01%	138,046			
2028	111,417	115,746	96.26%	100%	96.26%	111,417			
2029	81,546	83,628	97.51%	100%	97.51%	81,546			
2030	47,410	48,010	98.75%	100%	98.75%	47,410			
2031	30,656	30,656	100.00%	100%	100.00%	30,656			
2032	27,380	27,380	100.00%	100%	100.00%	27,380			
2033	23,348	23,348	100.00%	100%	100.00%	23,348			
2034	15,976	15,976	100.00%	100%	100.00%	15,976			
2035	7,481	7,481	100.00%	100%	100.00%	7,481			
2036	6,828	6,828	100.00%	100%	100.00%	6,828			
2037	14,337	14,337	100.00%	100%	100.00%	14,337			

**Public Service Company Of New Mexico  
Palo Verde Unit 1**

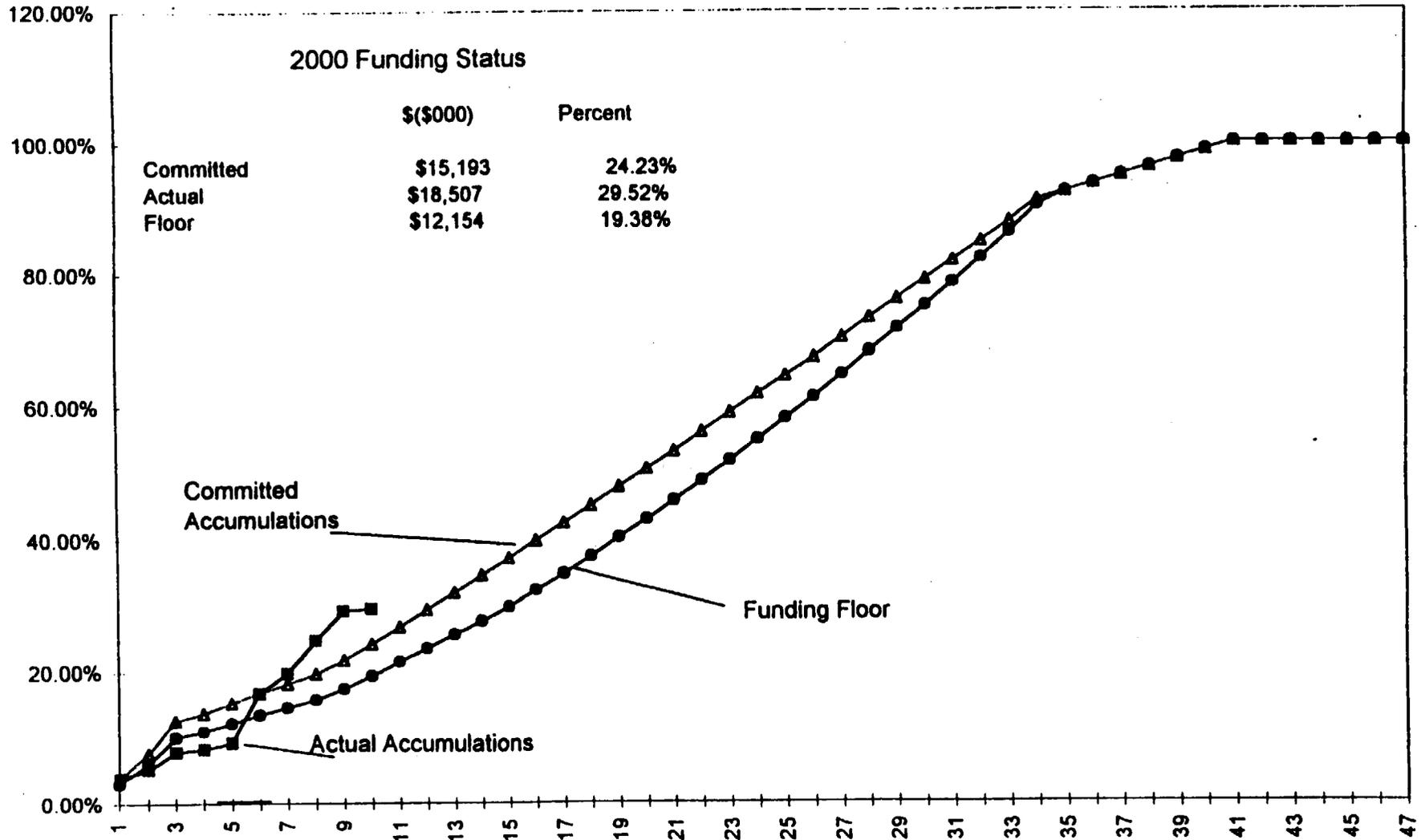


Exhibit 3.4

PUBLIC SERVICE COMPANY OF NEW MEXICO  
PALO VERDE UNIT 2  
(\$000)

Year	Funding Plan			Funding Floor Curve			Actual Funding		
	Fund \$	Est. Costs	% Funded	Criteria	Percent	\$ Amount	Fund \$	Est. Cost	% Funded
1991	1,096	28,499	3.85%	80%	3.08%	877	1,096	28,499	3.85%
1992	3,426	44,375	7.72%	80%	6.18%	2,741	2,334	44,375	5.26%
1993	5,936	46,594	12.74%	80%	10.19%	4,749	3,691	46,594	7.92%
1994	6,756	48,923	13.81%	80%	11.05%	5,405	4,117	48,923	8.42%
1995	7,346	47,703	15.40%	80%	12.32%	5,877	4,235	47,703	8.88%
1996	8,485	50,088	16.94%	80%	13.55%	6,788	8,479	50,088	16.93%
1997	9,645	52,593	18.34%	80%	14.67%	7,716	10,368	52,593	19.71%
1998	11,860	59,869	19.81%	80%	15.85%	9,488	14,528	59,869	24.27%
1999	13,754	62,862	21.88%	80%	17.50%	11,003	17,962	62,862	28.57%
2000	16,132	66,005	24.44%	80%	19.55%	12,905	19,071	66,005	28.89%
2001	18,726	69,305	27.02%	80%	21.62%	14,981			
2002	21,555	72,771	29.62%	80%	23.70%	17,244			
2003	24,642	76,409	32.25%	80%	25.80%	19,714			
2004	27,992	80,230	34.89%	80%	27.91%	22,394			
2005	31,633	84,241	37.55%	80%	30.04%	25,306			
2006	35,594	88,453	40.24%	81%	32.59%	28,831			
2007	39,862	92,876	42.92%	82%	35.19%	32,687			
2008	44,469	97,520	45.60%	83%	37.85%	36,909			
2009	49,560	102,396	48.40%	84%	40.66%	41,630			
2010	54,973	107,516	51.13%	85%	43.46%	46,727			
2011	60,747	112,891	53.81%	86%	46.28%	52,242			
2012	67,198	118,536	56.69%	87%	49.32%	58,462			
2013	74,118	124,463	59.55%	88%	52.40%	65,223			
2014	81,522	130,686	62.38%	89%	55.52%	72,554			
2015	89,454	137,220	65.19%	90%	58.67%	80,508			
2016	97,932	144,081	67.97%	91%	61.85%	89,118			
2017	107,382	151,285	70.98%	92%	65.30%	98,792			
2018	117,485	158,849	73.96%	93%	68.78%	109,261			
2019	128,246	166,792	76.89%	94%	72.28%	120,551			
2020	139,720	175,131	79.78%	95%	75.79%	132,734			
2021	151,965	183,888	82.64%	96%	79.33%	145,886			
2022	165,279	193,082	85.60%	97%	83.03%	160,320			
2023	179,239	202,737	88.41%	98%	86.64%	175,655			
2024	193,779	212,873	91.03%	99%	90.12%	191,841			
2025	199,710	217,549	91.80%	100%	91.80%	199,710			
2026	181,142	195,154	92.82%	100%	92.82%	181,142			
2027	160,195	170,693	93.85%	100%	93.85%	160,195			
2028	135,984	143,338	94.87%	100%	94.87%	135,984			
2029	108,520	113,160	95.90%	100%	95.90%	108,520			
2030	77,154	79,606	96.92%	100%	96.92%	77,154			
2031	47,098	48,083	97.95%	100%	97.95%	47,098			
2032	30,724	31,044	98.97%	100%	98.97%	30,724			
2033	25,821	25,821	100.00%	100%	100.00%	25,821			
2034	17,128	17,128	100.00%	100%	100.00%	17,128			
2035	8,101	8,101	100.00%	100%	100.00%	8,101			
2036	7,479	7,479	100.00%	100%	100.00%	7,479			
2037	15,021	15,021	100.00%	100%	100.00%	15,021			

**Public Service Comany of New Mexico  
Palo Verde Unit 2**

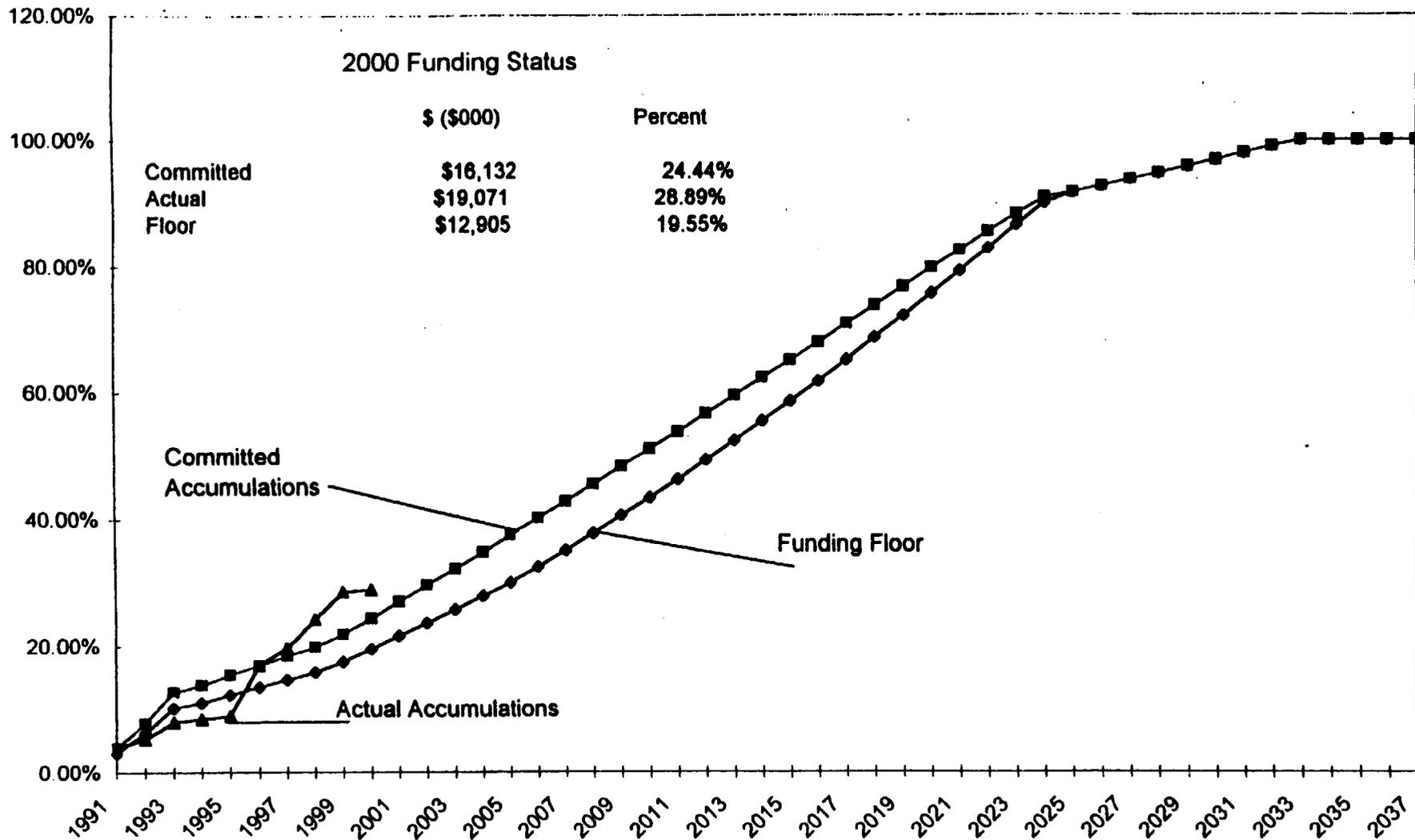


Exhibit 3.4

PUBLIC SERVICE COMPANY OF NEW MEXICO  
PALO VERDE UNIT 3  
(\$000)

Year	Funding Plan			Funding Floor Curve			Actual Funding		
	Fund \$	Est. Costs	% Funded	Criteria	Percent	\$ Amount	Fund \$	Est. Cost	% Funded
1991	1,097	30,306	3.62%	80%	2.90%	878	1,097	30,306	3.62%
1992	3,403	46,867	7.62%	80%	6.10%	2,722	2,335	46,867	4.98%
1993	5,895	49,211	11.98%	80%	9.58%	4,716	3,692	49,211	7.50%
1994	6,712	51,671	12.99%	80%	10.39%	5,370	4,117	51,671	7.97%
1995	7,799	53,863	14.48%	80%	11.58%	6,239	4,235	53,863	7.86%
1996	9,009	56,556	15.93%	80%	12.74%	7,208	9,007	56,556	15.93%
1997	10,238	59,384	17.24%	80%	13.79%	8,190	10,228	59,384	17.22%
1998	11,992	64,372	18.63%	80%	14.90%	9,594	11,689	64,372	18.16%
1999	13,903	67,590	20.57%	80%	16.46%	11,123	16,377	67,590	24.23%
2000	16,309	70,970	22.98%	80%	18.38%	13,047	18,332	70,970	25.83%
2001	18,935	74,518	25.41%	80%	20.33%	15,148			
2002	21,799	78,244	27.86%	80%	22.29%	17,439			
2003	24,918	82,157	30.33%	80%	24.26%	19,934			
2004	28,303	86,264	32.81%	80%	26.25%	22,643			
2005	31,992	90,578	35.32%	80%	28.26%	25,594			
2006	35,988	95,107	37.84%	81%	30.65%	29,151			
2007	40,304	99,862	40.36%	82%	33.10%	33,049			
2008	44,962	104,855	42.88%	83%	35.59%	37,318			
2009	50,116	110,098	45.52%	84%	38.24%	42,098			
2010	55,582	115,603	48.08%	85%	40.87%	47,244			
2011	61,420	121,383	50.60%	86%	43.52%	52,821			
2012	67,945	127,452	53.31%	87%	46.38%	59,112			
2013	74,942	133,824	56.00%	88%	49.28%	65,949			
2014	82,427	140,516	58.66%	89%	52.21%	73,360			
2015	90,443	147,541	61.30%	90%	55.17%	81,399			
2016	99,008	154,919	63.91%	91%	58.16%	90,098			
2017	108,579	162,664	66.75%	92%	61.41%	99,892			
2018	118,790	170,798	69.55%	93%	64.68%	110,475			
2019	129,679	179,338	72.31%	94%	67.97%	121,898			
2020	141,285	188,304	75.03%	95%	71.28%	134,221			
2021	153,648	197,720	77.71%	96%	74.60%	147,502			
2022	167,123	207,606	80.50%	97%	78.09%	162,109			
2023	181,212	217,986	83.13%	98%	81.47%	177,587			
2024	195,949	228,885	85.61%	99%	84.75%	193,989			
2025	203,679	236,095	86.27%	100%	86.27%	203,679			
2026	213,362	243,453	87.64%	100%	87.64%	213,362			
2027	201,771	226,684	89.01%	100%	89.01%	201,771			
2028	182,557	201,966	90.39%	100%	90.39%	182,557			
2029	160,616	175,039	91.76%	100%	91.76%	160,616			
2030	134,993	144,951	93.13%	100%	93.13%	134,993			
2031	110,192	116,592	94.51%	100%	94.51%	110,192			
2032	81,436	84,935	95.88%	100%	95.88%	81,436			
2033	48,341	49,708	97.25%	100%	97.25%	48,341			
2034	24,497	24,837	98.63%	100%	98.63%	24,497			
2035	7,481	7,481	100.00%	100%	100.00%	7,481			
2036	6,828	6,828	100.00%	100%	100.00%	6,828			
2037	14,337	14,337	100.00%	100%	100.00%	14,337			

**Public Service Company of New Mexico  
Palo Verde Unit 3**

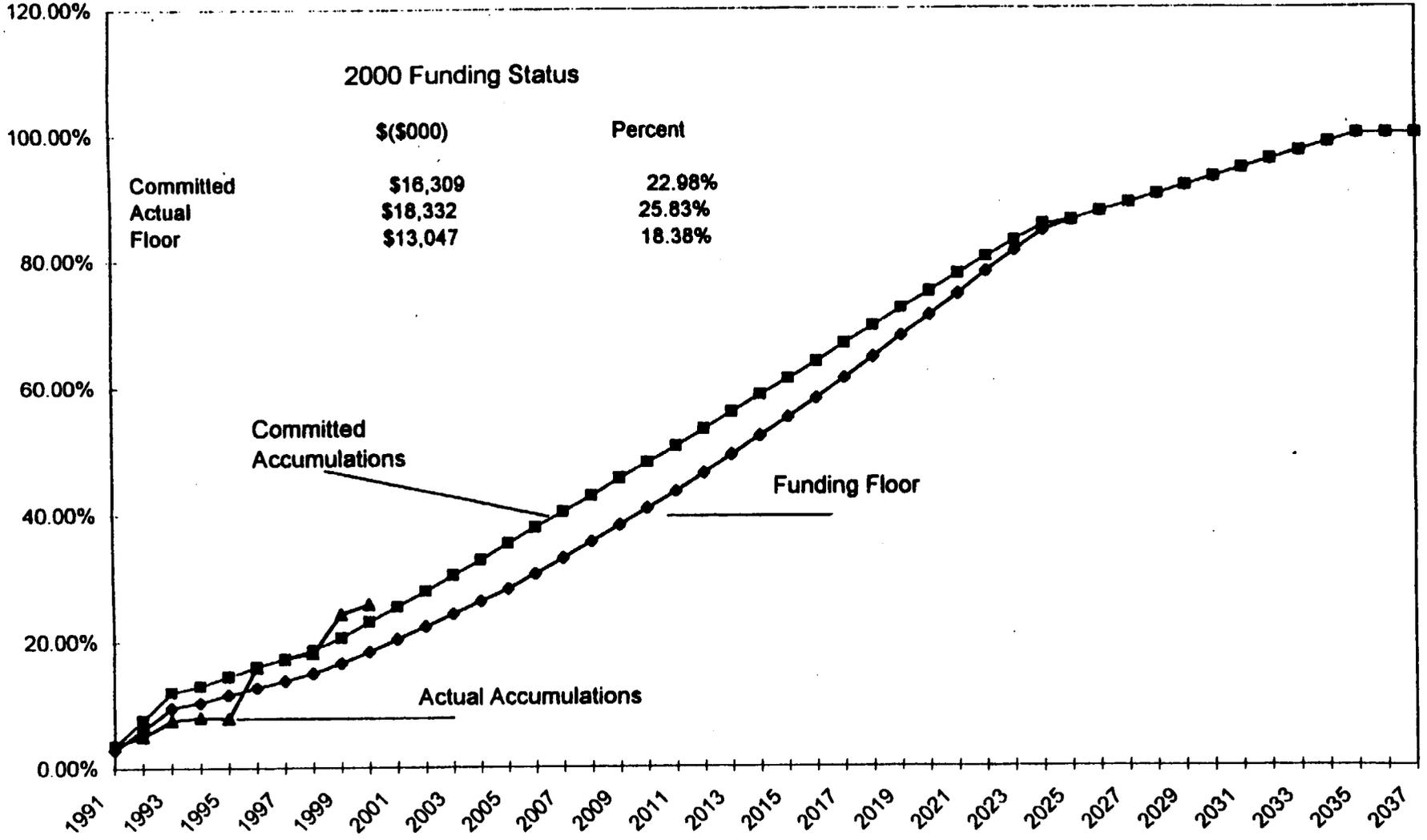


Exhibit 3.4

**PUBLIC SERVICE COMPANY OF NEW MEXICO  
PALO VERDE UNITS 1, 2, 3**

**(\$000)**

<i>Year</i>	<i>Funding Plan</i>			<i>Funding Floor Curve</i>			<i>Actual Funding</i>		
	<i>Fund \$</i>	<i>Est. Costs</i>	<i>% Funded</i>	<i>Criteria</i>	<i>Percent</i>	<i>\$ Amount</i>	<i>Fund \$</i>	<i>Est. Cost</i>	<i>% Funded</i>
1991	3,288	87,551	3.76%	80%	3.00%	2,630	3,289	87,551	3.76%
1992	10,279	136,341	7.54%	80%	6.03%	8,223	7,003	136,341	5.14%
1993	17,812	143,159	12.44%	80%	9.95%	14,250	11,074	143,159	7.74%
1994	20,275	150,316	13.49%	80%	10.79%	16,220	12,351	150,316	8.22%
1995	22,164	147,525	15.02%	80%	12.02%	17,731	12,705	147,525	8.61%
1996	25,601	154,901	16.53%	80%	13.22%	20,481	25,581	154,901	16.51%
1997	29,095	162,646	17.89%	80%	14.31%	23,276	30,594	162,646	18.81%
1998	35,022	181,114	19.34%	80%	15.47%	28,018	40,312	181,114	22.26%
1999	40,610	190,169	21.35%	80%	17.08%	32,488	51,773	190,169	27.22%
2000	47,633	199,678	23.86%	80%	19.08%	38,107	55,910	199,678	28.00%
2001	55,299	209,662	26.38%	80%	21.10%	44,240			
2002	63,657	220,145	28.92%	80%	23.13%	50,926			
2003	72,773	231,152	31.48%	80%	25.19%	58,219			
2004	82,658	242,710	34.06%	80%	27.25%	66,127			
2005	93,418	254,845	36.66%	80%	29.33%	74,735			
2006	105,100	267,587	39.28%	81%	31.81%	85,131			
2007	117,708	280,967	41.89%	82%	34.35%	96,521			
2008	131,314	295,015	44.51%	83%	36.94%	108,990			
2009	146,357	309,766	47.25%	84%	39.69%	122,940			
2010	162,327	325,254	49.91%	85%	42.42%	137,978			
2011	179,380	341,517	52.52%	86%	45.17%	154,267			
2012	198,438	358,593	55.34%	87%	48.14%	172,641			
2013	218,865	376,522	58.13%	88%	51.15%	192,601			
2014	240,733	395,348	60.89%	89%	54.19%	214,253			
2015	264,145	415,116	63.63%	90%	57.27%	237,730			
2016	289,165	435,872	66.34%	91%	60.37%	263,140			
2017	317,093	457,665	69.29%	92%	63.74%	291,726			
2018	346,916	480,548	72.19%	93%	67.14%	322,632			
2019	378,709	504,576	75.05%	94%	70.55%	355,986			
2020	412,602	529,805	77.88%	95%	73.98%	391,972			
2021	448,734	556,295	80.66%	96%	77.44%	430,785			
2022	488,071	584,110	83.56%	97%	81.05%	473,429			
2023	529,894	613,315	86.40%	98%	84.67%	519,296			
2024	574,257	643,938	89.18%	99%	88.29%	568,514			
2025	580,850	645,452	89.99%	100%	89.99%	580,850			

Exhibit 3.4

2026	556,931	611,844	91.03%	100%	91.03%	556,931
2027	500,013	542,673	92.14%	100%	92.14%	500,013
2028	429,958	461,049	93.26%	100%	93.26%	429,958
2029	350,682	371,827	94.31%	100%	94.31%	350,682
2030	259,557	272,567	95.23%	100%	95.23%	259,557
2031	187,945	195,332	96.22%	100%	96.22%	187,945
2032	139,539	143,358	97.34%	100%	97.34%	139,539
2033	97,510	98,877	98.62%	100%	98.62%	97,510
2034	57,601	57,942	99.41%	100%	99.41%	57,601
2035	23,064	23,064	100.00%	100%	100.00%	23,064
2036	21,134	21,134	100.00%	100%	100.00%	21,134
2037	43,696	43,696	100.00%	100%	100.00%	43,696

Exhibit 3.4

**Public Service Company of New Mexico  
Palo Verde Units 1, 2, and 3**

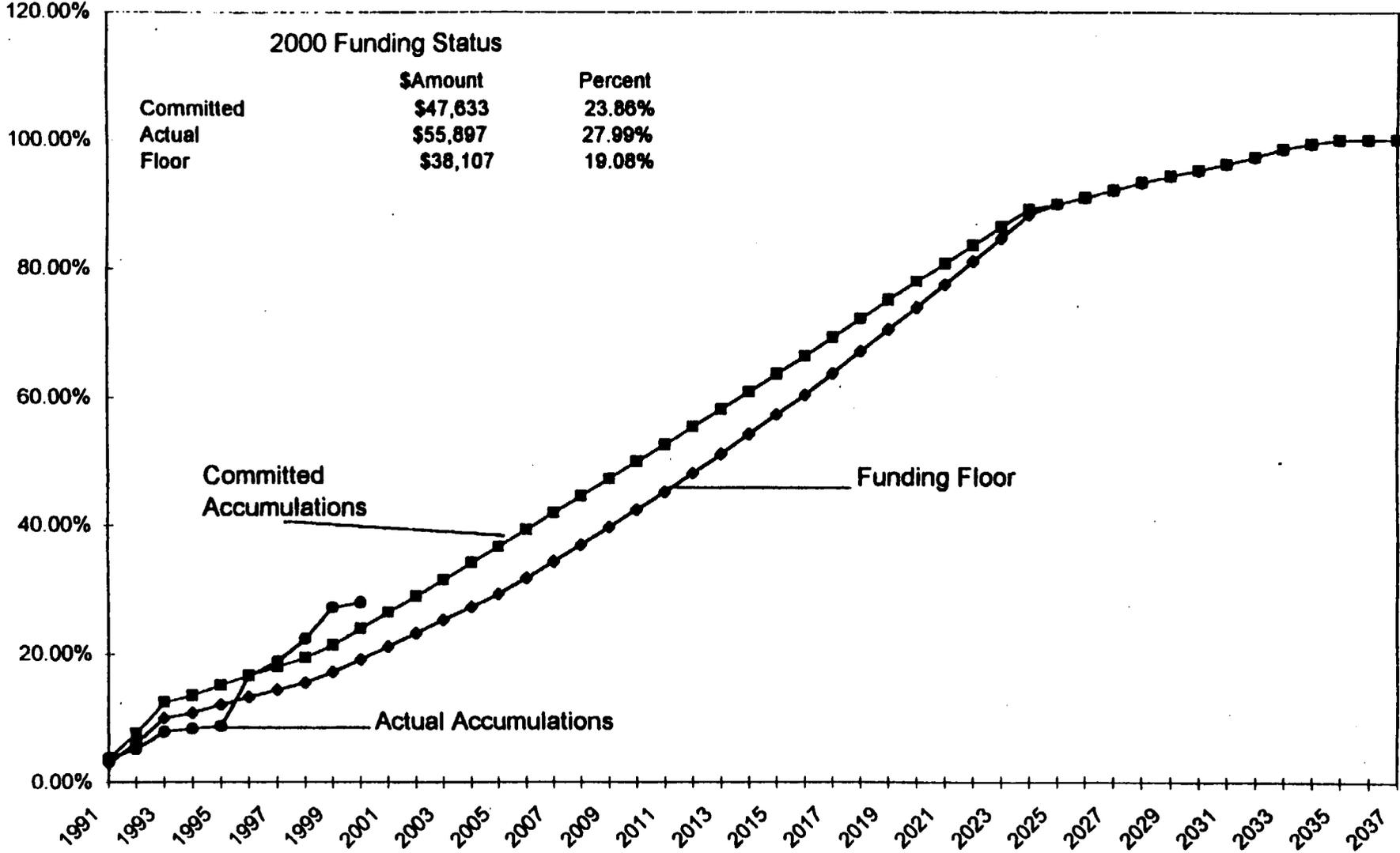


Exhibit 3.4

**Units 1, 2, & 3**

**SCPPA 2000 Annual Funding Status Report**

**Section 2.1.7 [Restated]**

**Summary of Major Assumptions**

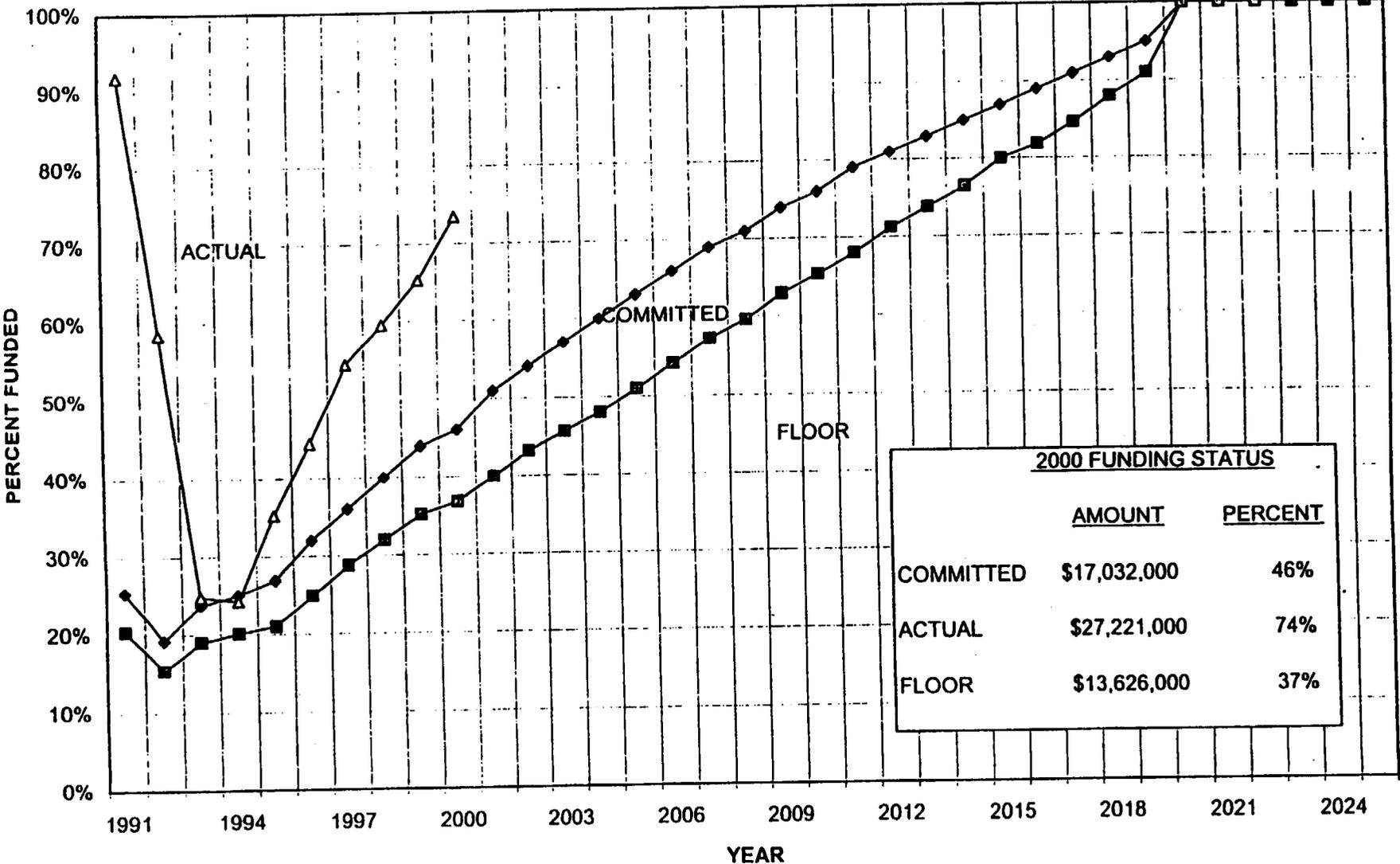
<b>Escalation Factor</b>	<b>6%</b>
<b>Rate of Return</b>	<b>6.83%</b>
<b>Participation Ratio</b>	<b>5.91%</b>
<b>Funding Period</b>	<b>35 years for each unit</b>
<b>Funding Level</b>	<b>Includes Independent Spent Fuel Storage Installation and Non-Nuclear Demolition Costs.</b>

**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**  
**Palo Verde Project - Termination Cost Funding**

UNIT 1				UNIT 2				UNIT 3				GRAND TOTAL		
PERIOD	CONTRIBUTION	INTEREST	BALANCE	PERIOD	CONTRIBUTION	INTEREST	BALANCE	PERIOD	CONTRIBUTION	INTEREST	BALANCE	CONTRIBUTION	INTEREST	TOTAL
DEC 31, 1990	10		\$14,237,604	8			\$14,387,900	6			\$15,396,791			\$44,022,295
JUN 30, 1991	11	\$0	14,862,930	9	\$0	\$1,117,240	15,505,140	7	\$0	\$1,440,621	16,837,412	\$0	\$3,183,187	47,205,482
DEC 31, 1991	12	0	15,226,810	10	0	443,094	15,948,234	8	0	385,474	17,222,886	0	1,192,448	48,397,930
JUN 30, 1992	13	0	15,197,771	11	0	147,301	16,095,535	9	0	297,481	17,520,367	0	415,743	48,813,673
DEC 31, 1992	14	0	15,761,625	12	0	623,452	16,718,987	10	0	933,298	18,453,665	0	2,120,604	50,934,277
JUN 30, 1993	15	0	16,553,599	13	0	711,934	17,430,921	11	0	1,081,178	19,534,843	0	2,585,086	53,519,363
DEC 31, 1993	16	0	16,949,147	14	0	593,006	17,962,403	12	0	1,68,679	19,810,385	0	1,026,634	55,546,017
JUN 30, 1994	17	0	17,333,029	15	0	345,413	18,316,990	13	0	153,556	19,524,099	0	269,287	56,816,384
DEC 31, 1994	18	0	17,349,900	16	0	9,010	18,328,910	14	0	12,449	19,534,843	0	13,432	57,964,656
JUN 30, 1995	19	0	17,836,165	17	0	609,810	18,935,970	15	0	578,102	19,534,843	0	1,674,177	59,638,827
DEC 31, 1995	20	1,240,620	19,076,785	18	1,280,640	233,314	19,356,735	16	1,480,740	261,846	20,037,475	4,002,000	797,955	63,136,782
JUN 30, 1996	21	1,240,620	20,317,405	19	1,280,640	132,669	20,600,075	17	1,480,740	19,451	22,088,215	4,002,000	357,367	67,146,142
DEC 31, 1996	22	1,239,380	21,556,785	20	1,279,360	453,967	21,830,145	18	1,479,260	411,663	23,309,405	3,998,000	1,306,601	70,446,503
JUN 30, 1997	23	1,240,620	22,797,405	21	1,276,640	686,710	23,074,045	19	1,480,740	682,114	24,554,785	3,998,000	2,039,799	73,484,302
DEC 31, 1997	24	1,654,160	24,451,565	22	1,703,520	191,930	24,155,085	20	1,974,320	142,126	26,129,405	5,332,000	540,501	78,816,803
JUN 30, 1998	25	827,080	25,278,645	23	853,760	540,181	25,672,405	21	987,160	726,204	26,669,605	2,668,000	1,854,098	81,526,901
DEC 31, 1998	26	1,240,620	26,519,265	24	1,276,640	594,163	26,813,005	22	1,480,740	593,888	27,403,895	3,998,000	1,845,926	84,270,027
JUN 30, 1999	27	1,239,380	27,758,645	25	1,283,360	390,702	28,042,005	23	1,479,260	366,650	28,521,265	4,002,000	973,535	87,243,562
DEC 31, 1999	28	1,239,380	28,998,025	26	1,319,340	264,784	29,317,365	24	1,439,280	471,854	29,791,645	3,998,000	1,212,254	90,005,816
JUN 30, 2000	29	1,241,860	30,239,885	27	1,321,980	689,334	30,641,345	25	1,442,160	731,960	31,073,305	4,006,000	2,084,506	92,726,322
DEC 31, 2000	30	1,240,620	31,480,505	28	1,330,660	1,173,453	31,814,795	26	1,440,720	1,340,511	32,154,815	4,002,000	3,788,683	96,503,005
JUN 30, 2001	31	174,366	31,654,871	29	205,765	948,808	32,020,441	27	192,296	1,028,492	32,347,137	572,428	2,906,903	99,409,908
DEC 31, 2001	32	174,366	31,829,237	30	205,765	988,237	32,236,202	28	192,296	1,070,182	32,538,388	572,428	3,025,722	102,435,630
JUN 30, 2002	33	174,366	32,003,603	31	205,765	1,029,012	32,441,967	29	192,296	1,113,295	32,634,263	572,428	3,148,599	105,584,229
DEC 31, 2002	34	174,366	32,177,969	32	205,765	1,071,180	32,647,732	30	192,296	1,157,881	32,839,628	572,428	3,275,672	108,859,901
JUN 30, 2003	35	174,366	32,352,335	33	205,765	1,114,788	32,853,520	31	192,296	1,203,990	33,049,816	572,428	3,407,084	112,266,985
DEC 31, 2003	36	174,366	32,526,701	34	205,765	1,159,885	33,064,405	32	192,296	1,251,673	33,265,101	572,428	3,542,985	115,809,970
JUN 30, 2004	37	174,366	32,701,067	35	205,765	1,206,522	33,275,290	33	192,296	1,300,984	33,480,576	572,428	3,683,526	119,493,496
DEC 31, 2004	38	174,366	32,875,433	36	205,765	1,254,751	33,486,041	34	192,296	1,351,980	33,696,327	572,428	3,828,867	123,322,363
JUN 30, 2005	39	174,366	33,049,800	37	205,765	1,304,628	33,696,926	35	192,296	1,404,717	33,912,643	572,428	3,979,171	127,291,534
DEC 31, 2005	40	174,366	33,224,166	38	205,765	1,356,208	33,902,134	36	192,296	1,459,255	34,128,389	572,428	4,134,608	131,426,142
JUN 30, 2006	41	174,366	33,398,532	39	205,765	1,409,549	34,101,683	37	192,296	1,515,655	34,344,679	572,428	4,295,353	135,721,495
DEC 31, 2006	42	174,366	33,572,898	40	205,765	1,464,712	34,276,400	38	192,296	1,573,982	34,499,381	572,428	4,461,588	140,183,083
JUN 30, 2007	43	174,366	33,747,264	41	205,765	1,521,759	34,408,159	39	192,296	1,634,300	34,653,457	572,428	4,633,500	144,816,583
DEC 31, 2007	44	174,366	33,921,630	42	205,765	1,580,754	34,537,913	40	192,296	1,696,679	34,808,592	572,428	4,811,282	149,627,865
JUN 30, 2008	45	174,366	34,095,996	43	205,765	1,641,764	34,669,677	41	192,296	1,761,187	34,964,883	572,428	4,995,136	154,623,001
DEC 31, 2008	46	174,366	34,270,362	44	205,765	1,704,857	34,794,534	42	192,296	1,827,899	34,964,883	572,428	5,185,268	159,808,269
JUN 30, 2009	47	174,366	34,444,728	45	205,765	1,770,104	34,920,298	43	192,296	1,896,888	35,117,184	572,428	5,381,893	165,189,162
DEC 31, 2009	48	174,366	34,619,094	46	205,765	1,837,580	35,045,878	44	192,296	1,968,234	35,270,118	572,428	5,585,233	170,774,395



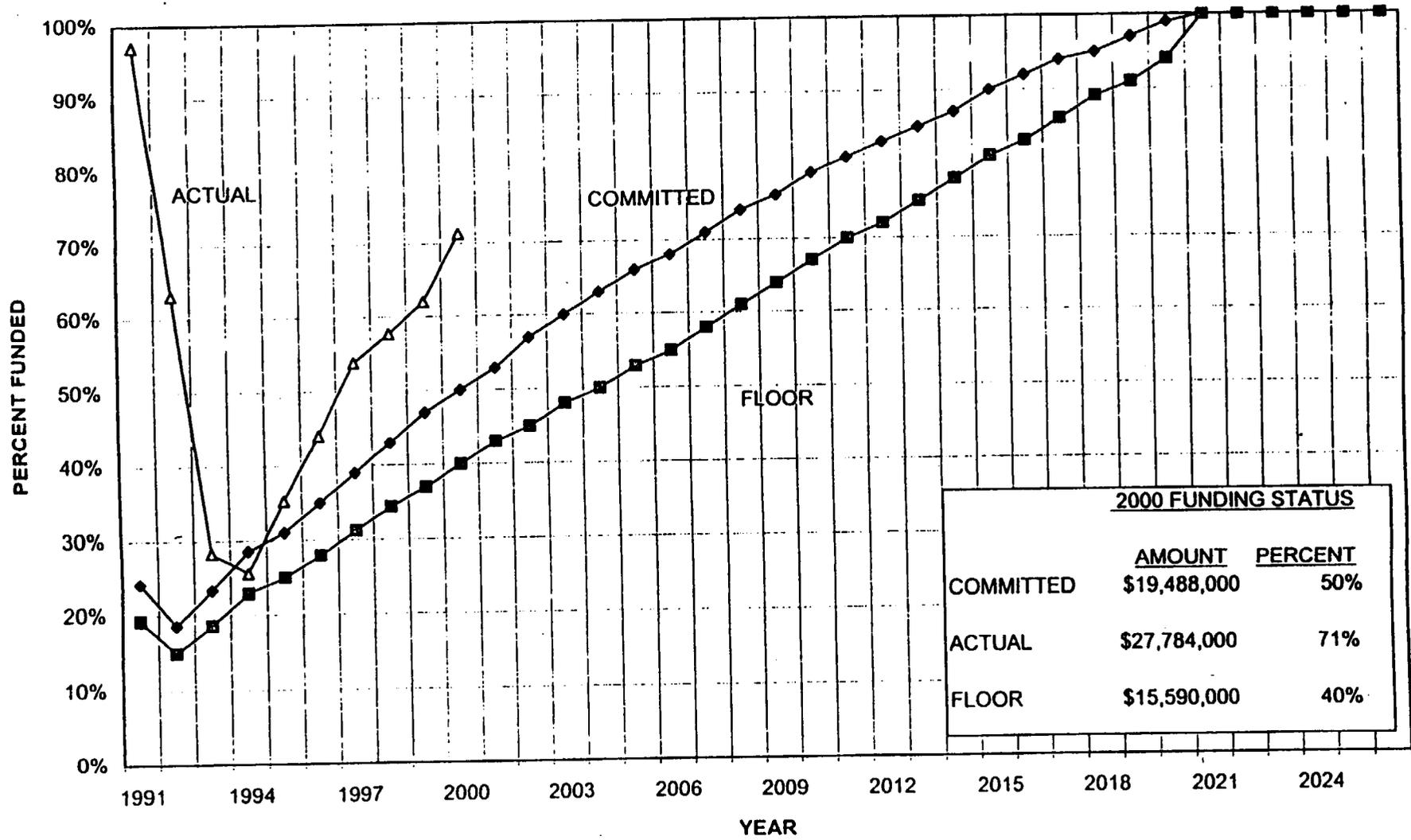
# SCPPA PALO VERDE UNIT 1 FUNDING PLAN



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
2000 PALO VERDE UNIT - 1 FUNDING STATUS  
TERMINATION COST FUNDING  
(\$ THOUSAND)**

YEAR	(1) = (2 x 3)	(2)	(3)	(4)	(5) - (3 x 4)	(6) = (1 x 4)	(7)	(8) - (2)	(9) = (7 / 8)
	AUTHORIZED FUNDING PLAN			FUNDING FLOOR CURVE			ACTUAL FUNDING		
	FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC 1991	\$4,225	\$16,565	26%	80%	20%	\$3,380	\$15,227	\$16,565	92%
DEC 1992	5,176	26,915	19%	80%	15%	4,141	15,762	26,915	59%
DEC 1993	6,782	28,530	24%	80%	19%	5,426	7,103	28,530	25%
DEC 1994	7,597	30,242	25%	80%	20%	6,078	7,350	30,242	24%
DEC 1995	7,190	26,629	27%	80%	21%	5,752	9,380	26,629	35%
DEC 1996	9,033	28,227	32%	80%	25%	7,226	12,545	28,227	44%
DEC 1997	10,771	29,920	36%	80%	29%	8,617	16,317	29,920	55%
DEC 1998	13,181	32,953	40%	80%	32%	10,545	19,630	32,953	60%
DEC 1999	15,369	34,930	44%	80%	35%	12,295	22,801	34,930	65%
DEC 2000	17,032	37,026	46%	80%	37%	13,626	27,221	37,026	74%
DEC 2001	20,016	39,248	51%	80%	40%	16,013			
DEC 2002	22,465	41,602	54%	80%	43%	17,972			
DEC 2003	25,136	44,098	57%	80%	46%	20,109			
DEC 2004	28,047	46,744	60%	80%	48%	22,437			
DEC 2005	31,216	49,549	63%	81%	51%	25,285			
DEC 2006	34,665	52,522	66%	82%	54%	28,425			
DEC 2007	38,415	55,673	69%	83%	57%	31,884			
DEC 2008	41,900	59,014	71%	84%	60%	35,196			
DEC 2009	46,290	62,555	74%	85%	63%	39,347			
DEC 2010	50,394	66,308	76%	86%	65%	43,339			
DEC 2011	55,526	70,286	79%	87%	68%	48,308			
DEC 2012	60,348	74,503	81%	88%	71%	53,106			
DEC 2013	65,548	78,974	83%	89%	74%	58,338			
DEC 2014	71,155	83,712	85%	90%	77%	64,040			
DEC 2015	77,199	88,735	87%	91%	80%	70,251			
DEC 2016	83,712	94,059	89%	92%	82%	77,015			
DEC 2017	80,431	99,702	91%	93%	85%	74,801			
DEC 2018	86,826	105,685	93%	94%	88%	81,616			
DEC 2019	93,665	112,026	95%	95%	91%	88,982			
DEC 2020	114,288	118,747	100%	100%	100%	114,288			
DEC 2021	120,002	124,685	100%	100%	100%	120,002			
DEC 2022	126,003	130,919	100%	100%	100%	126,003			
DEC 2023	132,303	137,465	100%	100%	100%	132,303			
DEC 2024	138,918	144,338	100%	100%	100%	138,918			
DEC 2025	145,864	151,555	100%	100%	100%	145,864			

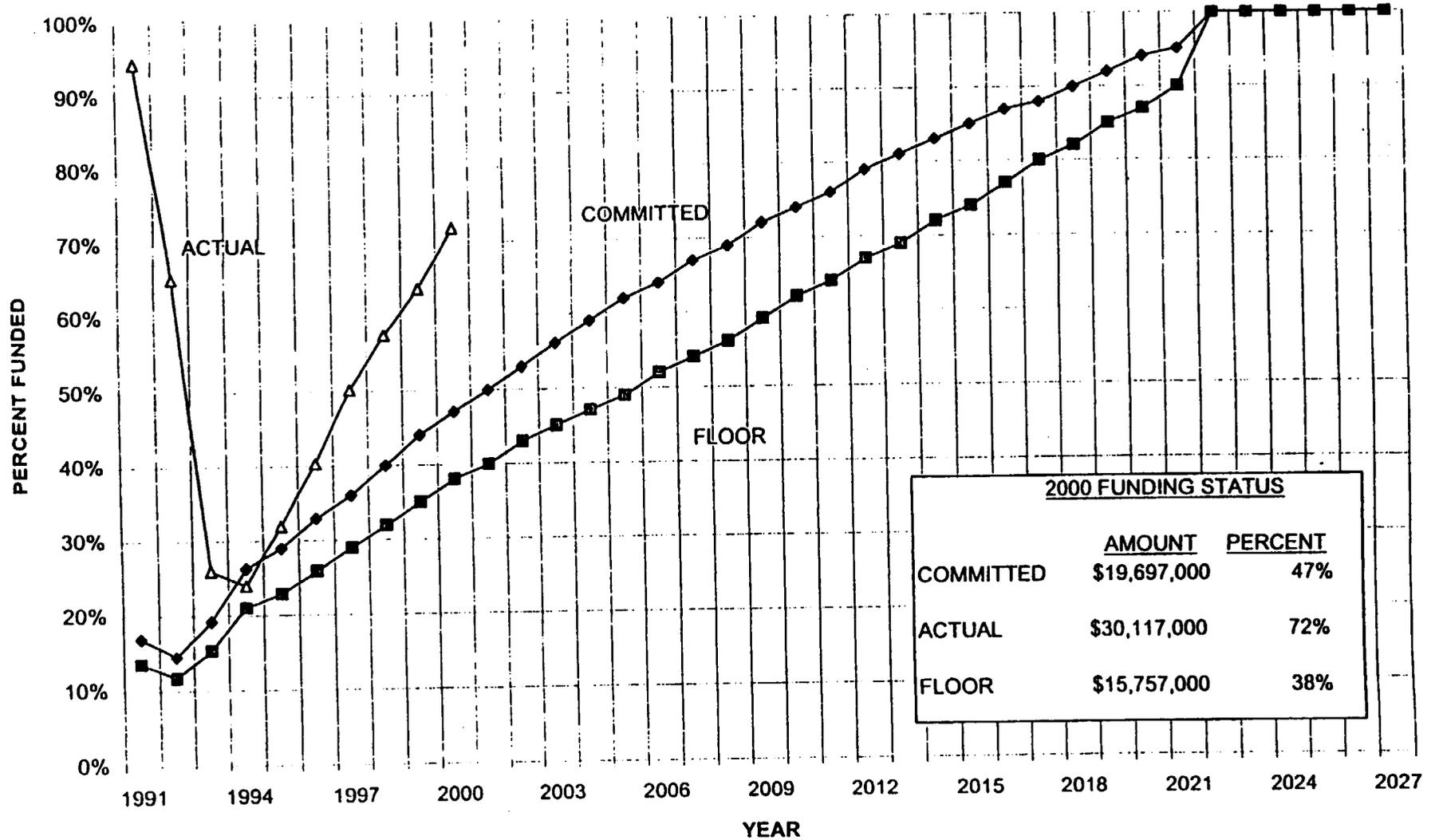
## SCPPA PALO VERDE UNIT 2 FUNDING PLAN



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
2000 PALO VERDE UNIT - 2 FUNDING STATUS  
TERMINATION COST FUNDING  
(\$ THOUSAND)

YEAR		(1) - (2 x 3)	(2)	(3)	(4)	(5) - (3 x 4)	(6) - (1 x 4)	(7)	(8) - (2)	(9) - (7 / 8)
		AUTHORIZED FUNDING PLAN			FUNDING FLOOR CURVE			ACTUAL FUNDING		
		FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC	1991	\$3,966	\$16,423	24%	80%	19%	\$3,173	\$15,948	\$16,423	97%
DEC	1992	4,932	26,483	19%	80%	15%	3,946	16,719	26,483	63%
DEC	1993	6,548	28,072	23%	80%	19%	5,238	7,962	28,072	28%
DEC	1994	8,515	29,756	29%	80%	23%	6,812	7,626	29,756	26%
DEC	1995	8,568	27,640	31%	80%	25%	6,855	9,750	27,640	35%
DEC	1996	10,254	29,298	35%	80%	28%	8,204	12,896	29,298	44%
DEC	1997	12,112	31,056	39%	80%	31%	9,690	16,755	31,056	54%
DEC	1998	14,916	34,689	43%	80%	34%	11,933	20,020	34,689	58%
DEC	1999	17,282	36,770	47%	80%	37%	13,825	22,801	36,770	62%
DEC	2000	19,488	38,976	50%	80%	40%	15,590	27,784	38,976	71%
DEC	2001	21,897	41,315	53%	80%	43%	17,517			
DEC	2002	24,962	43,794	57%	80%	45%	19,970			
DEC	2003	27,853	46,421	60%	80%	48%	22,282			
DEC	2004	31,000	49,206	63%	80%	50%	24,800			
DEC	2005	34,425	52,159	66%	80%	53%	27,540			
DEC	2006	37,596	55,288	68%	81%	55%	30,453			
DEC	2007	41,610	58,606	71%	82%	58%	34,120			
DEC	2008	45,970	62,122	74%	83%	61%	38,155			
DEC	2009	50,045	65,849	76%	84%	64%	42,038			
DEC	2010	55,142	69,800	79%	85%	67%	46,871			
DEC	2011	59,931	73,988	81%	86%	70%	51,540			
DEC	2012	65,095	78,428	83%	87%	72%	56,633			
DEC	2013	70,663	83,133	85%	88%	75%	62,184			
DEC	2014	76,665	88,121	87%	89%	78%	68,232			
DEC	2015	84,068	93,409	90%	90%	81%	75,661			
DEC	2016	91,092	99,013	92%	91%	83%	82,894			
DEC	2017	98,657	104,954	94%	92%	86%	90,764			
DEC	2018	105,689	111,251	95%	93%	89%	98,290			
DEC	2019	114,388	117,926	97%	94%	91%	107,525			
DEC	2020	123,752	125,002	99%	95%	94%	117,564			
DEC	2021	132,502	132,502	100%	100%	100%	132,502			
DEC	2022	139,127	139,127	100%	100%	100%	139,127			
DEC	2023	146,083	146,083	100%	100%	100%	146,083			
DEC	2024	153,387	153,387	100%	100%	100%	153,387			
DEC	2025	161,057	161,057	100%	100%	100%	161,057			
DEC	2026	169,110	169,110	100%	100%	100%	169,110			

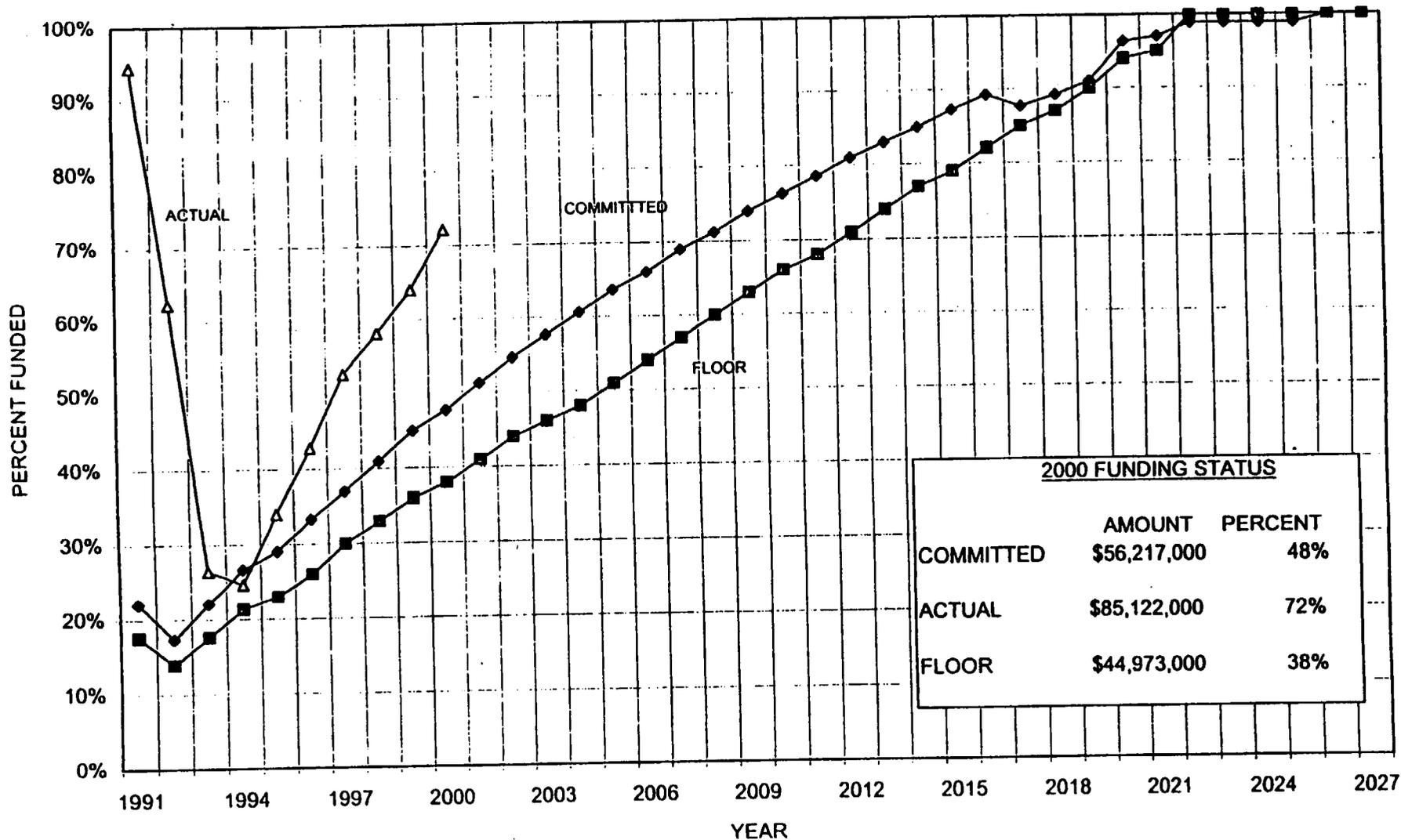
## SCPPA PALO VERDE UNIT 3 FUNDING PLAN



**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY**  
**2000 PALO VERDE UNIT - 3 FUNDING STATUS**  
**TERMINATION COST FUNDING**  
**(\$ THOUSAND)**

YEAR		(1) - (2 x 3) AUTHORIZED FUNDING PLAN			(4) (5) - (3 x 4) (6) - (1 x 4) FUNDING FLOOR CURVE			(7) (8) - (2) (9) - (7/8) ACTUAL FUNDING		
		FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC	1991	\$3,098	\$18,225	17%	80%	14%	\$2,478	\$17,223	\$18,225	95%
DEC	1992	4,125	28,298	15%	80%	12%	3,300	18,454	28,298	65%
DEC	1993	5,769	29,996	19%	80%	15%	4,615	7,830	29,996	26%
DEC	1994	8,375	31,796	26%	80%	21%	6,700	7,664	31,796	24%
DEC	1995	9,051	31,209	29%	80%	23%	7,240	9,985	31,209	32%
DEC	1996	10,917	33,082	33%	80%	26%	8,734	13,337	33,082	40%
DEC	1997	12,624	35,066	36%	80%	29%	10,099	17,617	35,066	50%
DEC	1998	14,919	37,298	40%	80%	32%	11,935	21,404	37,298	57%
DEC	1999	17,396	39,536	44%	80%	35%	13,917	25,162	39,536	64%
DEC	2000	19,697	41,908	47%	80%	38%	15,757	30,117	41,908	72%
DEC	2001	22,211	44,422	50%	80%	40%	17,769			
DEC	2002	24,956	47,088	53%	80%	43%	19,965			
DEC	2003	27,951	49,913	56%	80%	45%	22,361			
DEC	2004	31,216	52,908	59%	80%	47%	24,972			
DEC	2005	34,771	56,082	62%	80%	49%	27,817			
DEC	2006	38,046	59,447	64%	80%	52%	30,437			
DEC	2007	42,219	63,014	67%	80%	54%	33,775			
DEC	2008	46,088	66,795	69%	81%	56%	37,332			
DEC	2009	50,978	70,802	72%	82%	59%	41,802			
DEC	2010	55,537	75,051	74%	83%	62%	46,096			
DEC	2011	60,461	79,554	76%	84%	64%	50,787			
DEC	2012	66,618	84,327	79%	85%	67%	56,625			
DEC	2013	72,403	89,386	81%	86%	69%	62,267			
DEC	2014	78,642	94,750	83%	87%	72%	68,419			
DEC	2015	85,369	100,435	85%	88%	74%	75,125			
DEC	2016	92,621	106,461	87%	89%	77%	82,432			
DEC	2017	99,306	112,848	88%	90%	80%	89,376			
DEC	2018	107,657	119,619	90%	91%	82%	97,968			
DEC	2019	116,653	126,796	92%	92%	85%	107,320			
DEC	2020	126,340	134,404	94%	93%	87%	117,496			
DEC	2021	135,345	142,468	95%	94%	90%	127,224			
DEC	2022	151,016	151,016	100%	100%	100%	151,016			
DEC	2023	158,567	158,567	100%	100%	100%	158,567			
DEC	2024	166,496	166,496	100%	100%	100%	166,496			
DEC	2025	174,820	174,820	100%	100%	100%	174,820			
DEC	2026	183,561	183,561	100%	100%	100%	183,561			
DEC	2027	192,739	192,739	100%	100%	100%	192,739			

### SCPPA PALO VERDE ALL UNITS FUNDING PLAN



SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY  
 2000 PALO VERDE ALL UNITS FUNDING STATUS  
 TERMINATION COST FUNDING  
 (IN THOUSANDS)

YEAR	(1) - (2 & 3) AUTHORIZED FUNDING PLAN			(4) - (5 & 4) FUNDING FLOOR CURVE			(6) - (7 & 8) ACTUAL FUNDING		
	FUND	EST. COST	%FUNDED	CRITERIA	PERCENT	AMOUNT	FUND	EST. COST	%FUNDED
DEC 1991	\$11,289	\$51,213	22%	80%	18%	\$9,031	\$48,398	\$51,213	95%
DEC 1992	14,233	81,696	17%	80%	14%	11,386	50,935	81,696	62%
DEC 1993	19,099	86,598	22%	80%	18%	15,279	22,895	86,598	26%
DEC 1994	24,487	91,794	27%	80%	21%	19,590	22,640	91,794	25%
DEC 1995	24,809	85,478	29%	80%	23%	19,847	29,115	85,478	34%
DEC 1996	30,204	90,607	33%	80%	26%	24,163	38,778	90,607	43%
DEC 1997	35,507	96,043	37%	80%	30%	28,406	50,689	96,043	53%
DEC 1998	43,016	104,939	41%	80%	33%	34,413	61,054	104,939	58%
DEC 1999	50,047	111,236	45%	80%	36%	40,037	71,240	111,236	64%
DEC 2000	56,217	117,910	48%	80%	38%	44,973	85,122	117,910	72%
DEC 2001	64,124	124,984	51%	80%	41%	51,299			
DEC 2002	72,384	132,484	55%	80%	44%	57,907			
DEC 2003	80,940	140,433	58%	80%	46%	64,752			
DEC 2004	90,262	148,859	61%	80%	48%	72,210			
DEC 2005	100,412	157,790	64%	81%	51%	80,641			
DEC 2006	110,307	167,257	66%	82%	54%	89,315			
DEC 2007	122,244	177,293	69%	83%	57%	99,780			
DEC 2008	133,958	187,930	71%	84%	60%	110,683			
DEC 2009	147,314	199,206	74%	85%	63%	123,187			
DEC 2010	161,074	211,159	76%	86%	66%	136,306			
DEC 2011	175,917	223,828	79%	87%	68%	150,635			
DEC 2012	192,061	237,258	81%	88%	71%	166,364			
DEC 2013	208,614	251,493	83%	89%	74%	182,788			
DEC 2014	226,463	266,583	85%	90%	77%	200,691			
DEC 2015	246,636	282,578	87%	91%	79%	221,037			
DEC 2016	267,425	299,533	89%	92%	82%	242,342			
DEC 2017	278,394	317,505	88%	93%	85%	254,941			
DEC 2018	300,172	336,555	89%	94%	87%	277,875			
DEC 2019	324,706	356,748	91%	95%	90%	303,827			
DEC 2020	364,379	378,153	96%	96%	94%	349,348			
DEC 2021	387,849	399,655	97%	97%	95%	379,728			
DEC 2022	416,146	421,062	99%	100%	100%	416,146			
DEC 2023	436,953	442,115	99%	100%	100%	436,953			
DEC 2024	458,801	464,221	99%	100%	100%	458,801			
DEC 2025	481,741	487,432	99%	100%	100%	481,741			
DEC 2026	352,671	352,671	100%	100%	100%	352,671			
DEC 2027	192,739	192,739	100%	100%	100%	192,739			

# Palo Verde Nuclear Generating Station

## Units 1, 2, & 3

### LADWP 2000 Annual Funding Status Report

Section 2.1.7 [Restated]

#### Summary of Major Assumptions

Escalation Factor	5%
Rate of Return	7.00%
Participation Ratio	5.7%
Funding Period	35 years for each unit
Funding Level	Includes Water Reclamation Facility and 25% Contingency Factor

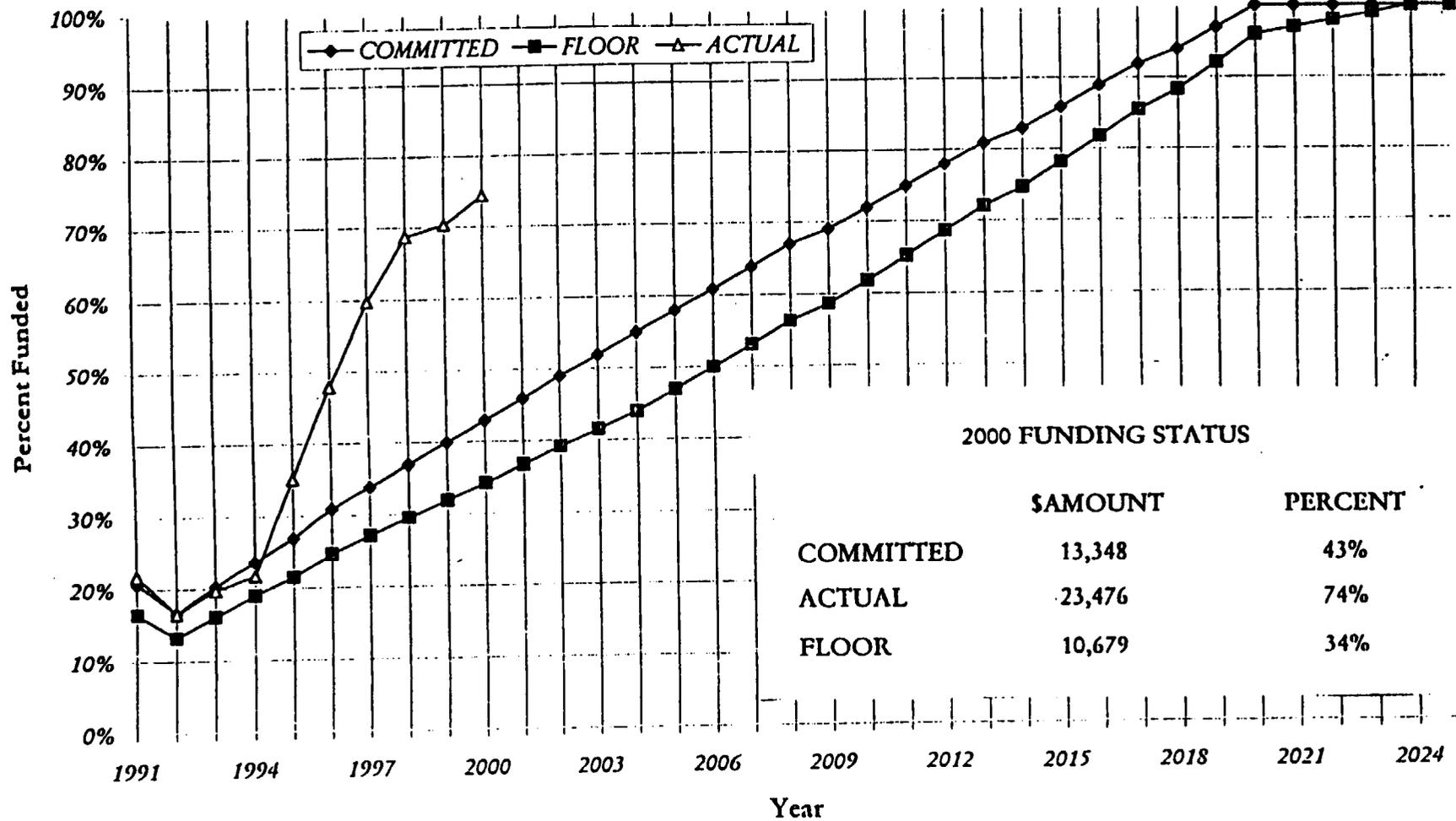
Department of Water & Power  
Palo Verde Project  
Termination Cost Funding

Date	Unit 1				Unit 2				Unit 3				Grand Total		
	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Contribution	Interest	Totals
12/31/90	10			2,444,200	8			2,159,244	6			1,493,407	0	0	6,096,851
6/30/91	11	223,326	106,706	2,774,232	9	232,478	105,780	2,497,502	7	270,890	71,900	1,836,197	726,694	284,386	7,107,931
12/31/91	12	223,326	428,941	3,426,499	10	232,478	490,438	3,220,418	8	270,890	432,437	2,539,524	726,694	1,351,816	9,186,441
6/30/92	13	223,326	116,869	3,766,694	11	232,478	111,934	3,564,830	9	270,890	77,462	2,887,876	726,694	306,265	10,219,400
12/31/92	14	434,027	104,872	4,305,593	12	423,694	129,716	4,118,240	10	464,724	84,937	3,437,537	1,322,445	319,525	11,861,370
6/30/93	15	445,545	90,854	4,841,992	13	421,072	173,551	4,712,863	11	477,502	111,010	4,026,049	1,344,119	375,415	13,580,904
12/31/93	16	431,919	87,753	5,361,664	14	414,884	93,888	5,221,635	12	462,987	52,475	4,541,511	1,309,790	234,116	15,124,810
6/30/94	17	431,919	111,532	5,905,115	15	414,884	10,343	5,646,862	13	462,987	47,978	5,052,476	1,309,790	169,853	16,604,453
12/31/94	18	431,919	(131,334)	6,205,700	16	414,884	(120,146)	5,941,600	14	462,987	(159,863)	5,355,600	1,309,790	(411,343)	17,502,900
6/30/95	19	431,919	404,898	7,042,517	17	414,884	339,916	6,696,400	15	462,987	295,915	6,114,502	1,309,790	1,040,729	19,853,419
12/31/95	20	1,755,562	262,538	9,060,617	18	1,669,739	235,585	8,601,724	16	1,884,499	181,886	8,180,887	5,309,800	680,009	25,843,228
6/30/96	21	1,755,562	260,302	11,076,481	19	1,669,739	197,615	10,469,078	17	1,884,499	152,131	10,217,517	5,309,800	610,048	31,763,076
12/31/96	22	1,593,396	258,223	12,928,100	20	1,753,112	211,610	12,433,800	18	1,963,492	150,991	12,332,000	5,310,000	620,824	37,693,900
6/30/97	23	1,593,396	247,064	14,768,560	21	1,753,112	238,202	14,425,114	19	1,963,492	184,812	14,480,304	5,310,000	670,078	43,673,978
12/31/97	24	1,593,396	565,873	16,927,829	22	1,753,112	583,850	16,762,076	20	1,963,492	399,527	16,843,323	5,310,000	1,549,250	50,533,228
6/30/98	25	1,593,396	738,933	19,260,158	23	1,753,112	794,564	19,309,752	21	1,963,492	549,326	19,356,141	5,310,000	2,082,823	57,926,051
12/31/98	26	1,593,396	996,208	21,849,762	24	1,753,112	653,844	21,716,708	22	1,963,492	511,371	21,831,004	5,310,000	2,161,423	65,397,474
6/30/99	27	1,629,218	(214,470)	23,264,510	25	1,750,953	113,871	23,581,532	23	1,929,829	(245,280)	23,515,553	5,310,000	(345,879)	70,361,595
12/31/99	28	0	211,345	23,475,855	26	0	346,764	23,928,296	24	0	316,063	23,831,616	0	874,172	71,235,767
6/30/00	29	0	852,897	24,328,752	27	0	804,598	24,732,894	25	0	778,362	24,609,978	0	2,435,856	73,671,623
12/31/00	30	0	1,765,642	26,094,394	28	0	1,536,294	26,269,187	26	0	1,623,514	26,233,492	0	4,925,450	78,597,074
6/30/01	31	(122,340)	913,304	26,885,358	29	(93,443)	919,422	27,095,166	27	(31,324)	918,172	27,120,340	(247,107)	2,750,898	81,100,865
12/31/01	32	(122,340)	940,988	27,704,006	30	(93,443)	948,331	27,950,054	28	(31,324)	949,212	28,038,228	(247,107)	2,838,530	83,692,288
6/30/02	33	(122,340)	969,640	28,551,307	31	(93,443)	978,252	28,834,863	29	(31,324)	981,338	28,988,242	(247,107)	2,929,230	86,374,412
12/31/02	34	(122,340)	999,296	29,428,263	32	(93,443)	1,009,220	29,750,640	30	(31,324)	1,014,588	29,971,507	(247,107)	3,023,104	89,150,410
6/30/03	35	(122,340)	1,029,989	30,335,912	33	(93,443)	1,041,272	30,698,470	31	(31,324)	1,049,003	30,989,185	(247,107)	3,120,264	92,023,567
12/31/03	36	(122,340)	1,061,757	31,275,330	34	(93,443)	1,074,446	31,679,473	32	(31,324)	1,084,621	32,042,483	(247,107)	3,220,825	94,997,286
6/30/04	37	(122,340)	1,094,637	32,247,627	35	(93,443)	1,108,782	32,694,812	33	(31,324)	1,121,487	33,132,646	(247,107)	3,324,905	98,075,084
12/31/04	38	(122,340)	1,128,667	33,253,954	36	(93,443)	1,144,318	33,745,688	34	(31,324)	1,159,643	34,260,964	(247,107)	3,432,628	101,260,606
6/30/05	39	(122,340)	1,163,888	34,295,503	37	(93,443)	1,181,099	34,833,344	35	(31,324)	1,199,134	35,428,774	(247,107)	3,544,121	104,557,620
12/31/05	40	(122,340)	1,200,343	35,373,506	38	(93,443)	1,219,167	35,959,068	36	(31,324)	1,240,007	36,637,457	(247,107)	3,659,517	107,970,030
6/30/06	41	(122,340)	1,238,073	36,489,239	39	(93,443)	1,258,567	37,124,192	37	(31,324)	1,282,311	37,888,444	(247,107)	3,778,951	111,501,875
12/31/06	42	(122,340)	1,277,123	37,644,023	40	(93,443)	1,299,347	38,330,096	38	(31,324)	1,326,096	39,183,215	(247,107)	3,902,566	115,157,334
6/30/07	43	(122,340)	1,317,541	38,839,224	41	(93,443)	1,341,553	39,578,207	39	(31,324)	1,371,413	40,523,304	(247,107)	4,030,507	118,940,734
12/31/07	44	(122,340)	1,359,373	40,076,257	42	(93,443)	1,385,237	40,870,001	40	(31,324)	1,418,316	41,910,295	(247,107)	4,162,926	122,856,553
6/30/08	45	(122,340)	1,402,669	41,356,586	43	(93,443)	1,430,450	42,207,008	41	(31,324)	1,466,860	43,145,812	(247,107)	4,299,979	126,909,426

Department of Water & Power  
Palo Verde Project  
Termination Cost Funding

Date	Unit 1				Unit 2				Unit 3				Grand Total		
	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Period	Contribution	Interest	Balance	Contribution	Interest	Totals
12/31/08	46	(122,340)	1,447,481	42,681,727	44	(93,443)	1,477,245	43,590,811	42	(31,324)	1,517,104	44,831,612	(247,107)	4,441,830	131,104,150
6/30/09	47	(122,340)	1,493,860	44,053,248	45	(93,443)	1,525,678	45,023,046	43	(31,324)	1,569,106	46,369,394	(247,107)	4,588,645	135,445,688
12/31/09	48	(122,340)	1,541,864	45,472,772	46	(93,443)	1,575,807	46,505,410	44	(31,324)	1,622,929	47,960,999	(247,107)	4,740,599	139,939,181
6/30/10	49	(122,340)	1,591,547	46,941,980	47	(93,443)	1,627,689	48,039,656	45	(31,324)	1,678,635	49,608,310	(247,107)	4,897,871	144,589,946
12/31/10	50	(122,340)	1,642,969	48,462,609	48	(93,443)	1,681,388	49,627,601	46	(31,324)	1,736,291	51,313,276	(247,107)	5,060,648	149,403,487
6/30/11	51	(122,340)	1,696,191	50,036,461	49	(93,443)	1,736,966	51,271,125	47	(31,324)	1,795,965	53,077,917	(247,107)	5,229,122	154,385,503
12/31/11	52	(122,340)	1,751,276	51,665,398	50	(93,443)	1,794,489	52,972,171	48	(31,324)	1,857,727	54,904,320	(247,107)	5,403,493	159,541,889
6/30/12	53	(122,340)	1,808,289	53,351,347	51	(93,443)	1,854,026	54,732,754	49	(31,324)	1,921,651	56,794,647	(247,107)	5,583,966	164,878,748
12/31/12	54	(122,340)	1,867,297	55,096,304	52	(93,443)	1,915,646	56,554,958	50	(31,324)	1,987,813	58,751,136	(247,107)	5,770,756	170,402,398
6/30/13	55	(122,340)	1,928,371	56,902,335	53	(93,443)	1,979,424	58,440,938	51	(31,324)	2,056,290	60,776,101	(247,107)	5,964,084	176,119,375
12/31/13	56	(122,340)	1,991,582	58,771,578	54	(93,443)	2,045,433	60,392,928	52	(31,324)	2,127,164	62,871,941	(247,107)	6,164,178	182,036,447
6/30/14	57	(122,340)	2,057,005	60,706,243	55	(93,443)	2,113,752	62,413,238	53	(31,324)	2,200,518	65,041,135	(247,107)	6,371,276	188,160,616
12/31/14	58	(122,340)	2,124,719	62,708,622	56	(93,443)	2,184,463	64,504,258	54	(31,324)	2,276,440	67,286,250	(247,107)	6,585,622	194,499,131
6/30/15	59	(122,340)	2,194,802	64,781,084	57	(93,443)	2,257,649	66,668,464	55	(31,324)	2,355,019	69,609,945	(247,107)	6,807,470	201,059,494
12/31/15	60	(122,340)	2,267,338	66,926,083	58	(93,443)	2,333,396	68,908,418	56	(31,324)	2,436,348	72,014,969	(247,107)	7,037,082	207,849,470
6/30/16	61	(122,340)	2,342,413	69,146,156	59	(93,443)	2,411,795	71,226,770	57	(31,324)	2,520,524	74,504,169	(247,107)	7,274,731	214,877,094
12/31/16	62	(122,340)	2,420,115	71,443,932	60	(93,443)	2,492,937	73,626,264	58	(31,324)	2,607,646	77,080,491	(247,107)	7,520,698	222,150,686
6/30/17	63	(122,340)	2,500,538	73,822,130	61	(93,443)	2,576,919	76,109,740	59	(31,324)	2,697,817	79,746,984	(247,107)	7,775,274	229,678,854
12/31/17	64	(122,340)	2,583,775	76,283,565	62	(93,443)	2,663,841	78,680,138	60	(31,324)	2,791,144	82,506,804	(247,107)	8,038,760	237,470,507
6/30/18	65	(122,340)	2,669,925	78,831,150	63	(93,443)	2,753,805	81,340,500	61	(31,324)	2,887,738	85,363,218	(247,107)	8,311,468	245,534,868
12/31/18	66	(122,340)	2,759,090	81,467,901	64	(93,443)	2,846,917	84,093,975	62	(31,324)	2,987,713	88,319,607	(247,107)	8,593,720	253,881,482
6/30/19	67	(122,340)	2,851,377	84,196,937	65	(93,443)	2,943,289	86,943,821	63	(31,324)	3,091,186	91,379,469	(247,107)	8,885,852	262,520,227
12/31/19	68	(122,340)	2,946,893	87,021,491	66	(93,443)	3,043,034	89,893,412	64	(31,324)	3,198,281	94,546,427	(247,107)	9,188,208	271,461,329
6/30/20	69	(122,340)	3,045,752	89,944,903	67	(93,443)	3,146,269	92,946,238	65	(31,324)	3,309,125	97,824,227	(247,107)	9,501,147	280,715,369
12/31/20	70	(122,340)	3,148,072	92,970,636	68	(93,443)	3,253,118	96,105,914	66	(31,324)	3,423,848	101,216,751	(247,107)	9,825,038	290,293,301
6/30/21					69	(93,443)	3,363,707	99,376,178	67	(31,324)	3,542,586	104,728,014	(124,767)	6,906,293	204,104,191
12/31/21					70	(93,443)	3,478,166	102,760,899	68	(31,324)	3,665,480	108,362,170	(124,767)	7,143,647	211,123,069
6/30/22									69	(31,324)	3,792,676	112,123,522	(31,324)	3,792,676	112,123,522
12/31/22									70	(31,324)	3,924,323	116,016,520	(31,324)	3,924,323	116,016,520

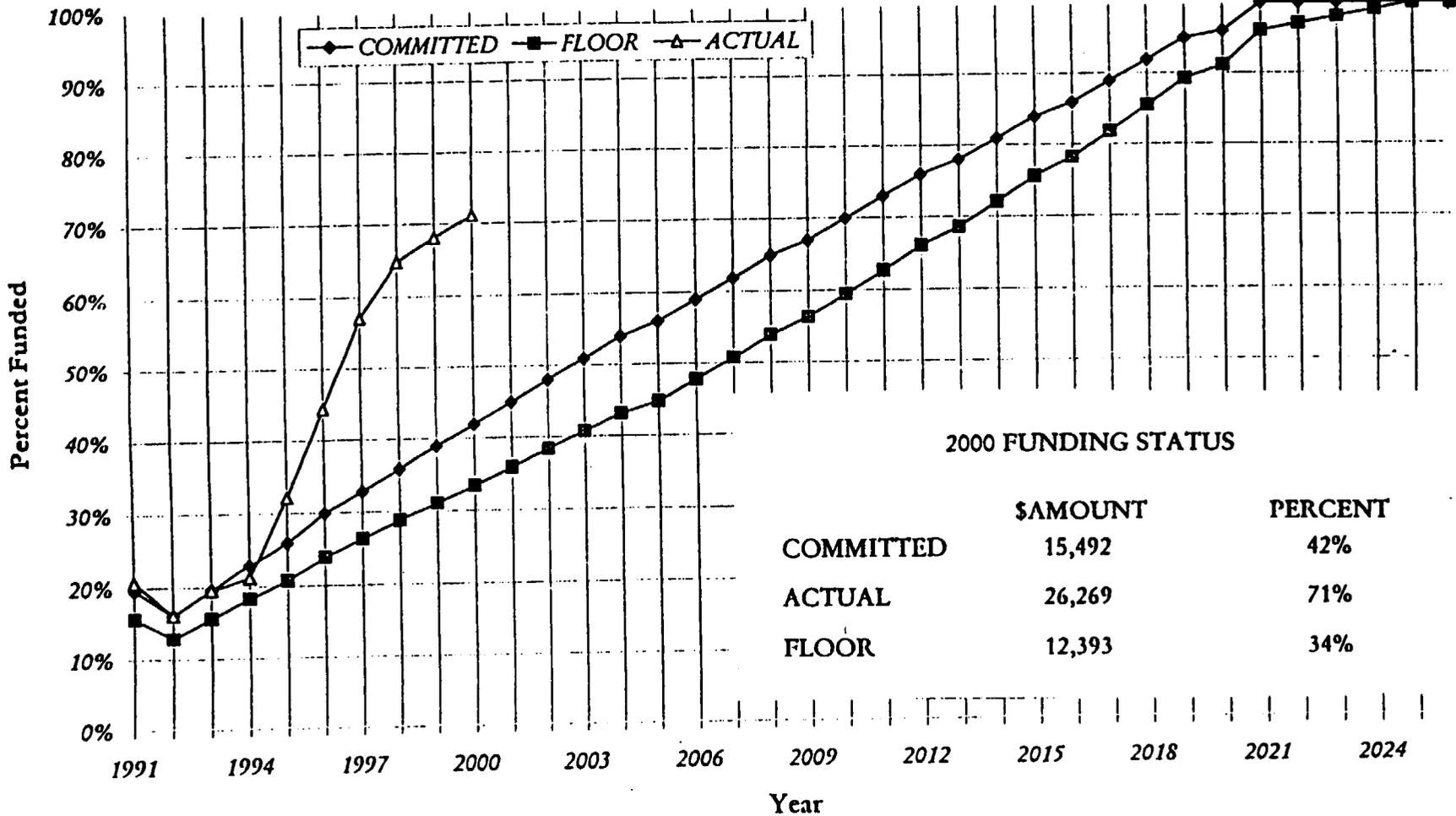
# DWP PALO VERDE UNIT 1 FUNDING PLAN



**DEPARTMENT OF WATER & POWER**  
**1999 PALO VERDE UNIT 1 FUNDING STATUS**  
**TERMINATION COST FUNDING**  
(In Thousand \$)

Month	Year	(1) (2) (3) Authorized Funding Plan			(4) (5) (6) Funding Floor Curve			(7) (8) (9) Actual Funding		
		Fund	Est. Cost	% Funded	Criteria	Percent	\$ Amount	Fund	Est. Cost	% Funded
		(2) X (3)				(3) X (4)	(1) X (4)	(7)/(8)		
DEC	1991	3,261	15,677	21%	80%	17%	2,609	3,426	15,677	22%
DEC	1992	4,330	25,832	17%	80%	13%	3,464	4,306	25,832	17%
DEC	1993	5,513	27,124	20%	80%	16%	4,410	5,362	27,124	20%
DEC	1994	6,780	28,480	24%	80%	19%	5,424	6,206	28,480	22%
DEC	1995	6,934	25,682	27%	80%	22%	5,547	9,061	25,682	35%
DEC	1996	8,359	26,966	31%	80%	25%	6,688	12,928	26,966	48%
DEC	1997	9,627	28,314	34%	80%	27%	7,702	16,928	28,314	60%
DEC	1998	11,759	31,782	37%	80%	30%	9,407	21,850	31,782	69%
DEC	1999	13,348	33,371	40%	80%	32%	10,679	23,476	33,371	70%
DEC	2000	15,067	35,040	43%	80%	34%	12,054	26,094	35,040	74%
DEC	2001	16,924	36,792	46%	80%	37%	13,539			
DEC	2002	18,929	38,631	49%	80%	39%	15,143			
DEC	2003	21,093	40,563	52%	80%	42%	16,874			
DEC	2004	23,425	42,591	55%	80%	44%	18,740			
DEC	2005	25,938	44,720	58%	81%	47%	21,010			
DEC	2006	28,643	46,956	61%	82%	50%	23,488			
DEC	2007	31,555	49,304	64%	83%	53%	26,190			
DEC	2008	34,686	51,770	67%	84%	56%	29,136			
DEC	2009	37,507	54,358	69%	85%	59%	31,881			
DEC	2010	41,095	57,076	72%	86%	62%	35,341			
DEC	2011	44,947	59,930	75%	87%	65%	39,104			
DEC	2012	49,082	62,926	78%	88%	69%	43,193			
DEC	2013	53,519	66,072	81%	89%	72%	47,632			
DEC	2014	57,582	69,376	83%	90%	75%	51,824			
DEC	2015	62,647	72,845	86%	91%	78%	57,008			
DEC	2016	68,074	76,487	89%	92%	82%	62,628			
DEC	2017	73,887	80,312	92%	93%	86%	68,715			
DEC	2018	79,267	84,327	94%	94%	88%	74,511			
DEC	2019	85,887	88,543	97%	95%	92%	81,593			
DEC	2020	92,971	92,971	100%	96%	96%	89,252			
DEC	2021	97,619	97,619	100%	97%	97%	94,691			
DEC	2022	102,500	102,500	100%	98%	98%	100,450			
DEC	2023	107,625	107,625	100%	99%	99%	106,549			
DEC	2024	113,006	113,006	100%	100%	100%	113,006			
DEC	2025	118,657	118,657	100%	100%	100%	118,657			

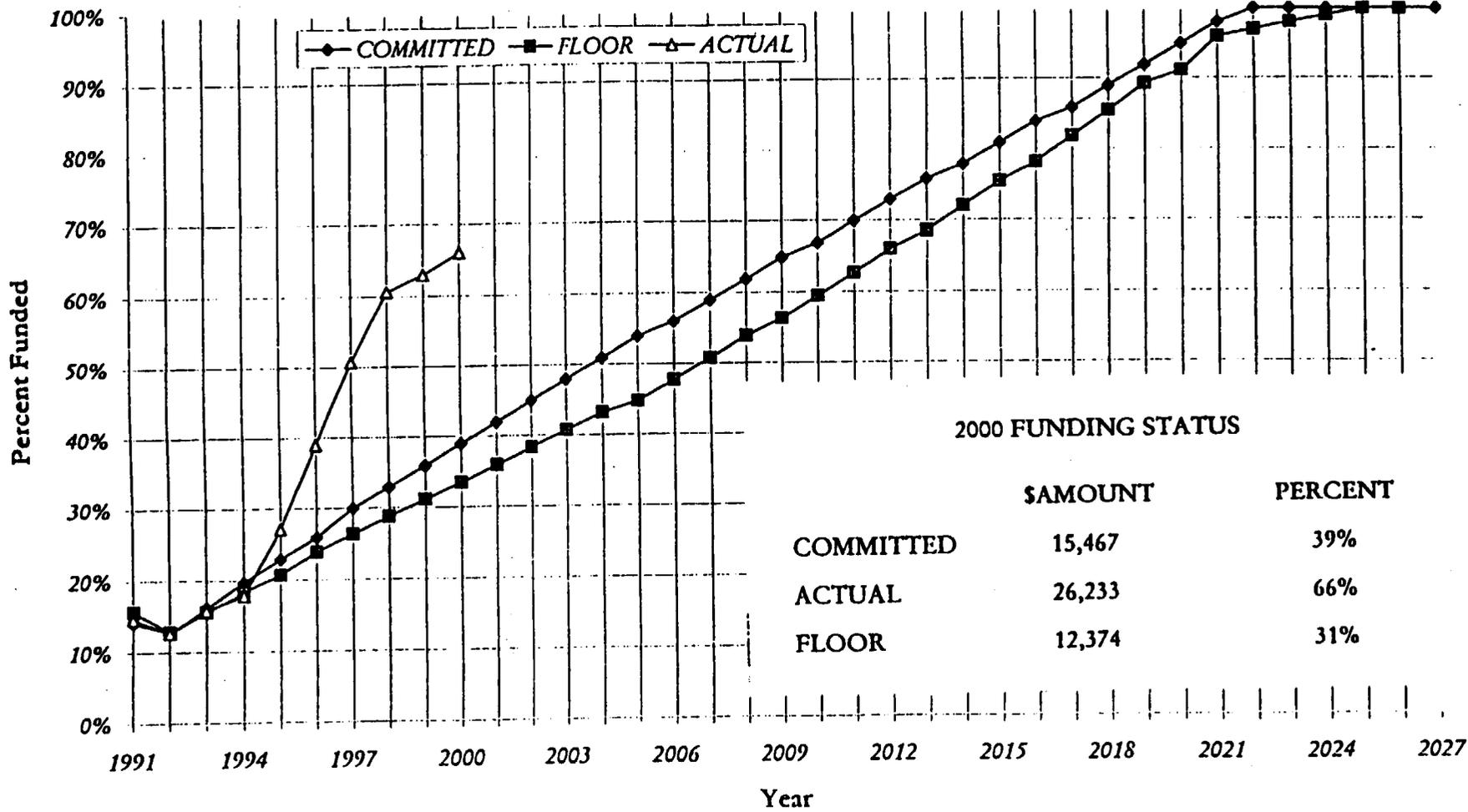
# DWP PALO VERDE UNIT 2 FUNDING PLAN



DEPARTMENT OF WATER & POWER  
 1999 PALO VERDE UNIT 2 FUNDING STATUS  
 TERMINATION COST FUNDING  
 (In Thousand \$)

Month	Year	(1) Authorized Funding Plan			(4) Funding Floor Curve			(7) Actual Funding		
		Fund (2) X (3)	Est. Cost	% Funded	Criteria	Percent (5) X (4)	\$ Amount (6) X (4)	Fund	Est. Cost	% Funded (7)/(8)
DEC	1991	3,055	15,542	20%	80%	16%	2,444	3,220	15,542	21%
DEC	1992	4,104	25,418	16%	80%	13%	3,283	4,118	25,418	16%
DEC	1993	5,237	26,689	20%	80%	16%	4,190	5,222	26,689	20%
DEC	1994	6,449	28,023	23%	80%	18%	5,159	5,942	28,023	21%
DEC	1995	6,931	26,658	26%	80%	21%	5,545	8,602	26,658	32%
DEC	1996	8,397	27,991	30%	80%	24%	6,718	12,434	27,991	44%
DEC	1997	9,699	29,390	33%	80%	26%	7,759	16,762	29,390	57%
DEC	1998	12,044	33,456	36%	80%	29%	9,635	21,717	33,456	65%
DEC	1999	13,700	35,129	39%	80%	31%	10,960	23,928	35,129	68%
DEC	2000	15,492	36,885	42%	80%	34%	12,393	26,269	36,885	71%
DEC	2001	17,428	38,730	45%	80%	36%	13,943			
DEC	2002	19,520	40,666	48%	80%	38%	15,616			
DEC	2003	21,777	42,699	51%	80%	41%	17,421			
DEC	2004	24,210	44,834	54%	80%	43%	19,368			
DEC	2005	26,363	47,076	56%	80%	45%	21,090			
DEC	2006	29,164	49,430	59%	81%	48%	23,622			
DEC	2007	32,179	51,901	62%	82%	51%	26,387			
DEC	2008	35,423	54,496	65%	83%	54%	29,401			
DEC	2009	38,338	57,221	67%	84%	56%	32,204			
DEC	2010	42,058	60,082	70%	85%	60%	35,749			
DEC	2011	46,053	63,086	73%	86%	63%	39,606			
DEC	2012	50,343	66,241	76%	87%	66%	43,798			
DEC	2013	54,251	69,553	78%	88%	69%	47,741			
DEC	2014	59,155	73,030	81%	89%	72%	52,648			
DEC	2015	64,413	76,682	84%	90%	76%	57,971			
DEC	2016	69,244	80,516	86%	91%	78%	63,012			
DEC	2017	75,242	84,542	89%	92%	82%	69,223			
DEC	2018	81,667	88,769	92%	93%	86%	75,951			
DEC	2019	88,547	93,207	95%	94%	89%	83,234			
DEC	2020	93,953	97,868	96%	95%	91%	89,255			
DEC	2021	102,761	102,761	100%	96%	96%	98,650			
DEC	2022	107,899	107,899	100%	97%	97%	104,662			
DEC	2023	113,294	113,294	100%	98%	98%	111,028			
DEC	2024	118,959	118,959	100%	99%	99%	117,769			
DEC	2025	124,907	124,907	100%	100%	100%	124,907			
DEC	2026	131,152	131,152	100%	100%	100%	131,152			

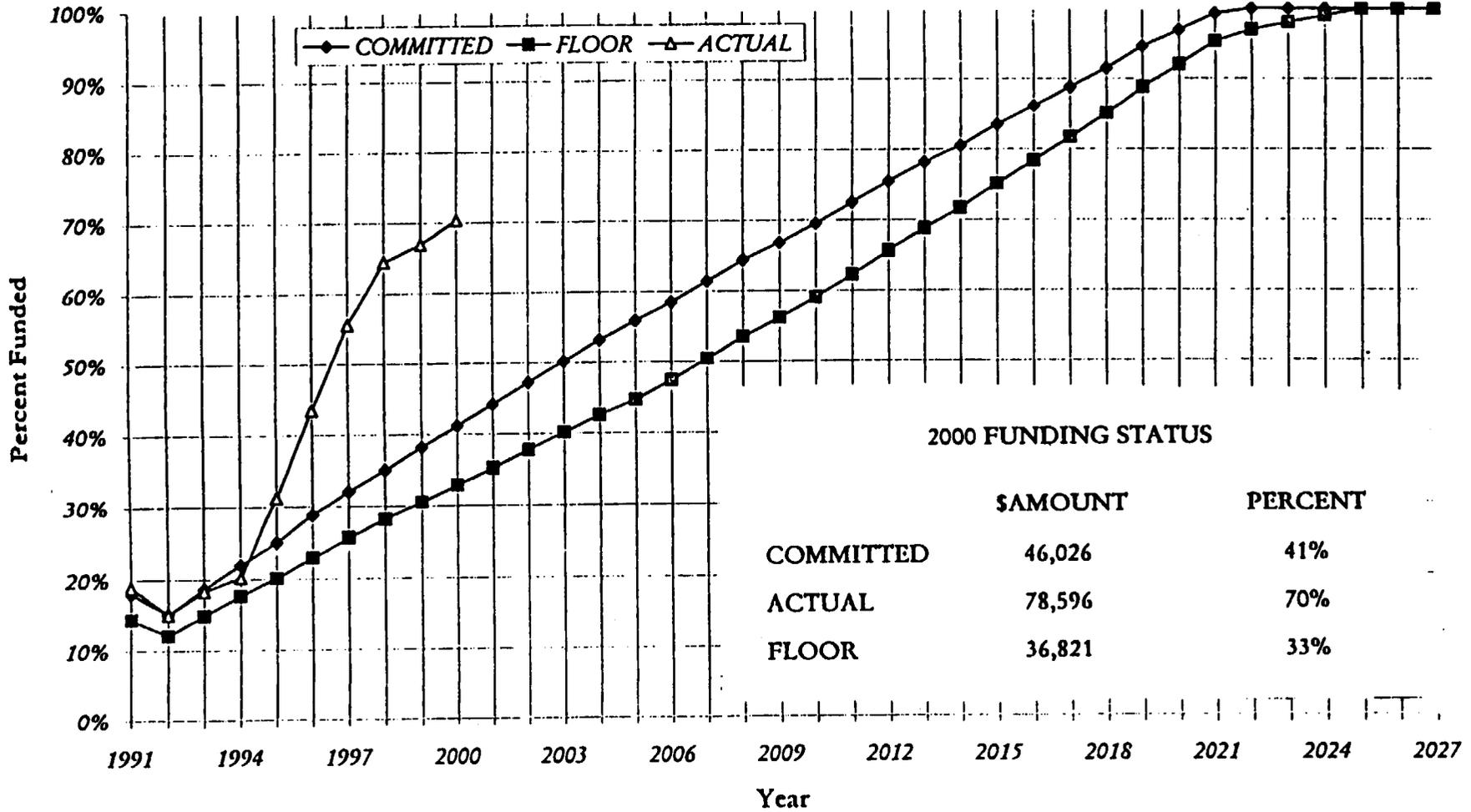
# DWP PALO VERDE UNIT 3 FUNDING PLAN



**DEPARTMENT OF WATER & POWER**  
**1999 PALO VERDE UNIT 3 FUNDING STATUS**  
**TERMINATION COST FUNDING**  
(In Thousand \$)

Month	Year	(1) Authorized Funding Plan			(4) Funding Floor Curve			(7) Actual Funding		
		(2) Fund	(3) Est. Cost	(3) % Funded	(4) Criteria	(5) Percent	(6) \$ Amount	(7) Fund	(8) Est. Cost	(9) % Funded
		(2) X (3)				(3) X (4)	(1) X (4)	(7)/(8)		
DEC	1991	2,452	17,248	14%	80%	11%	1,962	2,540	17,248	15%
DEC	1992	3,452	27,160	13%	80%	10%	2,762	3,438	27,160	13%
DEC	1993	4,636	28,518	16%	80%	13%	3,709	4,542	28,518	16%
DEC	1994	5,905	29,944	20%	80%	16%	4,724	5,356	29,944	18%
DEC	1995	6,923	30,100	23%	80%	18%	5,538	8,181	30,100	27%
DEC	1996	8,217	31,605	26%	80%	21%	6,574	12,332	31,605	39%
DEC	1997	9,956	33,185	30%	80%	24%	7,964	16,843	33,185	51%
DEC	1998	11,871	35,973	33%	80%	26%	9,497	21,831	35,973	61%
DEC	1999	13,598	37,772	36%	80%	29%	10,878	23,832	37,772	63%
DEC	2000	15,467	39,660	39%	80%	31%	12,374	26,233	39,660	66%
DEC	2001	17,490	41,643	42%	80%	34%	13,992			
DEC	2002	19,676	43,725	45%	80%	36%	15,741			
DEC	2003	22,038	45,912	48%	80%	38%	17,630			
DEC	2004	24,586	48,207	51%	80%	41%	19,669			
DEC	2005	27,334	50,618	54%	80%	43%	21,867			
DEC	2006	29,763	53,149	56%	80%	45%	23,811			
DEC	2007	32,925	55,806	59%	80%	47%	26,340			
DEC	2008	36,330	58,596	62%	81%	50%	29,427			
DEC	2009	39,992	61,526	65%	82%	53%	32,793			
DEC	2010	43,284	64,602	67%	83%	56%	35,925			
DEC	2011	47,483	67,832	70%	84%	59%	39,885			
DEC	2012	51,994	71,224	73%	85%	62%	44,195			
DEC	2013	56,837	74,785	76%	86%	65%	48,880			
DEC	2014	61,249	78,525	78%	87%	68%	53,287			
DEC	2015	66,785	82,451	81%	88%	71%	58,771			
DEC	2016	72,722	86,573	84%	89%	75%	64,722			
DEC	2017	78,176	90,902	86%	90%	77%	70,358			
DEC	2018	84,948	95,447	89%	91%	81%	77,303			
DEC	2019	92,202	100,219	92%	92%	85%	84,826			
DEC	2020	99,969	105,230	95%	93%	88%	92,971			
DEC	2021	108,282	110,492	98%	94%	92%	101,785			
DEC	2022	116,017	116,017	100%	95%	95%	110,216			
DEC	2023	121,817	121,817	100%	96%	96%	116,945			
DEC	2024	127,908	127,908	100%	97%	97%	124,071			
DEC	2025	134,304	134,304	100%	98%	98%	131,618			
DEC	2026	141,019	141,019	100%	99%	99%	139,609			
DEC	2027	148,070	148,070	100%	100%	100%	148,070			

# DWP PALO VERDE ALL UNITS FUNDING PLAN



**DEPARTMENT OF WATER & POWER**  
**1999 PALO VERDE ALL UNITS FUNDING STATUS**  
**TERMINATION COST FUNDING**  
(In Thousand \$)

Month	Year	(1) (2) (3) Authorized Funding Plan			(4) (5) (6) Funding Floor Curve			(7) (8) (9) Actual Funding		
		Fund (2) X (3)	Est. Cost	% Funded	Criteria	Percent (3) X (4)	\$ Amount (1) X (4)	Fund	Est. Cost	% Funded (7)/(8)
DEC	1991	8,768	48,467	18%	80%	14%	7,014	9,186	48,467	19%
DEC	1992	11,886	78,410	15%	80%	12%	9,509	11,862	78,410	15%
DEC	1993	15,386	82,331	19%	80%	15%	12,309	15,126	82,331	18%
DEC	1994	19,134	86,447	22%	80%	18%	15,307	17,504	86,447	20%
DEC	1995	20,788	82,440	25%	80%	20%	16,631	25,844	82,440	31%
DEC	1996	24,974	86,562	29%	80%	23%	19,979	37,694	86,562	44%
DEC	1997	29,281	90,890	32%	80%	26%	23,425	50,533	90,890	56%
DEC	1998	35,675	101,211	35%	80%	28%	28,540	65,398	101,211	65%
DEC	1999	40,646	106,272	38%	80%	31%	32,517	71,236	106,272	67%
DEC	2000	46,026	111,585	41%	80%	33%	36,821	78,596	111,585	70%
DEC	2001	51,843	117,164	44%	80%	35%	41,474			
DEC	2002	58,125	123,023	47%	80%	38%	46,500			
DEC	2003	64,907	129,174	50%	80%	40%	51,926			
DEC	2004	72,221	135,632	53%	80%	43%	57,777			
DEC	2005	79,634	142,414	56%	80%	45%	63,707			
DEC	2006	87,570	149,535	59%	81%	47%	70,932			
DEC	2007	96,659	157,011	62%	82%	50%	79,260			
DEC	2008	106,438	164,862	65%	83%	54%	88,343			
DEC	2009	115,837	173,105	67%	84%	56%	97,303			
DEC	2010	126,436	181,760	70%	85%	59%	107,470			
DEC	2011	138,483	190,848	73%	86%	62%	119,095			
DEC	2012	151,419	200,391	76%	87%	66%	131,734			
DEC	2013	164,607	210,410	78%	88%	69%	144,854			
DEC	2014	177,986	220,931	81%	89%	72%	158,407			
DEC	2015	193,844	231,977	84%	90%	75%	174,460			
DEC	2016	210,039	243,576	86%	91%	78%	191,135			
DEC	2017	227,304	255,755	89%	92%	82%	209,120			
DEC	2018	245,883	268,543	92%	93%	85%	228,671			
DEC	2019	266,636	281,970	95%	94%	89%	250,638			
DEC	2020	286,892	296,069	97%	95%	92%	272,548			
DEC	2021	308,662	310,872	99%	96%	95%	296,316			
DEC	2022	326,416	326,416	100%	97%	97%	316,623			
DEC	2023	342,736	342,736	100%	98%	98%	335,882			
DEC	2024	359,873	359,873	100%	99%	99%	356,274			
DEC	2025	377,867	377,867	100%	100%	100%	377,867			
DEC	2026	272,171	272,171	100%	100%	100%	272,171			
DEC	2027	148,070	148,070	100%	100%	100%	148,070			

## **Palo Verde Nuclear Generating Station**

## **Appendix C, Tab 1 Master Trust Agreement**

### **APS 2000 Annual Funding Status Report**

APS reports that its Master Trust Agreement was amended on June 30, 2000.  
A copy of the amendment is enclosed.

This Amendment No. 5, dated as of June <sup>30</sup>, 2000, to the Amended and Restated Decommissioning Trust Agreement (PVNGS Unit 2), dated as of January 31, 1992, as amended by Amendment No. 1 thereto dated as of November 1, 1992, Amendment No. 2 thereto dated as of November 1, 1994, Amendment No. 3 thereto dated as of June 20, 1996, and Amendment No. 4 thereto dated as of December 16, 1996 (the "Decommissioning Trust Agreement"; terms used herein as therein defined), is entered into between Arizona Public Service Company ("APS"), State Street Bank and Trust Company, as successor to The First National Bank of Boston, as Owner Trustee and as Lessor, and Mellon Bank, N.A., as Decommissioning Trustee ("Decommissioning Trustee").

### **RECITALS:**

WHEREAS, the parties hereto wish to amend the investment parameters for the Decommissioning Trust Fund and the Second Fund contained in Exhibit B to the Decommissioning Trust Agreement;

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged; the parties hereto agree as follows:

### **AGREEMENTS:**

#### **SECTION 1. Amendment.**

Paragraph (l) of Exhibit B to the Decommissioning Trust Agreement is hereby deleted and is replaced in its entirety by the following:

- (l) (x) corporate equity securities, including, but not limited to, investment in units of common or collective trust funds investing in corporate equity securities; including, but not limited to, the Decommissioning Trustee's Nuclear Decommissioning Trust Equity Index Fund (the "NDT Equity Index Fund") and (y) obligations not included in clauses (a) through (k) issued or guaranteed by a person controlled or supervised by and acting as an instrumentality of the United States of America pursuant to authority granted by the Congress of the United States of America, including Federal Intermediate Credit Bank, Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation; provided, that no more than fifty percent (50%) of the aggregate assets of the Funds may be invested in securities described in (x) and (y) of this subparagraph (l) during the period from June 27, 1996 through December 31, 2003, no more than thirty percent (30%) during the period from January 1, 2004 through December 31, 2006, and no more than fifteen percent (15%) during the period from January 1, 2007 through January 31, 2010; and provided further that after January 31, 2010, no investments shall be made in such securities.

#### **SECTION 2. Effectiveness.**

This Amendment No. 5 shall become effective as of the date hereof upon the execution and delivery of a counterpart of this Amendment No. 5 by each of the parties hereto.

**SECTION 3. Miscellaneous**

**(a) Full Force and Effect.**

Except as expressly provided herein, the Decommissioning Trust Agreement shall remain unchanged and in full force and effect. Each reference in the Decommissioning Trust Agreement and in any exhibit or schedule thereto to "this Agreement," "hereto," "hereof" and terms of similar import shall be deemed to refer to the Decommissioning Trust Agreement as amended hereby.

**(b) Counterparts.**

This Amendment No. 5 may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Amendment No. 5 by signing any such counterpart.

**(c) Arizona Law.**

This Amendment No. 5 shall be construed in accordance with and governed by the law of the State of Arizona.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 5 to the Decommissioning Trust Agreement to be duly executed as of the day and year first above written.

ARIZONA PUBLIC SERVICE COMPANY

By Barbara M. Jones  
Title Treasurer

MELLON BANK N.A., as  
Decommissioning Trustee

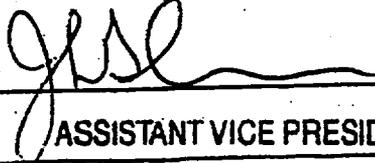
By David T. McDemott  
Title VICE PRESIDENT

**MELLON BANK N.A., as  
Decommissioning Trustee**

By \_\_\_\_\_

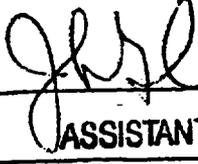
Title \_\_\_\_\_

**STATE STREET BANK AND TRUST  
COMPANY, as Owner Trustee under a Trust  
Agreement with Security Pacific Capital Leasing  
Corporation and as Lessor under a Facility Lease  
with Arizona Public Service Company**

By 

Title ASSISTANT VICE PRESIDENT

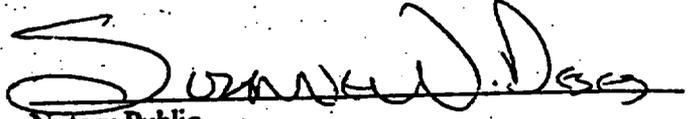
**STATE STREET BANK AND TRUST  
COMPANY, as Owner Trustee under a Trust  
Agreement with Emerson Finance Co. and as Lessor  
under a Facility Lease with Arizona Public Service  
Company**

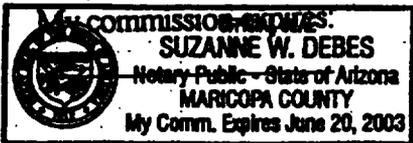
By 

Title ASSISTANT VICE PRESIDENT

STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

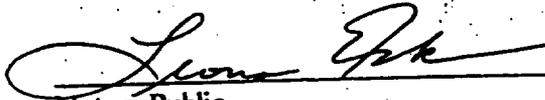
The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of DECEMBER, 2000, by BARBARA M. GOMEZ the TREASURER of ARIZONA PUBLIC SERVICE COMPANY, an Arizona corporation, on behalf of said corporation.

  
Notary Public



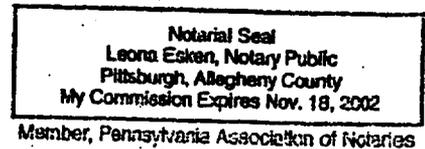
STATE OF Pennsylvania )  
 ) ss.  
County of Allegheny )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of OCTOBER, 2000, by GERARD M. DEBRUIT, a Trust Officer of MELLON BANK, N.A., a corporation having trust powers, as Decommissioning Trustee, on behalf of said corporation.

  
Notary Public

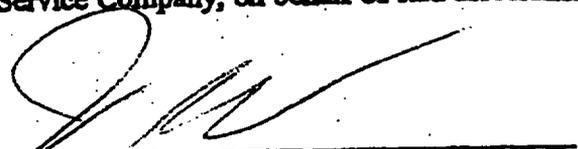
My commission expires:

11.18.02



STATE OF MASSACHUSETTS )  
 ) ss.  
County of SUFFOLK )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of December, 2000, by John Correia, the Assistant Vice President of STATE STREET BANK AND TRUST COMPANY, a Massachusetts trust company, in its capacity as Owner Trustee under a Trust Agreement with Security Pacific Capital Leasing Corporation, and as Lessor under a Facility Lease with Arizona Public Service Company, on behalf of said association in such capacities.

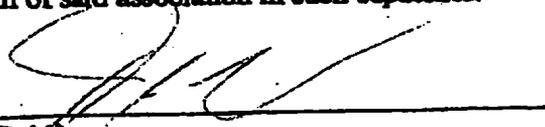


\_\_\_\_\_  
Notary Public

My commission expires:

JAMES M. COOLIDGE  
Notary Public  
My Commission Expires June 19, 2003  
STATE OF MASSACHUSETTS )  
 ) ss.  
County of SUFFOLK )

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of December, 2000, by John Correia, the Assistant Vice President of STATE STREET BANK AND TRUST COMPANY, a Massachusetts trust company, in its capacity as Owner Trustee under a Trust Agreement with Emerson Finance Co., and as Lessor under a Facility Lease with Arizona Public Service Company, on behalf of said association in such capacities.



\_\_\_\_\_  
Notary Public

My commission expires:

JAMES M. COOLIDGE  
Notary Public  
My Commission Expires June 19, 2003

*Deleted per APS Letter 102-04823, dated August 1, 2002*

**Enclosure 2**

**Application Requesting Information be  
Withheld From Public Disclosure**

**AFFIDAVIT OF  
GREGG R. OVERBECK**

I, Gregg R. Overbeck, Senior Vice President, Nuclear, of the Arizona Public Service Company (APS), do hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of APS.
2. In its 2000 Decommissioning Funding Report, submitted pursuant to 10 CFR 50.75(f)(1), APS is providing on behalf of the Participants in Palo Verde Nuclear Generating Station Units 1, 2 and 3, a compilation of information regarding decommissioning funding (Appendix A, Tabs 1-3). The compilation of information in Appendix A is confidential commercial and financial information that should be held in confidence by the NRC and withheld from public disclosure pursuant to 10 CFR § 2.790, because:
  - i. The compiled information provided in the Tables in Appendix A is and has been held in confidence by APS.
  - ii. This information is of a type that is customarily held in confidence by APS, and there is a rational basis for doing so because the information represents a unique compilation of sensitive commercial and financial information concerning the decommissioning funding.
  - iii. This information is being transmitted to the NRC in confidence.
  - iv. This information, as compiled, is not available in public sources and could not be gathered readily from other publicly available information.
  - v. Public disclosure of this information would create substantial harm to the competitive position of APS by disclosing sensitive commercial and financial information about the decommissioning funding for PVNGS to other parties whose commercial interests may be adverse to those of APS.
3. Accordingly, APS requests that the information provided in Appendix A be withheld from public disclosure pursuant to 10 CFR § 2.790.

Deleted per APS Letter 102-04823, dated August 1, 2002

Arizona Public Service Company

*Greg A. Rumbold*

STATE OF ARIZONA

COUNTY OF MARICOPA

Subscribed and sworn to me, a Notary Public, in and for the County and State above named, this 29 day of March, 2001.

*Nora E. Meador*

My Commission Expires: April 6, 2003



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