



FirstEnergy Nuclear Operating Company

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CERTIFIED MAIL

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Davis Besse Power Station, Unit 1
Docket No 50-346

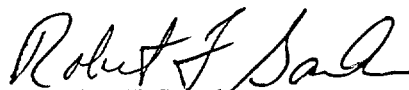
RE: Decommissioning Reports for the Davis-Besse Nuclear Power Station, Unit 1

Ladies and Gentlemen:

Pursuant to 10 CFR 50.75(f)(1), FirstEnergy Corp is hereby submitting the Decommissioning Reports for the Davis-Besse Nuclear Power Station, Unit 1 for the year ending December 31, 2002.

If you have questions or require additional information, please contact Mr. R Terry Conlin, Sr. Business Analyst at 330-384-4605.

Very truly yours,


Robert F. Saunders
President

Attachments

cc: NRC Region III Administrator
NRC Resident Inspector for Davis-Besse Nuclear Power Station
NRC Project Manager for Davis-Besse Nuclear Power Station
Utility Radiological Board
Kevin Spencer Davis-Besse Nuclear Power Station
Patrick McCloskey, Manager-Regulatory Affairs - Davis-Besse Nuclear Power Station
Dale Wuokko, Supervisor Regulatory Compliance - Davis-Besse Nuclear Power Station
R. I. Parrish - FE Reading
M. E. O'Reilly (w/o attachments)
E. J. Sitarz (w/o attachments)
D. C. Perrine (w/o attachments)

A001

**NRC Decommissioning Funding Status Report
Davis-Besse Nuclear Power Station, Unit 1
As of December 31, 2002**

(Note: This report reflects FirstEnergy Corp.'s consolidated share of ownership interest in Davis-Besse Nuclear Power Station, Unit 1).

1. The minimum decommissioning fund estimate, pursuant to 10 CFR 50.75(b) and (c) (see Schedule 1):

Cleveland Electric Illuminating Company	\$175,675,405
Toledo Edison Company	<u>166,238,579</u>
FirstEnergy Consolidated	<u>\$341,913,984</u>

2. The amount accumulated in external trust funds at December 31, 2002:

Cleveland Electric Illuminating Company	\$100,393,916
Toledo Edison Company	<u>95,967,912</u>
FirstEnergy Consolidated	<u>\$196,361,828</u>

3. A schedule of the annual amounts over the number of years remaining to be collected from ratepayers is attached as Schedule 2.

4. The assumptions used regarding escalation in decommissioning cost, rates of earnings on decommissioning funds, and rates of other factors used in funding projections:

Consolidated Ownership Interest in Unit	100%
Funds Earnings Rate Through Dismantlement	5.80%
Decommissioning Cost Inflation Rate	3.80%
Year of License Termination	2017
Year of Final Dismantlement	2024

5. There are no contracts upon which FirstEnergy Corp. is relying pursuant to 10 CFR 50.75(e)(1)(v).

6. Due to the passage of the Ohio Electric Utility Industry Restructuring Bill, FirstEnergy Corp.'s subsidiaries, Cleveland Electric Illuminating Company and Toledo Edison Company, have accelerated the timing of the contributions to the external trust. The contributions pertaining to Public Utility Commission of Ohio will be collected from ratepayers through 2005 while Toledo Edison contributions pertaining to FERC will be collected through March 2017.

7. There were no material changes with respect to the trust agreements during the year ended December 31, 2002.

CLEVELAND ELECTRIC ILLUMINATING COMPANY

Calculation of Minimum Financial Assurance Amount
for December 2002

DAVIS-BESSE NUCLEAR POWER STATION, UNIT 1

Ohio Regions

Labor (L) = Midwest
Energy (E) = National
Waste Burial (B) = South Carolina

	Adjustment Factor	Ratio	Escalation Factor
L =	1.860	0.65	1.209
E =	1.140	0.13	0.148
B =	9.467	0.22	<u>2.083</u>

PWR Escalation Factor = 3.440

Base Amount for PWR between 1200 MWt and 3400 MWt = (\$75m + 0.0088P)
(P = power level in megawatts thermal = 2,772)

(\$75 + 0.0088(2,772)) million = \$99,393,600

Escalated Amount for unit = 99,393,600 x 3.440 = \$341,913,984

Escalated Amount for Cleveland Electric Illuminating Company's ownership interest
(51.38 %) in the unit:

\$341,913,984 x 51.38% = \$175,675,405 for December 2002

TOLEDO EDISON COMPANY

Calculation of Minimum Financial Assurance Amount
for December 2002

DAVIS-BESSE NUCLEAR POWER STATION, UNIT 1

Ohio Regions

Labor (L) = Midwest
Energy (E) = National
Waste Burial (B) = South Carolina

For PWR Unit

	Adjustment Factor	Ratio	Escalation Factor
L =	1.860	0.65	1.209
E =	1.140	0.13	0.148
B =	9.467	0.22	2.083

PWR Escalation Factor = 3.440

Base Amount for PWR between 1200 MWt and 3400 MWt = (\$75m + 0.0088P)
(P = power level in megawatts thermal = 2,772)

(\$75 + 0.0088(2,772)) million = \$99,393,600

Escalated Amount for unit = 99,393,600 x 3.440 = \$341,913,984

Escalated Amount for Toledo Edison Company's ownership interest
(48.62 %) in the unit:

\$341,913,984 x 48.62% = \$166,238,579 for December 2002

NRC Decommissioning Funding Status Report
Schedule of Annual Amounts Remaining to be Collected

FirstEnergy Corp.
Davis Besse

Year	Annual Amounts Collected		FirstEnergy Consolidated
	Cleveland Electric	Toledo Edison	
2003	14,992,124	13,979,190	28,971,314
2004	14,992,124	13,979,190	28,971,314
2005	14,992,124	13,979,190	28,971,314
2006	-	294,731	294,731
2007	-	294,731	294,731
2008	-	294,731	294,731
2009	-	294,731	294,731
2010	-	294,731	294,731
2011	-	294,731	294,731
2012	-	294,731	294,731
2013	-	294,731	294,731
2014	-	294,731	294,731
2015	-	294,731	294,731
2016	-	294,731	294,731
2017	-	98,244	98,244
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	-	-	-
Total	44,976,372	45,277,855	90,254,227