



FirstEnergy Nuclear Operating Company

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Letter Number: PY-CEI/NRR-2693L (Perry)

United States Nuclear Regulatory Commission
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Washington, D.C. 20555-0001

Perry Nuclear Power Plant, Unit 1
Docket No. 50-440

RE: Decommissioning Reports for the Perry Nuclear Power Plant, Unit 1

Ladies and Gentlemen.

Pursuant to 10 CFR 50.75(f)(1), FirstEnergy Corp. is hereby submitting the Decommissioning Reports for the Perry Nuclear Power Plant, 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 Perry Nuclear Power Plant
NRC Project Manager for Perry Nuclear Power Plant
James Emley - Perry Nuclear Power Plant
R I. Parrish - FE Reading
M E. O'Reilly (w/o attachments)
E. J. Starz (w/o attachments)
D. C. Perrine (w/o attachments)

A001

**NRC Decommissioning Funding Status Report
Perry Nuclear Power Plant Unit 1
As of December 31, 2002**

(Note: This report reflects FirstEnergy Corp.'s consolidated share of ownership interest in Perry Nuclear Power Plant Unit 1).

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

Ohio Edison Company	\$133,852,500
Cleveland Electric Illuminating Company	200,109,487
Toledo Edison Company	88,833,443
Pennsylvania Power Company	<u>23,379,570</u>
FirstEnergy Consolidated	<u>\$446,175,000</u>

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

Ohio Edison Company	\$ 59,227,768
Cleveland Electric Illuminating Company	102,026,252
Toledo Edison Company	39,516,831
Pennsylvania Power Company	<u>6,079,968</u>
FirstEnergy Consolidated	<u>\$206,850,819</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	5.766%
Decommissioning Cost Inflation Rate	3.766%
Year of License Termination	2026
Year of Final Dismantlement	2034

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 Pennsylvania Electricity Generation Customer Choice and Competition Act and the Ohio Electric Utility Industry Restructuring Bill, FirstEnergy Corp.'s subsidiaries, Pennsylvania Power Company, Ohio Edison Company, Cleveland Electric Illuminating Company and Toledo Edison Company, have accelerated the timing of the contributions to the external trust. The contributions pertaining to the Pennsylvania Public Utility Commission and Public Utility Commission of Ohio will be collected from ratepayers through 2005, while contributions pertaining to FERC will be collected through March 2026.

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

OHIO EDISON COMPANY

Calculation of Minimum Financial Assurance Amount
for December 2002

PERRY NUCLEAR POWER PLANT UNIT ONE

Ohio Regions

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

For BWR Unit

	Adjustment Factor	Ratio	Escalation Factor
L =	1.860	0.65	1.209
E =	1.130	0.13	0.147
B =	8.860	0.22	<u>1.949</u>

BWR Escalation Factor = 3.305

Base Amount for BWR greater than 3400 MWt = 135,000,000

Escalated Amount for unit = 135,000,000 x 3.305 = \$446,175,000

Escalated Amount for Ohio Edison Company's ownership interest
(30 %) in the unit

\$446,175,000 x 30% = \$133,852,500 for December 2002

CLEVELAND ELECTRIC ILLUMINATING COMPANY

Calculation of Minimum Financial Assurance Amount
for December 2002

PERRY NUCLEAR POWER PLANT UNIT ONE

Ohio Regions

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

For BWR Unit

	Adjustment Factor	Ratio	Escalation Factor
L =	1.860	0.65	1.209
E =	1.130	0.13	0.147
B =	8.860	0.22	<u>1.949</u>

BWR Escalation Factor = 3.305

Base Amount for BWR greater than 3400 MWt = 135,000,000

Escalated Amount for unit = 135,000,000 x 3.305 = \$446,175,000

Escalated Amount for Cleveland Electric Illuminating Company's ownership interest
(44.85%) in the unit:

\$446,175,000 x 44.85% = \$200,109,487 for December 2002

TOLEDO EDISON COMPANY

Calculation of Minimum Financial Assurance Amount
for December 2002

PERRY NUCLEAR POWER PLANT UNIT ONE

Ohio Regions

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

For BWR Unit

	Adjustment Factor	Ratio	Escalation Factor
L =	1.860	0.65	1.209
E =	1.130	0.13	0.147
B =	8.860	0.22	<u>1.949</u>

BWR Escalation Factor = 3.305

Base Amount for BWR greater than 3400 MWt = 135,000,000

Escalated Amount for unit = 135,000,000 x 3.305 = \$446,175,000

Escalated Amount for Toledo Edison Company's ownership interest
(19.91 %) in the unit:

\$446,175,000 x 19.91% = \$88,833,443 for December 2002

PENNSYLVANIA POWER COMPANY

Calculation of Minimum Financial Assurance Amount
for December 2002

PERRY NUCLEAR POWER PLANT UNIT ONE

Ohio Regions

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

For BWR Unit

	Adjustment Factor	Ratio	Escalation Factor
L =	1.860	0.65	1.209
E =	1.130	0.13	0.147
B =	8.860	0.22	<u>1.949</u>

BWR Escalation Factor = 3.305

Base Amount for BWR greater than 3400 MWt = 135,000,000

Escalated Amount for unit = 135,000,000 x 3.305 = \$446,175,000

Escalated Amount for Penn Power Company's ownership interest
(5.24 %) in the unit:

\$446,175,000 x 5.24% = \$23,379,570 for December 2002

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

FirstEnergy Corp.
Perry 1

Year	Annual Amounts Collected				FirstEnergy Consolidated
	Ohio Edison	Cleveland Electric	Toledo Edison	Pennsylvania Power	
2003	13,193,131	9,911,159	6,573,855	771,088	30,449,233
2004	13,193,131	9,911,159	6,573,855	771,088	30,449,233
2005	13,193,131	9,911,159	6,573,855	771,088	30,449,233
2006	113,103	-	114,960	2,088	230,151
2007	113,103	-	114,960	2,088	230,151
2008	113,103	-	114,960	2,088	230,151
2009	113,103	-	114,960	2,088	230,151
2010	113,103	-	114,960	2,088	230,151
2011	113,103	-	114,960	2,088	230,151
2012	113,103	-	114,960	2,088	230,151
2013	113,103	-	114,960	2,088	230,151
2014	113,103	-	114,960	2,088	230,151
2015	113,103	-	114,960	2,088	230,151
2016	113,103	-	114,960	2,088	230,151
2017	113,103	-	114,960	2,088	230,151
2018	113,103	-	114,960	2,088	230,151
2019	113,103	-	114,960	2,088	230,151
2020	113,103	-	114,960	2,088	230,151
2021	113,103	-	114,960	2,088	230,151
2022	113,103	-	114,960	2,088	230,151
2023	113,103	-	114,960	2,088	230,151
2024	113,103	-	114,960	2,088	230,151
2025	113,103	-	114,960	2,088	230,151
2026	28,276	-	28,740	522	57,538
2027	-	-	-	-	-
2028	-	-	-	-	-
2029	-	-	-	-	-
2030	-	-	-	-	-
2031	-	-	-	-	-
2032	-	-	-	-	-
2033	-	-	-	-	-
2034	-	-	-	-	-
Total	41,869,729	29,733,477	22,049,505	2,355,546	96,008,257