

RS-03-072

March 31, 2003

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Clinton Power Station
Facility Operating License No. NPF-62
NRC Docket No. 50-461

Oyster Creek Nuclear Generating Station
Facility Operating License No. DPR-16
NRC Docket No. 50-219

Three Mile Island Nuclear Station, Unit 1
Facility Operating License No. DPR-50
NRC Docket No. 50-289

Subject: Report on Status of Decommissioning Funding for Reactors

In accordance with 10 CFR 50.75, "Reporting and recordkeeping for decommissioning planning," paragraph (f)(1), we are submitting a report on the status of decommissioning funding for the reactors owned by AmerGen Energy Company, LLC.

Clinton Power Station

The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75(b) and (c) is \$445.1 million. This estimate is in beginning of year 2003 dollars and does not include the costs of dismantling non-radiological systems and structures or the costs of managing and storing spent fuel onsite. The amount of decommissioning funds accumulated through December 31, 2002 is \$230.8 million. In accordance with the purchase agreement for the station, an annual amount of \$5 million continues to be collected from the previous owner through 2004. A two percent annual real rate of return is being assumed on the decommissioning trust funds. Financial assurance for decommissioning continues to be provided by the prepayment method, coupled with an external trust fund, in accordance with 10 CFR 50.75(e)(1)(i).

Oyster Creek Nuclear Generating Station

The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75(b) and (c) is \$399.1 million. This estimate is in beginning of year 2003 dollars and does not include the costs of dismantling non-radiological systems and structures or the costs of managing and storing spent fuel onsite. The amount of decommissioning funds accumulated through December 31, 2002 is \$481.5 million. Under the plant purchase agreement, there is no remaining amount to be collected from the previous owner. A two percent annual real rate of return is being assumed on the decommissioning trust funds. Financial assurance for decommissioning continues to be provided by the prepayment method, coupled with an external trust fund, in accordance with 10 CFR 50.75(e)(1)(i).

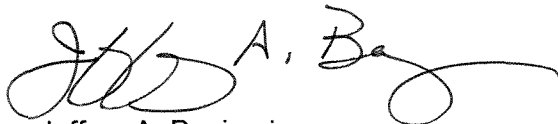
Three Mile Island Nuclear Station, Unit 1

The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75(b) and (c) is \$339.2 million. This estimate is in beginning of year 2003 dollars and does not include the costs of dismantling non-radiological systems and structures or the costs of managing and storing spent fuel onsite. The amount of decommissioning funds accumulated through December 31, 2002 is \$285.2 million. Under the plant purchase agreement, there is no remaining amount to be collected from the previous owner. A two percent annual real rate of return is being assumed on the decommissioning trust funds. Financial assurance for decommissioning continues to be provided by the prepayment method, coupled with an external trust fund, in accordance with 10 CFR 50.75(e)(1)(i).

With respect to each of the above units, there are no contracts relied upon pursuant to 10 CFR 50.75(e)(1)(v), nor have there been any material changes to the trust agreements.

If you have any questions about this letter, please contact Kenneth A. Ainger at (630) 657-2800.

Respectfully,

A handwritten signature in black ink, appearing to read "Jeffrey A. Benjamin". The signature is fluid and cursive, with the first name "Jeffrey" being the most prominent part.

Jeffrey A. Benjamin
Vice President – Licensing and Regulatory Affairs
AmerGen Energy Company, LLC