

**Jeffrey T. Gasser**  
Vice President

**Southern Nuclear  
Operating Company, Inc.**  
40 Inverness Center Parkway  
Post Office Box 1295  
Birmingham, Alabama 35201  
  
Tel 205.992.7721  
Fax 205.992.0403



October 31, 2003

Docket Nos.: 50-424  
50-425

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

Vogtle Electric Generating Plant  
Financial Assurance Requirements for Decommissioning  
Nuclear Power Reactors (10 CFR 50.75(f)(1))

Ladies and Gentlemen:

Pursuant to 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC the status of its decommissioning funding for each reactor or part of each reactor it owns on a calendar year basis, beginning March 31, 1999, and every two years thereafter. Accordingly, Southern Nuclear Operating Company (Southern Nuclear) holds operating licenses NPF-68 and NPF-81 for the Vogtle Electric Generating Plant and submitted the required information on behalf of the licensed owners (Georgia Power Company; Oglethorpe Power Corporation; the Municipal Electric Authority of Georgia; and the City of Dalton, Georgia) by letter dated March 28, 2003. Subsequently, Southern Nuclear received a request for additional information from the NRC on September 11, 2003.

The enclosed letter from each of the licensed owners restates the NRC request for additional information and provides the requested information for the Vogtle Electric Generating Plant. This letter contains no NRC commitments. If you have any questions, please advise.

Sincerely,

Jeffrey T. Gasser

JTG/TWS/sdl

- Enclosures:
1. Georgia Power Company letter dated October 15, 2003
  2. Municipal Electric Authority of Georgia letter dated October 3, 2003
  3. Oglethorpe Power Corporation letter dated October 8, 2003
  4. City of Dalton, Georgia letter dated October 16, 2003

ADD

cc: Southern Nuclear Operating Company  
Mr. J. D. Woodard, Executive Vice President  
Ms. K. S. King, Vice President and CFO  
Mr. W. F. Kitchens, General Manager – Plant Vogtle  
Mr. M. Sheibani, Engineering Supervisor – Plant Vogtle  
Document Services RTYPE: CVC7000

U. S. Nuclear Regulatory Commission  
Mr. L. A. Reyes, Regional Administrator  
Mr. F. Rinaldi, NRR Project Manager – Vogtle  
Mr. J. Zeiler, Senior Resident Inspector – Vogtle

Georgia Power Company  
Mr. C. B. Harreld, Executive Vice President and CFO

Municipal Electric Authority of Georgia  
Mr. J. E. Fuller, Senior Vice President and CFO

Oglethorpe Power Corporation  
Ms. A. F. Appleby, Vice President – Finance

City of Dalton, Georgia  
Mr. D. Cope, President and CEO

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ENCLOSURE 1

C. B. (Mike) Harreld  
Executive Vice President and  
Chief Financial Officer

Bin 10240  
241 Ralph McGill Boulevard NE  
Atlanta, Georgia 30308-3374

Tel 404.506.5710  
Fax 404.506.5712



October 15, 2003

Docket Nos.: 50-424  
50-425

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

Vogtle Electric Generating Plant  
Financial Assurance Requirements for Decommissioning  
Nuclear Power Reactors (10 CFR 50.75(f)(1))

Ladies and Gentlemen:

Pursuant to 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC the status of its decommissioning funding for each reactor or part of each reactor it owns on a calendar year basis, beginning March 31, 1999, and every two years thereafter. Accordingly, Southern Nuclear Operating Company (Southern Nuclear) holds operating licenses NPF-68 and NPF-81 for the Vogtle Electric Generating Plant and submitted the required information on behalf of Georgia Power Company by letter NL-03-0694, dated March 28, 2003. Subsequent to submittal of the required information, Georgia Power Company identified an error in the information provided to the NRC in Enclosure 1 of Southern Nuclear letter NL-03-0694. Specifically, the rate of escalation in decommissioning costs (Item 4d) was incorrectly stated to be 3.6% for Vogtle Electric Generating Plant Unit 1 and Unit 2. The correct rate of escalation in decommissioning costs applicable to Vogtle Electric Generating Plant Unit 1 and Unit 2 is 4.7%, consistent with Georgia Public Service Commission Docket 14000-U dated December 20, 2001.

Southern Nuclear received a request for additional information from the NRC on September 11, 2003 regarding its March 28, 2003 submittal to the NRC regarding financial assurance for decommissioning. Specifically, the NRC requested the following:

- a. *In regards to the Biennial Decommissioning Trust Reports filed by Southern Company on behalf of the licenses it owns under the NRC, staff requires clarification in the form of a declarative statement as to the Real Rate of Interest used by Southern Company, in its forecast of future payments to the individual Decommissioning Trust Funds for each license. Although staff is able to imply the Real Rate of Interest by taking the nominal rate of interest and subtracting from it the tax rate and escalation, it has been determined that a declaring statement be made by Southern Company is necessary to comply with 10 CFR 50.75(f)(1).*

- b. If the Real Rate of Interest is greater than 2%, then an accompanying statement indicating that a higher Real Rate of Interest is authorized by the licensee's regulatory authority must be made (i.e., state public utility commission.)*

The real rate of interest used by Georgia Power Company for the Vogtle Electric Generating Plant Decommissioning Trust Fund, based on the corrected information provided above, is 1.8% for both Unit 1 and Unit 2 as approved by the Georgia Public Service Commission (Docket 14000-U, December 20, 2001).

This letter contains no NRC commitments. If you have any questions, please advise.

Sincerely,

Handwritten signature of C. B. Hamel in cursive script.

ENCLOSURE 2



October 3, 2003

Docket Nos.: 50-424  
50-425

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

Vogtle Electric Generating Plant  
Financial Assurance Requirements for Decommissioning  
Nuclear Power Reactors (10 CFR 50.75(f)(1))

Ladies and Gentlemen:

Pursuant to 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC the status of its decommissioning funding for each reactor or part of each reactor it owns on a calendar year basis, beginning March 31, 1999, and every two years thereafter. Accordingly, Southern Nuclear Operating Company (Southern Nuclear) holds operating licenses NPF-68 and NPF-81 for the Vogtle Electric Generating Plant and submitted the required information on behalf of the Municipal Electric Authority of Georgia by letter dated March 28, 2003. Subsequently, Southern Nuclear received the following request for additional information from the NRC on September 11, 2003.

- a. *In regards to the Biennial Decommissioning Trust Reports filed by Southern Company on behalf of the licenses it owns under the NRC, staff requires clarification in the form of a declarative statement as to the Real Rate of Interest used by Southern Company, in its forecast of future payments to the individual Decommissioning Trust Funds for each license. Although staff is able to imply the Real Rate of Interest by taking the nominal rate of interest and subtracting from it the tax rate and escalation, it has been determined that a declaring statement be made by Southern Company is necessary to comply with 10 CFR 50.75(f)(1).*
- b. *If the Real Rate of Interest is greater than 2%, then an accompanying statement indicating that a higher Real Rate of Interest is authorized by the licensees regulatory authority must be made (i.e., state public utility commission.)*

The real rate of interest used by the Municipal Electric Authority of Georgia for the Vogtle Electric Generating Plant Decommissioning Trust Fund is 2.1% for both Unit 1 and Unit 2 as approved by the Municipal Electric Authority of Georgia Board of Directors on November 14, 2002.

Municipal Electric Authority of Georgia  
1470 Riveredge Parkway NW  
Atlanta, Georgia 30328-4686

1-800-333-MEAG 770-563-0300

U. S. Nuclear Regulatory Commission

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This letter contains no NRC commitments. If you have any questions, please advise.

Sincerely,

A handwritten signature in cursive script that reads "James E. Fuller".

James E. Fuller  
Sr. Vice President &  
Chief Financial Officer

ENCLOSURE 3

October 8, 2003

Docket Nos.: 50-424  
50-425

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

**Vogtle Electric Generating Plant  
Financial Assurance Requirements for Decommissioning  
Nuclear Power Reactors (10 CFR 50.75(f)(1))**

Ladies and Gentlemen:

Pursuant to 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC the status of its decommissioning funding for each reactor or part of each reactor it owns on a calendar year basis, beginning March 31, 1999, and every two years thereafter. Accordingly, Southern Nuclear Operating Company (Southern Nuclear) holds operating licenses NPF-68 and NPF-81 for the Vogtle Electric Generating Plant and submitted the required information on behalf of Oglethorpe Power Corporation by letter dated March 28, 2003. Subsequently, Southern Nuclear received the following request for additional information from the NRC on September 11, 2003.

- a. In regards to the Biennial Decommissioning Trust Reports filed by Southern Company on behalf of the licenses it owns under the NRC, staff requires clarification in the form of a declarative statement as to the Real Rate of Interest used by Southern Company, in its forecast of future payments to the individual Decommissioning Trust Funds for each license. Although staff is able to imply the Real Rate of Interest by taking the nominal rate of interest and subtracting from it the tax rate and escalation, it has been determined that a declaring statement be made by Southern Company is necessary to comply with 10 CFR 50.75(f)(1).*
- b. If the Real Rate of Interest is greater than 2%, then an accompanying statement indicating that a higher Real Rate of Interest is authorized by the licensees regulatory authority must be made (i.e., state public utility commission.)*

The real rate of interest used by Oglethorpe Power Corporation for the Vogtle Electric Generating Plant Decommissioning Trust Fund is 3.28% for both Unit 1 and Unit 2 as approved by Oglethorpe Power Corporation's Board of Directors on November 14, 2001.



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This letter contains no NRC commitments. If you have any questions, please advise.

Sincerely,

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

Anne F. Appleby  
Vice President, Finance  
Oglethorpe Power Corporation

ENCLOSURE 4



October 16, 2003

Docket Nos: 50-424  
50-425

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

Vogtle Electric Generating Plant  
Financial Assurance Requirements for Decommissioning  
Nuclear Power Reactors (10 CFR 50.75(f)(1))

Ladies and Gentlemen:

Pursuant to 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC the status of its decommissioning funding for each reactor or part of each reactor it owns on a calendar year basis, beginning March 31, 1999, and every two years thereafter. Accordingly, Southern Nuclear Operating Company (Southern Nuclear) holds operating licenses NPF-68 and NPF-81 for the Vogtle Electric Generating Plant and submitted the required information on behalf of The Board of Water, Light and Sinking Fund Commission of the City of Dalton, Georgia, operating as Dalton Utilities, by letter dated March 28, 2003. Subsequently, Southern Nuclear received the following request for additional information from the NRC on September 11, 2003.

- a. *In regards to the Biennial Decommissioning Trust Reports filed by Southern Company on behalf of the licenses it owns under the NRC, staff requires clarification in the form of a declarative statement as to the Real Rate of Interest used by Southern Company, in its forecast of future payments to the individual Decommissioning Trust Funds for each license. Although staff is able to imply the Real Rate of Interest by taking the nominal rate of interest and subtracting from it the tax rate and escalation, it has been determined that a declaring statement be made by Southern Company is necessary to comply with 10 CFR 50.75(f)(1).*
- b. *If the Real Rate of Interest is greater than 2%, then an accompanying statement indicating that a higher Real Rate of Interest is authorized by the licensees regulatory authority must be made (i.e., state public utility commission).*

U. S. Nuclear Regulatory Commission

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The real rate of interest used by Dalton Utilities for the Vogtle Electric Generating Plant Decommissioning Trust Fund is 1.8% for both Unit 1 and Unit 2. The real rate of return is based on an escalation rate of 4.7% for the decommissioning costs and an interest rate of 6.5% applied to the decommissioning trust fund.

This letter contains no NRC commitments. If you have any questions, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Cope", written in a cursive style.

Don Cope  
President and CEO