



March 31, 2004

NRC-04-042
10 CFR 50.75(f)(1)

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

KEWAUNEE NUCLEAR POWER PLANT
DOCKET 50-305
LICENSE No. DPR-43

Decommissioning Funding Status Report

The enclosed decommissioning funding status report is being submitted in accordance with 10 CFR 50.75(f)(1), "Reporting and Recordkeeping for Decommissioning Planning," for the Kewaunee Nuclear Power Plant (KNPP). As holder of the plant operating license, Nuclear Management Company, LLC is submitting this report on behalf of the plant co-owners identified in the enclosure.

The financial information presented herein, current as of December 31, 2003, reflects information provided to the Nuclear Management Company, LLC by the plant co-owners.

In item one of the report, each owner estimated the minimum decommissioning cost using formulas in section 10 CFR 50.75(c). This estimate includes only those decommissioning costs incurred by licensee to remove a facility or site safely from service and reduce residual radioactivity to levels that permit: (1) release of the property for unrestricted use and termination of the license; or (2) release of the property under restricted conditions and termination of the license. The cost of dismantling or demolishing non-radiological systems and structures is not included in the NRC decommissioning cost estimates beyond removal costs necessary to terminate the license. The costs of managing and storing spent fuel on site until transfer to Department of Energy are also not included in the cost estimates.

NMC had previously provided this information by letter dated March 31, 2003, in accordance with 10CFR50.75(f)(1) which states, "each power reactor licensee shall report, on a calendar-year basis, to the NRC by March 31, 1999, and at least once every 2 years thereafter on the status of its decommissioning funding for each reactor or part of a reactor that it owns."

Docket 50-305
NRC-04-042
March 31, 2004
Page 2

10 CFR50.75(f)(1) additionally states that any licensee for a plant that is within 5 years of the projected end of its operation, or where conditions have changed such that it will close within 5 years (before the end of its licensed life), or has already closed (before the end of its licensed life), or for plants involved in mergers or acquisitions shall submit this report annually. As Dominion Kewaunee Resources Inc. is currently involved with the KNPP in an acquisition; this decommissioning funding status report is hereby submitted as required annually.

This document contains no new commitments and no revisions to existing commitments.

I declare under penalty of perjury that the foregoing is true and accurate.

Executed on March 31, 2004.



Thomas Coutu
Site Vice President Kewaunee Nuclear Power Plant
Nuclear Management Company, LLC

Enclosure

cc: Administrator, Region III, USNRC
Project Manager, Kewaunee, USNRC
Senior Resident Inspector, Kewaunee, USNRC
Public Service Commission of Wisconsin

Enclosure 1

NUCLEAR MANAGEMENT COMPANY, LLC
KEWAUNEE NUCLEAR PLANT
DOCKET 50-305

March 31, 2004

Letter from Thomas Coutu (NMC)

To

Document Control Desk (NRC)

DECOMMISSIONING FUNDING STATUS REPORT

Kewaunee Nuclear Power Plant

Two pages follow

Wisconsin Public Service Corporation and Wisconsin Power & Light Company
 Kewaunee Nuclear Power Plant
 Docket No. 50-305 License No. DPR-43

Decommissioning Funding Status Report

As provided in 10 CFR 50.75 (f) (1), each power reactor licensee is required to report to the NRC on a calendar year basis, beginning March 31, 1999, and every 2 years thereafter, on the status of its decommissioning funding for each reactor or share of reactor it owns.

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

\$317,074,807

2. The amount accumulated at the end of the calendar year preceding the date of the report.

Plant Owners	Ownership %	External Fund
Wisconsin Public Service Corporation (WPSC)	59.0%	\$354,732,173
Wisconsin Power & Light Company (WP&L)	41.0%	\$244,107,251
Total Pre-Tax		\$598,839,424

3. A schedule of the annual amounts remaining to be collected.

Plant Owners	Annual Annuity	Years to Collect
Wisconsin Public Service Corporation (WPSC)	\$0 (See Note)	9 years
Wisconsin Power & Light Company (WP&L)	\$2,876,000	9 years
Total	\$2,876,000	9 years

Note: Due to the pending sale of the KNPP to Dominion, funding into the trusts has been discontinued.

4. Assumptions used regarding escalation in decommissioning cost, rates of earnings on decommissioning funds, and rates of other factors used in funding projects.

- a. Cost escalation rates prescribed by the Public Service Commission of Wisconsin:

Labor	Burial	Energy	Other
3.81%	9.16%	2.82%	8.00%

- b. Rates of earnings on funds (After-Tax):

WPSC	4.95%
WP&L	6.04%

5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75 (e) (1) (v).
There are no current contracts being relied upon pursuant to 10 CFR 50.75 (e) (1) (v) to decommission KNPP.

NONE

Wisconsin Public Service Corporation and Wisconsin Power & Light Company
Kewaunee Nuclear Power Plant
Docket No. 50-305 License No. DPR-4

Decommissioning Funding Status Report

6. Any modifications to a licensee's method of providing financial assurance occurring since the last submitted report. NONE
KNPP currently recovers the estimated total cost of decommissioning through rates established by the Public Service Commission of Wisconsin and by FERC for the wholesale customers.
7. Any material changes to trust agreements. YES
Amendments have been made to the NDT Trust Agreements in December 2003 to comply with the NRC Final Rule regarding nuclear decommissioning trust provisions, that was effective December 24, 2003.