



444 South 16th Street Mall
Omaha NE 68102-2247

July 29, 2004
LIC-04-0084

U. S. Nuclear Regulatory Commission
Attn: Mr. Ira Dinitz
Mail Stop: 12 D3
Washington, D.C. 20555

Reference: Docket No. 50-285

SUBJECT: Guarantee of Payment of Deferred Premiums for the Period of July 1, 2004 to June 30, 2005

Dear Mr. Dinitz:

In compliance with 10 CFR Part 140.21, the Omaha Public Power District (OPPD) files the attached, "2004/2005 Statement of Cash Flow from Operations," as its guarantee of payment of deferred premiums for the period of July 1, 2004 to June 30, 2005. The cash flow statement deviates slightly from the format of NRC Regulatory Guide (RG) 9.4 because OPPD is a political subdivision of the State of Nebraska. However, the pertinent information identified in RG 9.4 is provided. A copy of Bond Resolution 1788, which established the payment priorities listed on the cash flow statement, was filed with our 1979 guarantee report.

If you should have any questions, please contact Tom Matthews at (402) 533-6938.

Sincerely,

D. J. Bannister
Plant Manager/Site Coordinator

DJB/mle

Attachment

c: B. S. Mallet, Regional Administrator, NRC Region IV
A. Wang, NRC Project Manager
J. G. Kramer, NRC Senior Resident Inspector
NRC Document Control Desk

OMAHA PUBLIC POWER DISTRICT

2004/2005

Statement of Cash Flow From Operations (a)

(Dollars in Thousands)

	Actual 12 Months ended 5/04	Projected 12 Months ended 6/05
Operating Revenues	\$615,543	\$605,090
Interest Receipts (b)	<u>2,495</u>	<u>4,520</u>
Total Cash Receipts	618,038	609,610
Less: Operating Expenses (c)	430,608	399,499
Payments in Lieu of Taxes (c)	<u>18,202</u>	<u>18,905</u>
Funds Available for Debt Service	169,228	191,206
Less: Debt Service Payments (d)	<u>80,684</u>	<u>85,835</u>
Funds Available for Other Valid Corporate Purposes (e)	<u>\$88,544</u>	<u>\$105,371</u>
Average Quarterly Cash Flow	<u><u>\$22,136</u></u>	<u><u>\$26,343</u></u>

Percentage Ownership - Fort Calhoun Power Station Unit No. 1 - 100%

Maximum Total Contingent Liability Per Incident Per Calendar Year - \$10,000,000

Notes:

- (a) The format of this cash flow statement is in accordance with the payment priorities as established by Bond Resolution 1788. The payment priority scheduled for funds realized from operations is as follows:

First Priority: Operations and maintenance expenses and payments in lieu of taxes.

Second Priority: Debt service (principal and interest) on all outstanding bonds.

Third Priority: All other valid corporate purposes. These purposes would include construction, nuclear fuel, working capital, and any other use of the funds to provide for an ongoing utility business. The payment of any funds for the NRC guarantee would fall into the third priority.

- (b) Interest collections have been normalized to reflect only the types of interest collections from normal ongoing funds and do not reflect any interest collections made from special construction funds.
- (c) Operating and Maintenance Expenses and Payments in Lieu of Taxes have first priority on use of funds derived from operating revenues.
- (d) Debt Service Payments have second priority on the use of funds derived from operating revenues.
- (e) These funds represent the internal cash flow available for all other corporate purposes and have third priority on funds derived from operating revenues.

Supplementary General Statements:

The following statements are offered to explain some of the District's options and capabilities with respect to its financial management:

- The District maintains a working fund balance of approximately \$20 million in addition to special construction and restricted funds.
- As an all-public power state, Nebraska does not have a state commission with electric rate jurisdiction.
- The District's Board of Directors is empowered to establish electric rates.