

**Enclosure 3**

Oglethorpe Power Corporation letter dated March 4, 2005

March 4, 2005

Docket Nos.: 50-424  
50-425

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

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

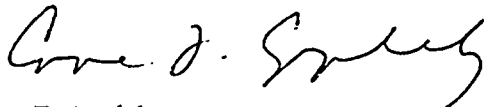
Dear Ladies and Gentlemen:

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 on March 31, 1999, and every two years thereafter. Accordingly, Oglethorpe Power Corporation (OPC) hereby submits the enclosed information in accordance with 10 CFR 50.75(f)(1) for operating licenses NPF-68 and NPF-81 issued for Vogtle Electric Generating Plant Units 1 and 2, respectively. Southern Nuclear Operating Company, as the operating licensee and as an agent for the owners of the Vogtle Electric Generating Plant, is providing this information to the NRC on behalf of OPC.

Based on the information presented herein, there is reasonable assurance that the funding necessary for decommissioning of the Vogtle Electric Generating Plant, consistent with the NRC prescribed minimum set forth in 10 CFR 50.75(c), will be available on the expiration date of operating licenses NPF-68 and NPF-81.

Please advise if you have any questions or comments regarding the information provided herein.

Respectfully submitted,



Anne F. Appleby  
Vice President, Treasurer  
Oglethorpe Power Corporation

Enclosure

cc: Southern Nuclear Operating Company  
Mr. D. E. Grissette, Vice President – Vogtle



U. S. Nuclear Regulatory Commission

Mr. C. Gratton, NRR Licensing Project Manager – Vogtle

Dr. W. D. Travers, Regional Administrator

Mr. G. J. McCoy, Senior Resident Inspector – Vogtle

Oglethorpe Power Corporation

Betsy Higgins, CFO

Michael W. Price, COO

Clarence Mitchell, Sr. Vice President, Operations

## Enclosure

### Vogle Electric Generating Plant

#### Oglethorpe Power Corporation Ownership Percentage – 30%

	10 CFR 50.75(f)(1) Requirement	Unit 1	Unit 2
1	The NRC minimum decommissioning estimate, pursuant to 10 CFR 50.75(b) and (c). <sup>1</sup>	\$ 108,464,000 <sup>2</sup>	\$ 108,464,000 <sup>2</sup>
2	The amount accumulated at the end of the calendar year preceding the date of the report for items included in 10 CFR 50.75(b) and (c).	\$39,572,245	\$35,845,727
3	A schedule of the annual amounts remaining to be collected; for items in 10 CFR 50.75(b) and (c).	See Schedule in Attachment 1	See Schedule in Attachment 1
4	The assumptions used regarding: (a) rates of escalation in decommissioning costs; (b) rates of earnings on decommissioning funds; (c) real rate of return; and (d) rates of other factors used in funding projections.	(a) 3.11 (b) 7.00%  (c) 3.89% (d) none	(a) 3.11% (b) 7.00%  (c) 3.89% (d) none
5	Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v).	none	none
6	Any modifications to a licensee's current method of providing financial assurance occurring since the last submitted report.	none	none
7	Any material changes to trust agreements.	Re-allocated invested assets to increase diversification	Re-allocated invested asset to increase diversification

**NOTES:**

<sup>1</sup> The NRC formulas in section 10 CFR 50.75(c) include only those decommissioning costs incurred by licensees 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. The costs of managing and storing spent fuel on-site until transfer to DOE are not included in the cost formulas.

<sup>2</sup> This number is based on NUREG-1307, Rev. 10, for the burial factor (Option 2) and the December 2003 values for labor and energy factors.

**Attachment 1**  
**Schedule of the Annual Amounts Remaining to be Collected**  
**Oglethorpe Power Corporation**  
**2004 NRC MINIMUM**

**Vogle 1**

Earnings Rate: 7

**Vogle 2**

Earnings Rate: 7

Year	Balance Begin Year	Earnings	Contribution	Balance End Year	Year	Balance Begin Year	Earnings	Contribution	Balance End Year
2004	36,443,114	3,129,131	0	39,572,245	2004	33,011,265	2,834,461	0	35,845,727
2005	39,572,245	2,770,057	0	42,342,302	2005	35,845,727	2,509,201	0	38,354,927
2006	42,342,302	2,963,961	0	45,306,263	2006	38,354,927	2,684,845	0	41,039,772
2007	45,306,263	3,171,438	0	48,477,702	2007	41,039,772	2,872,784	0	43,912,556
2008	48,477,702	3,393,439	0	51,871,141	2008	43,912,556	3,073,879	0	46,986,435
2009	51,871,141	3,630,980	0	55,502,121	2009	46,986,435	3,289,050	0	50,275,486
2010	55,502,121	3,885,148	0	59,387,269	2010	50,275,486	3,519,284	0	53,794,770
2011	59,387,269	4,157,109	0	63,544,378	2011	53,794,770	3,765,634	0	57,560,404
2012	63,544,378	4,448,106	0	67,992,484	2012	57,560,404	4,029,228	0	61,589,632
2013	67,992,484	4,759,474	0	72,751,958	2013	61,589,632	4,311,274	0	65,900,906
2014	72,751,958	5,092,637	0	77,844,595	2014	65,900,906	4,613,063	0	70,513,970
2015	77,844,595	5,449,122	0	83,293,717	2015	70,513,970	4,935,978	0	75,449,947
2016	83,293,717	5,830,560	0	89,124,277	2016	75,449,947	5,281,496	0	80,731,444
2017	89,124,277	6,238,699	0	95,362,977	2017	80,731,444	5,651,201	0	86,382,645
2018	95,362,977	6,675,408	0	102,038,385	2018	86,382,645	6,046,785	0	92,429,430
2019	102,038,385	7,142,687	0	109,181,072	2019	92,429,430	6,470,060	0	98,899,490
2020	109,181,072	7,642,675	0	116,823,747	2020	98,899,490	6,922,964	0	105,822,454
2021	116,823,747	8,177,662	0	125,001,409	2021	105,822,454	7,407,572	0	113,230,026
2022	125,001,409	8,750,099	0	133,751,508	2022	113,230,026	7,926,102	0	121,156,128
2023	133,751,508	9,362,606	0	143,114,114	2023	121,156,128	8,480,929	0	129,637,057
2024	143,114,114	10,017,988	0	153,132,102	2024	129,637,057	9,074,594	0	138,711,651
2025	153,132,102	10,719,247	0	163,851,349	2025	138,711,651	9,709,816	0	148,421,467
2026	163,851,349	11,469,594	0	175,320,943	2026	148,421,467	10,389,503	0	158,810,969
2027	175,320,943	12,272,466	0	187,593,409	2027	158,810,969	11,116,768	0	169,927,737
					2028	169,927,737	11,894,942	0	181,822,679
					2029	181,822,679	12,727,588	0	194,550,266