

Enclosure 4

City of Dalton, Georgia letter dated February 21, 2005



February 21, 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, The Board of Water, Light and Sinking Fund Commissioners of the City of Dalton, Georgia, d/b/a Dalton Utilities, 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 Dalton Utilities.

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.

Should you have any questions concerning this matter, please contact Tom Bundros at either tbundros@dutil.com or (706) 529-1035

Respectfully submitted,

Don Cope
President and CEO

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

Enclosure

Vogtle Electric Generating Plant

**The Board of Water, Light and Sinking Fund Commissioners
Of the City of Dalton, Georgia
d/b/a Dalton Utilities
Ownership Percentage – 1.6%**

	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). ¹	\$ 5,785,000 ²	\$ 5,785,000 ²
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).	7,054,565	6,952,225
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.	3.11% 7.28% 4.17% N/A	3.11% 7.28% 4.17% N/A
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.	None	None

NOTES:

¹ 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.

² 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.

The Water, Light and Sinking Fund Commission of
The City of Dalton, GA
D/B/A Dalton Utilities
Nuclear Decommissioning Funds
Investment Balances
December 31, 2004

	Bank of New York			Wachovia Bank			Total Funds		
	Carrying Value	Market Value	Par Value	Carrying Value	Market Value	Par Value	Carrying Value	Market Value	Par Value
<u>Plant Hatch</u>									
Unit 1	4,703,204	7,163,727	14,100,000	7,146,895	6,786,694	13,050,224	11,850,099	13,950,421	27,150,224
Unit 2	4,073,614	6,815,864	18,200,000	6,190,182	6,457,139	16,844,970	10,263,796	13,273,003	35,044,970
Total	<u>8,776,818</u>	<u>13,979,591</u>	<u>32,300,000</u>	<u>13,337,077</u>	<u>13,243,834</u>	<u>29,895,195</u>	<u>22,113,895</u>	<u>27,223,425</u>	<u>62,195,195</u>
<u>Plant Vogtle</u>									
Unit 1	1,987,644	3,622,613	12,200,000	3,020,384	3,431,952	11,291,683	5,008,028	7,054,565	23,491,683
Unit 2	1,984,064	3,570,060	13,000,000	3,014,944	3,382,165	12,032,122	4,999,008	6,952,225	25,032,122
Total	<u>3,971,708</u>	<u>7,192,673</u>	<u>25,200,000</u>	<u>6,035,328</u>	<u>6,814,117</u>	<u>23,323,805</u>	<u>10,007,036</u>	<u>14,006,790</u>	<u>48,523,805</u>
Grand Total	<u>12,748,525</u>	<u>21,172,264</u>	<u>57,500,000</u>	<u>19,372,405</u>	<u>20,057,951</u>	<u>53,219,000</u>	<u>32,120,930</u>	<u>41,230,214</u>	<u>110,719,000</u>

Attachment 1
Schedule of the Annual Amounts Remaining to be Collected