



**MAR 29 2005**

L-2005-065  
10 CFR 50.75 (f)(1)

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

RE: St. Lucie Units 1 and 2  
Docket Nos. 50-335 and 50-389  
Turkey Point Units 3 and 4  
Docket Nos. 50-250 and 50-251  
Decommissioning Fund Status Report

Pursuant to 10 CFR 50.75(f)(1), attached is the Florida Power and Light Company (FPL) Decommissioning Fund Status report for St. Lucie Units 1 and 2 and Turkey Point Units 3 and 4.

FPL is the sole owner of Turkey Point Units 3 and 4 and St. Lucie Unit 1. FPL, Florida Municipal Power Agency and Orlando Utilities Commission own St. Lucie Unit 2. The report for St. Lucie Unit 2 provides the status of decommissioning funds for all three owners of that unit.

FPL has taken into consideration the information provided in NRC Regulatory Information Summary 2001-07 (February 23, 2001), 10 CFR 50.75(f)(1) Reports on the Status of Decommissioning, and has elected not to include the costs of non NRC-defined decommissioning activities in the attached reports. Additionally, FPL used NUREG 1307, Rev. 10, Report on Waste Burial Charges, in determining the decommissioning fund requirements.

Should there be any questions, please contact John Hartzog at (561) 694 -3661.

Very truly yours,

A handwritten signature in black ink, appearing to read 'J. A. Stall', enclosed in a simple oval scribble.

J. A. Stall  
Senior Vice President Nuclear  
And Chief Nuclear Officer

Attachments (4)

cc: USNRC Project Manager, Turkey Point  
Senior Resident Inspector, USNRC, Turkey Point  
USNRC Project Manager, St. Lucie  
Senior Resident Inspector, USNRC, St. Lucie

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DECOMMISSIONING FUND STATUS REPORT

St. Lucie Unit No. 1

Florida Power and Light Company (FPL) hereby submits this Decommissioning Fund Status Report in compliance with 10 CFR 50.75 (f).

1. FPL is the sole owner of St. Lucie Unit No. 1.
2. The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c) is \$347,259,912.
3. The amount of decommissioning funds accumulated, as of December 31, 2004 is \$388,632,679. The accumulated fund amount is net of estimated amounts for:
  - extended storage of spent nuclear fuel; and
  - non-nuclear demolition and restoration costs.
4. Schedule of Future Annual Contributions (net of estimated amounts for extended storage of spent nuclear fuel and non-nuclear demolition and restoration costs):
  - \$ 10,450,641 to the Qualified Decommissioning Trust annually through 2015
  - \$ 2,813,120 to the Non-Qualified Decommissioning Trust annually through 2015
5. The assumed earnings rate approved in Florida Public Service Commission (FPSC) Order No. PSC-02-0055-PAA-EI is 4.7%. The assumed escalation rate approved in the same order is 5.5%. The real rate of return assumed is (-.80%).
6. FPL does not rely upon contracts as defined by 10 CFR 50.75 (e)(1)(v).
7. There have been no changes to the method of financial assurance since the last submitted report. FPL continues to utilize an external sinking fund into which deposits are made at least annually.
8. Changes to External Sinking Fund Trust Agreements:

By an Addendum dated November 17, 2003, FPL added a provision to its qualified and non-qualified trusts to implement the NRC notice requirements contained in 10 CFR 50.75 (h)(2).

DECOMMISSIONING FUND STATUS REPORT

ST. Lucie Unit 2

Florida Power and Light Company (FPL), Florida Municipal Power Agency (FMPA), and Orlando Utilities Commission (OUC), (the Participants) hereby submit this Decommissioning Fund Status Report in compliance with 10 CFR 50.75 (f).

1. The Participants own the following undivided interests in St. Lucie Unit No. 2.

FPL	85.10449%
FMPA	8.80600%
OUC	<u>6.08951%</u>
Total	100.00000%

2. The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c) are indicated below.

FPL	\$295,883,155	85.20510%
FMPA	30,373,158	8.74652%
OUC	<u>21,003,599</u>	<u>6.04838%</u>
Total	\$347,259,912	100.00000%

An adjustment was necessary to allocate the decommissioning costs of Unit 2 between the participants. This is because the decommissioning costs of Unit 2 include the costs of decommissioning facilities common to both St. Lucie Units 1 and 2. FMPA's and OUC's contractual obligations provide that with respect to the common facility costs, they pay only their ownership share of Unit 2 times one half of these costs. Therefore, multiplying FMPA's and OUC's respective ownership shares of Unit 2 by the total cost of decommissioning would overstate their cost obligations. This adjustment is reflected in the "St. Lucie Unit 2 – FPL Ownership Percentage" presented on page 39 of FPL's 1994 Decommissioning Study for St. Lucie Units 1 and 2 (Florida Public Service Commission (FPSC) Docket No. 941350-EI).

3. The amount of decommissioning funds accumulated by the Participants as of December 31, 2004 are:

FPL	\$ 350,542,172
FMPA	\$ 31,003,131
OUC	<u>\$ 23,012,937</u>
	\$ 404,558,240

The accumulated fund amounts are net of estimated amounts for:

- extended storage of spent nuclear fuel; and
- non-nuclear demolition and restoration costs.

4. Schedule of Future Annual Contributions (net of estimated amounts for extended storage of spent nuclear fuel and non-nuclear demolition and restoration costs):

FPL

\$ 11,552,160 to the Qualified Decommissioning Trust annually through 2022

\$ 710 to the Non-Qualified Decommissioning Trust annually through 2022

FMPA

\$ 2,231,474 annual contribution through 2022

OUC

\$ 1,453,347 annual contribution through 2022

5. For FPL, the assumed earnings rate approved in FPSC Order No. PSC-02-0055-PAA-EI is 4.7%. The assumed escalation rate approved in the same order is 5.5%.

FMPA's contribution to their decommissioning fund is based upon an assumed earnings rate of 6.2% and an assumed escalation rate of 5.5%.

OUC's contribution to their decommissioning fund is based upon an assumed earnings rate of 4.25% and an assumed escalation rate of 5.0%.

The weighted average real rate of return assumed is (-.67%).

6. None of the Participants rely upon contracts as defined by 10 CFR 50.75 (e)(1)(v).

7. There have been no changes to the method of financial assurance since the last submitted report. The Participants continue to utilize external sinking funds into which deposits are made at least annually.

8. Changes to External Sinking Fund Trust Agreements:

By an Addendum dated November 17, 2003, FPL added a provision to its qualified and non-qualified trusts to implement the NRC notice requirements contained in 10 CFR 50.75 (h)(2).

DECOMMISSIONING FUND STATUS REPORT

Turkey Point Unit 3

Florida Power and Light Company (FPL) hereby submits this Decommissioning Fund Status Report in compliance with 10 CFR 50.75 (f).

1. FPL is the sole owner of Turkey Point Unit No. 3.
2. The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c) is \$334,882,888.
3. The amount of decommissioning funds accumulated, as of December 31, 2004 is \$301,112,518. The accumulated fund amount is net of estimated amounts for:
  - extended storage of spent nuclear fuel; and
  - non-nuclear demolition and restoration costs.
4. Schedule of Future Annual Contributions (net of estimated amounts for extended storage of spent nuclear fuel and non-nuclear demolition and restoration costs)
  - \$ 9,801,917 to the Qualified Decommissioning Trust annually through 2011
  - \$ 3,893,264 to the Non-Qualified Decommissioning Trust annually through 2011
5. The assumed earnings rate approved in Florida Public Service Commission (FPSC) Order No. PSC-02-0055-PAA-EI is 4.7%. The assumed escalation rate approved in the same order is 5.6%. The real rate of return assumed is (-.90%).
6. FPL does not rely upon contracts as defined by 10 CFR 50.75 (e)(1)(v).
7. There have been no changes to the method of financial assurance since the last submitted report. FPL continues to utilize an external sinking fund into which deposits are made at least annually.
8. Changes to External Sinking Fund Trust Agreements:

By an Addendum dated November 17, 2003, FPL added a provision to its qualified and non-qualified trusts to implement the NRC notice requirements contained in 10 CFR 50.75 (h)(2).

DECOMMISSIONING FUND STATUS REPORT

Turkey Point Unit 4

Florida Power and Light Company (FPL) FPL hereby submits this Decommissioning Fund Status Report in compliance with 10 CFR 50.75 (f).

1. FPL is the sole owner of Turkey Point Unit No. 4.
2. The amount of decommissioning funds estimated to be required pursuant to 10 CFR 50.75 (b) and (c) is \$334,882,888.
3. The amount of decommissioning funds accumulated, as of December 31, 2004 is \$330,893,170. The accumulated fund amount is net of estimated amounts for:
  - extended storage of spent nuclear fuel; and
  - non-nuclear demolition and restoration costs.
4. Schedule of Future Annual Contributions (net of estimated amounts for extended storage of spent nuclear fuel and non-nuclear demolition and restoration costs):
  - \$ 11,979,462 to the Qualified Decommissioning Trust annually through 2012
  - \$ 3,680,296 to the Non-Qualified Decommissioning Trust annually through 2012
5. The assumed earnings rate approved in Florida Public Service Commission (FPSC) Order No. PSC-02-0055-PAA-EI is 4.7%. The assumed escalation rate approved in the same order is 5.6%. The real rate of return assumed is (-.90%).
6. FPL does not rely upon contracts as defined by 10 CFR 50.75 (e)(1)(v).
7. There have been no changes to the method of financial assurance. FPL continues to utilize an external sinking fund into which deposits are made at least annually.
8. Changes to External Sinking Fund Trust Agreements:

By an Addendum dated November 17, 2003, FPL added a provision to its qualified and non-qualified trusts to implement the NRC notice requirements contained in 10 CFR 50.75 (h)(2).