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June 16, 2005

United States Nuclear Regulatory Commission
Document Control Desk
Washington, D. C. 20555-0001
Attention:
Mr. James Dyer, Director
Office of Nuclear Reactor Regulation

Serial No. 05-189
NL&OS/SWT R1
Docket Nos. 50-280, 281
50-338, 339
50-245, 336, 423
License Nos. DPR-32, 37
NPF-4, 7
DPR-21, 65
NPF-49

Mark F. McGettrick
President and Chief Executive Officer-Generation
Virginia Electric and Power Company
Dominion Nuclear Connecticut, Inc.
100 Tredegar Street
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DOMINION RESOURCES, INC.
VIRGINIA ELECTRIC AND POWER COMPANY
DOMINION NUCLEAR CONNECTICUT, INC.
SURRY POWER STATION UNITS 1 AND 2
NORTH ANNA POWER STATION UNITS 1 AND 2
MILLSTONE POWER STATION UNITS 1, 2 AND 3
NOTICE OF CANCELLATION OF PARENT GUARANTEE

On March 29, 2005, Virginia Electric and Power Company (Dominion) and Dominion Nuclear Connecticut, Inc. (DNC) submitted their decommissioning funding status report (Dominion Serial No. 05-121) required by 10 CFR 50.75(f)(1). This report demonstrated that the decommissioning trust funds for Surry Units 1 and 2, North Anna Units 1 and 2, and Millstone Units 1, 2, and 3 each contain adequate funding to meet NRC requirements without further assurances. Accordingly, a parent guarantee is no longer needed to meet NRC requirements for any of these units.

This letter provides notice that Dominion Resources, Inc. (DRI) is canceling its parent guarantee supporting the obligations of its subsidiaries, Dominion and DNC, regarding decommissioning funding assurance for their nuclear power reactors. As discussed below, the parent guarantee is being canceled because the current financial

assurances for Dominion's and DNC's reactors are sufficient without further reliance upon a parent company guarantee.

On June 6, 2003, Dominion Resources, Inc. executed a guarantee in the amount of \$110 million to support the financial assurance obligations of Dominion and DNC for nuclear power plant decommissioning. Dominion and DNC submitted this parent guarantee to the NRC by letter dated June 25, 2003 (Dominion Serial No. 03-178A and DNC Serial No. B18929). This guarantee increased the amount of a guarantee previously submitted to the NRC on March 31, 2003 (Dominion Serial No. 03-178 and DNC Serial No. B18852), which in turn replaced a guarantee provided to the NRC on May 2, 2001 (DNC Serial No. B18400). The 2005 decommissioning funding status report demonstrated that the decommissioning trust funds for Surry Units 1 and 2, North Anna Units 1 and 2, and Millstone Units 1, 2, and 3 each contain adequate funding to meet NRC requirements without further assurances.

For this reason, DRI is canceling all guarantees for the decommissioning funding of Dominion's and DNC's nuclear power reactors. This cancellation will become effective 120 days after the date of receipt by Dominion, DNC and the NRC of this notice, as evidenced by the return receipts, unless NRC otherwise directs within this period.

If you require any further information concerning this notice, please contact David Sommers at (804) 273-2823.

Sincerely,



G. Scott Hetzer
Senior Vice President and Treasurer
Dominion Resources, Inc.

Attachments: None

Commitments made in this letter: None

cc: U. S. Nuclear Regulatory Commission
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