



March 29, 2006

L-HU-06-011  
10 CFR 50.75(f)(1)

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, D.C. 20555-0001

Monticello Nuclear Generating Plant  
Docket 50-263  
License No. DPR-22

Decommissioning Funding Status Report

The enclosed decommissioning funding status report is being submitted in accordance with 10 CFR 50.75, "Reporting and Recordkeeping for Decommissioning Planning," Paragraph (f)(1), for Monticello Nuclear Generating Plant. As holder of the plant operating license, Nuclear Management Company, LLC is submitting this report on behalf of the plant owner, Xcel Energy. The financial information presented herein, current as of December 31, 2005, reflects information provided to Nuclear Management Company, LLC by Xcel Energy.

This letter contains no new commitments and no revisions to existing commitments.

Edward J. Weinkam  
Director, Nuclear Licensing and Regulatory Services  
Nuclear Management Company, LLC

Enclosure (1)

cc: Regional Administrator, USNRC, Region III  
NRR Project Manager, Monticello Nuclear Generating Plant, USNRC  
NRC Resident Inspector, Monticello Nuclear Generating Plant, USNRC  
Xcel Energy:  
Manager, Nuclear Assets, Charles Bomberger  
Director, Capital Assets, Lisa H. Perkett

# ENCLOSURE 1

## Xcel Energy Monticello Generating Plant Docket No. 50-263 License No. DPR-22 Decommissioning Funding Status Report

As provided in 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC on a calendar year basis beginning March 31, 1999, and at least every two years thereafter on the status of its decommissioning funding for each reactor or share of reactor it owns.

1. The minimum decommissioning fund estimate pursuant to 10 CFR 50.75(b) and (c). \$424,425,168

2. The amount accumulated at the end of the calendar year preceding the date of the report.  
**\*The internal fund transfer to the external fund was completed, per a prescribed schedule under MPUC Docket# E-002/M-02-1766 as of 12/31/2005.**
- |                         |               |
|-------------------------|---------------|
| <i><b>External</b></i>  | \$398,008,394 |
| <i><b>Internal*</b></i> | \$4,362,157   |
| <i><b>Total</b></i>     | \$402,370,551 |

3. A schedule of the annual amounts remaining to be collected.  
 The external funding amount is on a prescribed schedule per MPUC Docket# E-002/M-05-1648 effective 1/1/2006.
- | <i><b>Annual Annuity</b></i> | <i><b>Years to Collect</b></i> |
|------------------------------|--------------------------------|
| \$9,723,779                  | 14.75 yrs                      |

4. Assumptions used regarding escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other factors used in funding projections.

<b>Plant Owner (% Ownership)</b>	<i><b>Rate of Earnings (Nominal Rate Of Return)</b></i>	<i><b>Escalation Factor (Inflation)</b></i>	<i><b>Real Rate of Return (Projected)</b></i>
Xcel Energy (100%)- Monticello (projections through 12/31/2005)	5.50%	4.19%	1.31%
Xcel Energy (100%)- Monticello (projections effective 1/1/2006)	5.40%	3.61%	1.79%

Basis for Allowance:

Xcel Energy files a triennial decommissioning study with the Minnesota Public Utilities Commission for approval. A portion of the study is dedicated to an internal analysis of inflation factors surrounding the various components necessary to perform the decommissioning function. The analysis utilizes long-range inflation projections published by Global Insight, the Employment Cost Index, the Producer Price Index and the Chained Price Index, as well as other forecasted data.

5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). None
6. Any modifications to a licensee's method of providing financial assurance occurring since the last submitted report. None
7. Any material changes to trust agreements. None