



FirstEnergy Nuclear Operating Company

Peter P. Sena, III
Director, Site Operations

724-682-7773

March 28, 2007
L-07-037
10 CFR 50.75

U. S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555-0001

Subject: Beaver Valley Power Station, Unit No. 1
Docket No. 50-334, License No. DPR-66
Decommissioning Report for the Beaver Valley Power Station, Unit 1

Pursuant to 10 CFR 50.75(f)(1), FirstEnergy Nuclear Operating Company is hereby submitting the Decommissioning Report for the Beaver Valley Power Station, Unit 1 for the year ending December 31, 2006.

There are no regulatory commitments contained in this letter or its attachment.

If you have questions or require additional information, please contact Mr. R. Terry Conlin, Staff Analyst, at 330-384-4605.

Sincerely,

Peter P. Sena, III

Attachment

- c: Ms. N. S. Morgan, NRR Project Manager
- Mr. P. C. Cataldo, NRC Senior Resident Inspector
- Mr. S. J. Collins, NRC Region I Administrator
- Mr. D. J. Allard, Director BRP/DEP
- Mr. L. E. Ryan (BRP/DEP)

A001

**NRC Decommissioning Funding Status Report
Beaver Valley Power Station, Unit 1
As of December 31, 2006**

(Note: This report reflects FirstEnergy Corp.'s consolidated share of ownership interest in Beaver Valley Power Station, Unit 1)

1. The minimum decommissioning fund estimate, pursuant to 10 CFR 50.75(b) and (c) (see Schedule 1):

FirstEnergy Nuclear Generation Corp. (FENGenCo)	\$362,374,600
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2. The amount accumulated in external trust funds at December 31, 2006:

FirstEnergy Nuclear Generation Corp.	\$233,269,212
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3. A schedule of the annual amounts over the number of years remaining to be collected from ratepayers:

Amount Remaining	\$0
Number of years to Collect	0

4. The assumptions used regarding escalation in decommissioning cost, rates of earnings on decommissioning funds, and rates of other factors used in funding projections:

Consolidated Ownership Interest in Unit	100%
"Real" Rate of Return through Dismantlement	2.00%
Year of Final Dismantlement	2035
Safestore Period	2016-2027
Year of License Termination	2016

5. There are no contracts upon which the owners/licensees are relying pursuant to 10 CFR 50.75(e)(1)(v).

6. FENGenCo provides reasonable assurance of decommissioning funding using a combination of the prepayment method pursuant to CFR 50.75(e)(1)(i) and the guarantee method pursuant to 10 CFR 50.75(e)(1)(iii). A copy of the executed parent company Guaranty was provided to the NRC by letter dated February 22, 2006 (L-06-022, Serial Number 3229, PY-CEI/NRR-2937L). These arrangements were described in the applications for license transfer approval dated May 18, 2005, and June 1, 2005, and approval of the transfers was granted by NRC's corrected Order approving license transfers dated December 16, 2005.

7. A copy of FENGenCo's executed Nuclear Decommissioning Master Trust Agreement dated as of December 1, 2005 was submitted to the NRC by letter dated December 8, 2005 (L-05-193, Serial Number 3210, PY-CEI/NRR-2922L). No significant amendments to this agreement have been executed.

FIRSTENERGY CORP.
Calculation of Minimum Financial Assurance Amount
December 31, 2006
BEAVER VALLEY POWER STATION, UNIT 1

Pennsylvania Regions

Labor (L) = Northeast
Energy (E) = National
Waste Burial (B) = South Carolina

For PWR Unit

	Adjustment Factor	Ratio	Escalation Factor
L =	2.230	0.65	1.450
E =	1.883	0.13	0.245
B =	8.683	0.22	1.910

PWR Escalation Factor = 3.605

Base Amount for PWR between 1200 MWt and 3400 MWt = (\$75m + 0.0088P)
(P = power level in megawatts thermal = 2,900)

(\$75 + 0.0088(2,900)) million = \$100,520,000

Escalated Amount for unit = 100,520,000 x 3.605 = **\$362,374,600**

<u>Owner/Licensee</u>	<u>Ownership</u>	
FirstEnergy Nuclear Generation Corp.	100.00%	\$362,374,600