GE Nuclear Energy

General Electric Company
175 Curtner Avenue, San Jose, CA 95125

April 1, 1998

docketed by
Mary Hansel
8/27/98
Closed out
approved
submittal
8/26/98

John W.N. Hickey
Chief LLW & Decommissioning
Branch Office
U.S. Regulatory Commission
Washington, DC 2055-001

Dear Mr. Hickey:

Enclosed find the updated 1998 General Electric Company Self-Guarantee Rule.

If you have any questions, please contact me.

W.H. Schindler
Controller
GE Nuclear Energy
(408) 925-2853

cc: Louis Bykoski

Attachment

Corporate Environmental Programs
General Electric Company
3135 Easton Turnpike, Fairfield, CT 06431

Letter from Chief Financial Officer to Demonstrate
Financial Assurance for **Decommissioning**

March 23, 1998

Mr. Michael Weber
Chief LLW & Decommissioning Branch Office
U. S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: General Electric Company Self-Guarantee; 10 CRF Appendix C, "Criteria Relating to Use of Financial Tests and Self-Guarantees for Proving Reasonable Assurance of Funds for Decommissioning."

I am the Chief Financial Officer of the General Electric Company (GE), 1 River Road, Schenectady, NY 12345. This letter is in support of the use of the financial test to demonstrate financial responsibility under the *Self-Guarantee Rule* (58 CFR 68726; 12/29/93) which became effective on January 28, 1994.

The firm identified above guarantees, as *self-guaranteeing licensee* and as *parent-guarantor,* through the financial test specified in (58 FR 68726, 12/29/94), the decommissioning closure care for the following licenses held by GE. The current closure cost estimates covered by the test for decommissioning, so guaranteed, are shown for each facility/license: -- see **SCHEDULE A.**

This firm is required to file a Form 10K with the U.S. Securities and Exchange Commission (SEC) for the latest fiscal year; a copy of which is enclosed.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 1997. A copy of the GE's 1997 Annual Report is enclosed.

	FINANCIAL TEST	***Dollars in Thousands***
1.	Decommissioning cost estimates for facilities as contained in **SCHEDULE A.**	$ 325,323
2.	Tangible Net Worth at least 10 times the current decommissioning cost estimate (of the current amount required if certification is used) for all decommissioning activities for which the company is responsible as self-guaranteeing licensee and as parent-guarantor.	$15,317,000
3.	Assets located in the United States amounting to at least 90 percent of total assets or at least 10 times the current decommissioning cost estimate (or the current amount required if certification is used) for all decommissioning activities for which the company is responsible as self-guaranteeing licensee and as parent-guarantor.	$206,655,000
4.	Current bond rating as issued by Standard & Poor's and Moody's	Aaa-Moody's
	Date of issuance of most recent bond	3/4/98
	Date of maturity of above bond	2/1/23
5.	Is line 2 at least 10 times line 1?	Yes
6.	Is line 3 at least 10 times line 1?	Yes

Further, I hereby certify that the contents of this letter and SCHEDULE A are true and correct to the best of my knowledge.

Dennis D. Dammerman
Senior Vice President - Finance

SCHEDULE A

NRC SELF-GUARANTEE RULE
SCHEDULE OF LICENSES

GENERAL ELECTRIC COMPANY - 1998

NRC License No.	Name & Address of Licensee	Address of Licensed Activity	($ in thousands) Cost Estimate
GE as Self-Guaranteeing Licensee:			
DPR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	9,562
R-33	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	1,353
TR-1	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	17,866
DR-10	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	14,631
SNM-960	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	GE Nuclear Energy Vallecitos Nuclear Center 6705 Vallecitos Rd. Pleasanton, CA 94566	22,617
SNM-1097	General Electric Company GE Nuclear Energy 175 Curtner Ave. San Jose, CA 95125	General Electric Company GE Nuclear Energy Castle Haynes Road Wilmington, NC 28401	227,454
SNM-2500	General Electric Company Morris Operation 7555 East Collins Rd. Morris, IL 60450	GE Nuclear Energy Morris Operation 7555 East Collins Rd. Morris, IL 60450	29,350
3400054-04	GE Lighting 1975 Noble Rd. Cleveland, OH 44112	GE Lighting 1975 Noble Rd. Cleveland, OH 44112	100
3400054-05	GE Lighting 1975 Noble Rd. Cleveland, OH 44112	GE Lighting 1975 Noble Rd. Cleveland, OH 44112	100

SCHEDULE A

NRC SELF-GUARANTEE RULE
SCHEDULE OF LICENSES

SMB-191	GE Lighting 1975 Noble Rd. Cleveland, OH 44112	GE Lighting 1975 Noble Rd. Cleveland, OH 44112	2,040
		Subtotal	**325,073**

GE as Parent Guarantor:

SMN-1826	Reuter-Stokes, Inc. 8499 Darrow Rd. Twinsburg, OH 44087	Reuter-Stokes, Inc. 8499 Darrow Rd. Twinsburg, OH 44087	250
		Subtotal	**250**

Total GE Decommissioning Cost Estimates: ***$325,323***

CERTIFICATION

I, Dennis D. Dammerman, Senior Vice President - Finance, of the General Electric Company, do hereby certify that the attached Minute #10855 entitled "Execution of Contracts and Other Instruments" is a true and correct copy of a portion of the minutes of the meeting of the board of Directors of General Electric Company held on April 26, 1988, which minutes were approved by the Board of Directors at its meeting on May 27, 1988, and revised on December 20, 1991.

Dated this 23rd day of March 1998.

Dennis D. Dammerman
Senior Vice President-Finance

ATTEST:

Eliz W. Fran
Attesting Secretary

BOARD OF DIRECTORS MEETING
April 26, 1988

(Revised December 20, 1991)

10855 EXECUTION OF CONTRACTS AND OTHER INSTRUMENTS

The Chairman reminded the Board that the resolution dealing with the execution of contracts and other instruments on behalf of the Company had last been reviewed and revised by the Board in June, 1985, at which time the resolution had been modified to reflect changes in the Company's organization and to change its form to make periodic organization updatings unnecessary under ordinary circumstances.

The Chairman noted that the principal purpose of this resolution is to indicate to persons outside the Company the individuals within the Company who have authority to sign various documents.

In view of the Board's determination to limit the individuals elected as officers of the Company (and authorize the Chairman of the Board to appoint and remove persons as non-corporate Operational Officers), he indicated that it would be advisable to consider revising and clarifying this resolution to take account of these clarifications and related matters.

The Chairman pointed out that, like the existing resolution, the proposed resolution would not confer any authority to approve transactions underlying the documents to be signed over and above that which is possessed by the signer either by virtue of the

powers inherent in that individual's position with the Company or by virtue of a delegation of authority to that individual by the Board of Directors or higher management.

Following discussion, it was

RESOLVED, that

(A) Any contract, lease, license, assignment, bond or other obligation, conveyance, power of attorney, guarantee, proxy, court pleading, release, tax return and related documents, or other instruments may be executed on behalf of this Company by the Chairman of the Board, a Vice Chairman of the Board, an Executive Vice President, a Senior Vice President, a Vice President reporting directly to the Chairman or a Vice Chairman of the Board, the Comptroller, the Treasurer, the Secretary or any Vice President who is a corporate staff officer of the Company, all of the above-named individuals being hereinafter called "Authorized Persons".

In addition to the foregoing, any Operational Officer may sign any instrument of the type described in this Paragraph (A) which relates to the component or function to which such Operational Officer is assigned, and any Manager, or formally designated Acting Manager, of any Division or Department level organization component may sign any such instrument which relates to that component. Each Operational Officer and each such Manager or Acting Manager is authorized to delegate to others, authority to execute on behalf of the Company, the types of contracts or other instruments which relate to the function or component to which such Operational Officer, Manager or Acting Manager is assigned which are of the same types as the contracts and other instruments listed in Paragraph (C) below.

(B) The Chairman of the Board and each of the Vice Chairmen of the Board is authorized to delegate to others authority to execute contracts and other instruments on behalf of the Company as he considers necessary and in the best interest of the Company.

(C) Each Authorized Person is hereby authorized to delegate to others authority to execute on behalf of the Company the following types of contracts and other instruments which relate to the function or component for which such Authorized Person is responsible:

1. Sales, purchase and consignment contracts, bids therefor, (including contracts providing for or relating to a

franchise for the distribution or resale of this Company's products) and documents in connection therewith, including bids to and contracts with any Municipal, County or State Government, or with the Government of the United States or a foreign country, or with any agency or department of any such Government and bonds to secure the performance of such bids and contracts.

2. Installation, erection, and service contracts and bids therefor and documents in connection therewith (including but not limited to installation, erection, and service contracts and bids therefor with any Municipal, County or State Government, or with the Government of the United States or a foreign country, or with any agency or department of any such Government) and bonds to secure the performance of any such contract or bid.

3. Assignments, waivers of lien, releases, guaranties, mortgages, indentures, credit agreements and such other agreements, documents or other instruments as may be necessary or advisable, relating to either direct or indirect financing in connection with sales by the Company, or the collection of debts, and proofs of claims and other instruments to be filed or used in any bankruptcy or insolvency proceedings.

4. Contracts, leases, deeds, or other instruments relating to real property or to any improvements thereon.

5. Powers of Attorney authorizing agents and attorneys to acquire and dispose of motor vehicles on behalf of the Company and to file all necessary applications, execute all necessary documents, and take all other necessary actions in connection therewith.

6. Powers of Attorney authorizing agents and attorneys to transact business of the Company with the U.S. Customs Service and with customs authorities in other countries.

(D) The Senior Vice President - Finance and the Vice President and Treasurer are each severally authorized to delegate to others authority to execute on behalf of the Company the following types of instruments and in connection therewith to establish, as appropriate, Company-wide procedures:

1. Agreements or other instruments relating to (a) investment of funds of the Company, including but not limited to, instruments pertaining to the purchase, sale, exchange, assignment, conversion, transfer, custody or

loan of any securities or properties, (b) establishment and operation of bank accounts, (c) authorizations to purchase or sell currencies (including contracts for future delivery), (d) financial contracts (e) applications for letters of credit, (f) issuance of stock certificates and replacement of certificates that are lost, stolen or destroyed, and (g) share owner proxies, consents, waivers and releases.

2. Checks, drafts, other payment authorizations and notes payable of the Company. Except as provided below, any such authorization shall require countersignatures and stipulate that no one individual may both sign and countersign the same instrument. Any delegation hereunder may provide that the individual authorized to sign or countersign may effect his or her signature by means of a facsimile signature. It shall not, however, be mandatory for any authorization hereunder to require signatures and countersignatures with respect to (a) checks or drafts drawn on dividend, payroll, or working fund accounts, (b) depositary transfers or endorsements to the account or credit of the Company or (c) transfers between Company bank accounts.

3. Guarantees of indebtedness of foreign or domestic affiliates of the Company and guarantees of contingent obligations of such affiliates in connection with bank guarantees of commercial transactions.

(E) The Senior Vice President - Finance and the Vice President and Comptroller are each severally authorized to delegate to others authority to execute on behalf of the Company, the following types of contracts and other instruments:

1. Federal, State or local tax returns and related documents, to be filed in the United States or foreign countries,

2. Reports of collections from employees and taxes due from the Company under the Federal Insurance Contributions Act, Federal Unemployment Tax Act, and the unemployment compensation laws of each of the states, the District of Columbia and Puerto Rico, as well as any related claims for refunds and reports thereunder,

3. Applications, claims, surrender and other forms in connection with the General Electric Supplemental Life Insurance Program,

4. Annual, financial and other reports required of the Administrator under the Federal Employment Retirement Income Security Act of 1974, and any comparable report required by similar State laws,

5. Such certifications, invoices, reports, releases and other instruments as are necessary to conform to requirements of the United States Government or any department, agency or instrumentality therefor as may be necessary or advisable in order to comply with the terms of any agreement between the Company and the United States Government or any department, agency or instrumentality thereof.

(F) The General Counsel is authorized to delegate to others authority to execute on behalf of the Company, the following types of instruments:

1. Licenses, contracts, assignments, releases, court pleadings and other instruments relating to inventions and technology and to patent, trademark and copyright matters.

2. Petitions, powers of attorney, authorizations, verifications, nominations of representatives, declarations, and other instruments relating to proceedings in the Patent, Trademark Registration or Copyright Offices servicing any country or region of the world, or to related appeal proceedings, or relating to maintenance and defense of the resulting industrial property rights, assignments of rights to apply for and acquire patents and trademark registrations, evidence of such assignments, requests for the registration of patents as available for licensing, reports of inventions and petitions for waiver of patent rights to any department or agency of the United States Government and assignments, licenses and other instruments confirmatory of Government rights in patents and inventions.

(G) Any contract, lease, deed or other instrument relating to real property or to any improvements located or to be located thereon may be executed on behalf of this Company by the Manager-Real Estate and Construction Operation or by the ~~Manager-Real Estate Operation~~ Director-Corporate Real Estate, the Manager of Engineering and Construction-North America or the Manager-Financial Section of said Real Estate and Construction Operation.

(H) Any delegations (including revocations and revisions) as authorized by this Resolution shall be in writing. Authority delegated pursuant to the last sentence of

Paragraph (A) or pursuant to Paragraphs (B), (C), (D), (E) or (F) above may be redelegated by the persons to whom such delegations are made who in turn may authorize further redelegation; provided, however, that no such initial or subsequent redelegation shall be made except in conformity with the limitations imposed thereon by the initial delegation plus any restrictions contained in subsequent redelegations.

(I) The Secretary, the Associate Corporate Secretary and any Attesting Secretary are each severally authorized to affix the Corporate Seal to and attest to contracts and other instruments executed by persons acting pursuant to the authority granted by Paragraphs (A) or (G) above or pursuant to authority delegated in accordance with Paragraphs (A), (B), (C), (D), (E), (F) or (H) above. The Secretary, the Associate Corporate Secretary and any Attesting Secretary are also each severally authorized to certify as to the provisions of this Resolution, as to the incumbency of any person in any position within the Company and as to the terms of any delegation under this Resolution.

(J) Resolution #10502 dated June 28, 1985 is superseded effective as of April 26, 1988.

KPMG Peat Marwick LLP

Stamford Square
3001 Summer Street
Stamford, CT 06905

Independent Accountants' Report
on Applying Agreed-Upon Procedures

The Board of Directors
General Electric Company:

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and Management of General Electric Company, solely to assist you in connection with the filing of selected financial information included in "Financial Test" section of your letter dated March 23, 1998 to the United States Nuclear Regulatory Commission. This engagement to apply agreed-upon procedures was performed in accordance with the standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board of Directors and Management of General Electric Company. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- Tangible Net Worth - We compared the dollar amount of tangible net worth, $15,317,000 thousand, as shown in Item 2, to the difference between Total Share Owners' Equity, $34,438,000 thousand, and Intangible Assets, $19,121,000 thousand, each reflected in the Statement of Financial Position on page 28 of the Company's 1997 Annual Report, and found such amounts to be in agreement.

- Total Assets in the United States - We compared the Company's Total Assets in the United States, $206,655,000 thousand, as shown in Item 3, to the Company's Total Assets in the United States reflected in Note 29 - Geographic Segment Information on page 64 of the Company's 1997 Annual Report, and found such amounts to be in agreement.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Board of Directors and Management of General Electric Company, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

KPMG Peat Marwick LLP

March 23, 1998