



**INDIANA  
MICHIGAN  
POWER**

**Indiana Michigan  
Power Company**  
Nuclear Generation Group  
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March 30, 2009

AEP-NRC-2009-8  
10 CFR 50.75(f)(1)

Docket Nos.: 50-315  
50-316

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555-001

**Donald C. Cook Nuclear Plant Units 1 and 2  
DECOMMISSIONING FUNDING STATUS REPORT**

In accordance with the requirements of 10 CFR 50.75(f)(1), Indiana Michigan Power Company, the licensee for Donald C. Cook Nuclear Plant (CNP), Units 1 and 2, hereby submits the attached report on the status of decommissioning funding. The recovery of decommissioning funds for the eventual decommissioning of CNP Units 1 and 2 is fully assured through cost of service regulation and the resulting contribution of funds into an external trust.

When projected to the current license expiration date for each unit, the Nuclear Decommissioning Trust balance is greater than the Nuclear Regulatory Commission minimum cost of decommissioning, confirming compliance with the financial assurance requirements of 10 CFR 50.75.

This letter contains no new commitments. If you have any questions regarding the report or decommissioning funding, please contact Mr. John A. Zwolinski, Regulatory Affairs Manager, at (269) 466-2478.

Sincerely,

Lawrence J. Weber  
Site Vice President

JEN/rdw

Attachment:

- cc: T.A. Beltz – NRC Washington DC
- K.D. Curry – AEP Ft. Wayne, w/o attachment
- J.T. King – MPSC, w/o attachment
- MDEQ – WHMD/RPS, w/o attachment
- NRC Resident Inspector
- M.A. Satorius – NRC Region III

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ATTACHMENT TO AEP-NRC-2009-8

Indiana Michigan Power Company, Donald C. Cook Nuclear Plant Units 1 and 2  
2008 Nuclear Regulatory Commission Financial Assurance Requirements Report for  
Decommissioning Nuclear Power Reactors

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

1. The minimum decommissioning cost estimate, pursuant to 10 CFR 50.75(b) and (c):
  - a. Cook Unit 1 \$402,004,355
  - b. Cook Unit 2 \$405,576,518
  - c. Total \$807,580,873

These cost estimates were determined using the burial cost escalation values and the methods outlined in NUREG-1307, Revision 13, to determine minimum values.

2. The amount accumulated in the fund allocated to radiological decommissioning at the end of the calendar year preceeding the date of this report (2008) for items included in 10 CFR 50.75(b) and (c) are:
  - a. Cook Unit 1 \$337,752,554
  - b. Cook Unit 2 \$304,621,043
  - c. Total \$642,373,597
3. A schedule of the annual amounts to be collected for items in 10 CFR 50.75(b) and (c) are:
  - a. Cook Unit 1 - \$5,326,500 for years 2009 – 2033 and \$4,438,750 for year 2034 (current license expires in October 2034)
  - b. Cook Unit 2 - \$5,326,500 for years 2009 – 2037
4. The assumptions used regarding rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections are as follows:

A two percent real rate of return was applied to the annual balance for future funding projections.
5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v):

None
6. Any modifications occurring to a licensee's current method of providing financial assurances since the last submitted report:

On July 1, 2008, the Bank of New York Company and Mellon Financial Corporation completed their merger of these two holding companies, forming The Bank of New York Mellon Corporation.
7. Any material changes to trust agreements:

None