

P.O. Box 52025
Phoenix, AZ 85072-2025
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July 15, 2009

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

Subject: Palo Verde Nuclear Generating Station (PVNGS)
Docket Nos. STN 50-528/ 529/530.
Licensee Guarantee of Payment of Deferred Premium

Dear Sir / Madam:

Pursuant to the requirements of 10CFR140.21 (e), Salt River Project Agricultural Improvement and Power District hereafter "the Company", for itself and on behalf of the PVNGS Participants, has enclosed projected cash flow statements for each participant.

Portions of the 2009 cash flow information are considered Company confidential as respects to each PVNGS Participant, and as such, we request that it be withheld from public disclosure pursuant to 10CFR2.390(b)(1). The affidavit to support this request is provided as Attachment 1. Proprietary and non-proprietary versions of the cash flow information are provided by Attachment 2 and Attachment 3 respectively.

Should you have any questions, please contact Sue Ann Perkinson at (602) 236-5298.

Respectfully,

A handwritten signature in black ink, appearing to read "Sue Ann Perkinson", written over a light blue horizontal line.

Sue Ann Perkinson
Manager, Corporate Accounting Services

Attachments (3)

1. Affidavit to Request Withholding of Proprietary Information from Public Disclosure
2. Fiscal Year 2009 Actual Cash Flow and Fiscal Year 2010 Projected Cash Flow (Proprietary Version)
3. Fiscal Year 2009 Actual Cash Flow and Fiscal Year 2010 Projected Cash Flow (Non-Proprietary Version)

ATTACHMENT 1

UNITED STATES NUCLEAR REGULATORY COMMISSION
PALO VERDE NUCLEAR GENERATING STATION
DOCKET NO. 50-528/529/530

Request to Withhold Proprietary Information from Public Disclosure

Salt River Project Agricultural Improvement and Power District hereafter "the Company" hereby requests that Attachment 2 to the letter entitled "Guarantee of Payment of Deferred Premiums Annual 10CFR140.21(e) Report" dated be withheld from public disclosure due to its proprietary nature. The details of this request are provided in the following affidavit:

AFFIDAVIT

I, Sue Ann Perkinson, being duly sworn, depose and state as follows:

- (1) I am the Manager of Corporate Accounting Services, and have been delegated the function of reviewing the information described in paragraph (2) which is sought to be withheld, and have been authorized to apply for its withholding.
- (2) The information sought to be withheld consists of portions of the Fiscal Year 2010 Projected Cash Flow that is included in Attachment 2 to the Company's July 15, 2009, letter to the NRC entitled "Guarantee of Payment of Deferred Premiums Annual 10CFR140.21(e) Report". Attachment 2, a one-page document, has the words "Proprietary Version" on the top and bottom of the page.
- (3) In making this application for withholding of proprietary information of which it is the owner, the Company relies upon the exemption from disclosure set forth in the NRC regulation 10 CFR 2.390(b)(1) for confidential financial information.
- (4) Justification for the request for withholding from public disclosure is provided by addressing the five items identified in 10 CFR 2.390(b)(4).

To the best of my knowledge and belief:

- a. This information is considered company confidential and has been held in confidence by the Company.
- b. This information is of the type customarily held in confidence by the Company and the rationale basis is that it would provide an unfair advantage to competitors if it were disclosed.
- c. This information is transmitted in confidence to the NRC and the purpose of this request is to maintain its confidentiality.
- d. The fiscal year 2010 projected cash flow information is not available from public sources.
- e. Public disclosure of the information sought to be withheld is likely to cause harm to the Company's competitive position and reduce the availability of profit-making opportunities.

ATTACHMENT 1, CONT'D

This letter contains no restricted or other defense information.

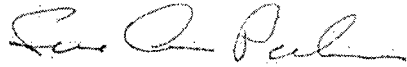
I certify under penalty of perjury that the foregoing is true and correct.

Salt River Project Agricultural
Improvement and Power District

Company Name

7/15/09

Executed On



Executed By

ATTACHMENT 3

NON-PROPRIETARY VERSION

Salt River Project Agricultural Improvement and Power District
 Joint Owner of Palo Verde Nuclear Generating Station
 Internal Cash Flow Projection

(Millions of Dollars)

	Prior Fiscal Year 2009 Actual Total	Projected Fiscal Year 2010 Total
Net Income After Taxes	\$ (247)	Withheld from public disclosure per Affidavit
Less Dividends Paid:		
Retained Earnings	(247)	
Adjustments:		
Depreciation	385	
Deferred Income Taxes and Investment Tax Credits	-	
Allowance for Funds Used During Construction	(45)	
Total Adjustments	340	
Internal Cash Flow	93	
Average Quarterly Cash Flow	\$ 23	

Source: Fiscal Year 2009 Annual Report and Fiscal Year 2010 Approved Budget.

Per NRC regulation 10 CFR 140.21(e).

NON-PROPRIETARY VERSION



ANTONIO R. VILLARAIGOSA
Mayor

Commission
LEE KANON ALPERT, *President*
EDITH RAMIREZ, *Vice President*
WALLY KNOX
FORESCEE HOGAN ROWLES
JONATHAN PARFREY
BARBARA E. MOSCHOS, *Secretary*

H. DAVID SAHAI,
City Executive Officer and General Manager

June 23, 2009

Mr. Stan Michaelis
Risk & Insurance
Arizona Public Service Company
Mail Station 8488
Post Office Box 53999
Phoenix, Arizona 85072-3999

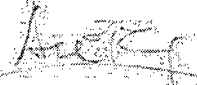
Dear Stan:

Subject: Palo Verde Insurance Program
2009 Internal Cash Flow Projection

As you requested, please find attached the 2009 Internal Cash Flow Projection for the Los Angeles Department of Water and Power being submitted for compliance with Nuclear Regulatory Commission 10CFR Part 140.21 (e), Licensee Guarantee of Payment of Deferred Premium.

Should you require any additional information, please call me at (213) 367-4678.

Sincerely,


Avery M. Neaman
Risk Manager

CML
LADWPCASHFL2009-CovLtr.doc
Attachment
By E-Mail

Water and Power Conservation ... a way of life

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700
Telephone: (213) 367-4241 Cable address: DEWAPOLA

Recycled and made from recycled waste.



LOS ANGELES DEPARTMENT OF WATER & POWER
Power System
2009 Internal Cash Flow Projection
For Palo Verde Nuclear Power Station

<i>in thousands</i>	2007-08 Actual	2008-09 Projection*
Net Income Before City Transfer	322,146	407,117
Transfer to the City	(182,000)	(222,552)
	<u>140,146</u>	<u>184,565</u>
Adjustments:		
Depreciation & amortization	281,541	296,928
Loss on asset impairment & Abandoned Projects	0	0
Allowance for funds used during construction	(14,893)	(19,196)
Total Adjustments	<u>266,648</u>	<u>277,733</u>
Internal Cash Flow	<u>\$ 406,794</u>	<u>\$ 462,298</u>

*Based on Pwr_BseCse_05.29.09 (Actuals through April 2009)