



September 11, 2009  
L-2009-207  
10 CFR 50.4  
10 CFR 50.75

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555

Re: NextEra Energy Duane Arnold, LLC  
Duane Arnold Energy Center  
Docket No. 50-331

NextEra Energy Point Beach, LLC  
Point Beach Nuclear Plant, Units 1 and 2  
Docket Nos. 50-266, 50-301

Subject: Update to Decommissioning Funding Status and Financial Assurance Plan

The purpose of this letter is (1) for the above-referenced NextEra Energy project companies to provide updated information to the Nuclear Regulatory Commission (NRC) that was requested during a telephone conference on June 30, 2009, regarding the decommissioning funding status for NextEra Energy's ownership interests in the Duane Arnold Energy Center (DAEC) and the Point Beach Nuclear Plant, Units 1 and 2 (PBNP); and (2) to change the Financial Assurance Plan for PBNP that was described in NextEra letter L-2009-172 dated July 27, 2009.

**A. NextERA Interests in DAEC and PBNP**

1. Decommissioning Funding Status for NextEra Interests in DAEC and PBNP

As of August 31, 2009, the following is the decommissioning funding status for the subject NextEra Energy nuclear plants:<sup>1</sup>

DAEC (70% ownership interest)

Present value of NRC Minimum Calculation pursuant to 10 CFR 50.75:	\$301,853,975
Trust Balance as of August 31, 2009:	\$179,995,139
Funding Difference:	(\$121,858,837)

<sup>1</sup> In calculating the funding status for the NextEra Energy nuclear plants, NextEra has used the same methodology used in (then) FPL Energy's license transfer applications for DAEC (2005) and PBNP (2007).

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PBNP Unit 1 (100% ownership interest)

Present value of NRC Minimum Calculation pursuant to 10 CFR 50.75:	\$210,690,052
Trust Balance as of August 31, 2009:	\$215,515,628
Funding Difference:	\$4,825,576

PBNP Unit 2 (100% ownership interest)

Present value of NRC Minimum Calculation pursuant to 10 CFR 50.75:	\$200,812,877
Trust Balance as of August 31, 2009:	\$203,065,522
Funding Difference:	\$2,252,645

2. Changes to Proposed Decommissioning Financial Assurance Plans for NextEra Interests in PBNP and DAEC

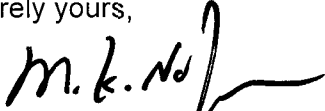
By letter L-2009-172 dated July 27, 2009, NextEra proposed a plan to NRC to address the funding difference for PBNP Units 1 and 2. At that time, NextEra's proposed plan involved causing its indirect parent company, FPL Group Capital Inc, to issue a decommissioning funding parent guaranty for each of the PBNP units for the difference between the adjusted value of the decommissioning funds on hand and the NRC formula minimum amount required by NRC regulations. Since that date, the funding differences for the PBNP decommissioning trusts have become positive due to earnings on those funds. Accordingly, the NextEra decommissioning trust funds no longer require the form of funding assurance proposed to NRC, and NextEra hereby withdraws its financial assurance plan proposed in the July 27, 2009 letter.

With respect to DAEC, NextEra is not changing its proposed funding plan – which involves amending the existing parent guaranty for decommissioning funding for DAEC - other than to clarify that the amount of the amended parent guaranty will be based on the trust fund balance as of November 30, 2009.

The detailed calculations supporting NextEra's conclusions regarding the NRC formula amounts and the adjusted trust fund balances as of August 31, 2009 are set forth in the Enclosures to this letter (Enclosure 1 for DAEC; Enclosure 2 for PBNP Unit 1; and Enclosure 3 for PBNP Unit 2).

Should you have any questions concerning this letter, please contact Mitchell Ross, Vice President and General Counsel – Nuclear at 561-691-7126, or Lisa Fuca, Nuclear Business Operations, at 561-691-7604.

Sincerely yours,

A handwritten signature in black ink, appearing to read "M. K. Nazar", with a long horizontal flourish extending to the right.

Mano Nazar  
Senior Vice President, Nuclear and  
Chief Nuclear Officer

cc: Robert Norcross – Public Service Commission of Wisconsin

Enclosures

Enclosure 1

Decommissioning Funding Status  
Duane Arnold Energy Center  
NextEra 70% Ownership Interest

**NRC Minimum: 70% Share** \$ 353,526,162

**Assumptions:**

Real Rate of Return	2%
License Expiration	2/21/2014
Years Until Decommissioning	4.48
Decom Period Years	7
Years Assumed for Present Value Calculation (includes 50% Decom Period)	7.98
Trust Balance as of 8/31/09	\$ 179,995,139

**Calculation of NRC Minimum and Funding Assurance:**

Next Era Duane Arnold's 70% Share of DAEC	\$ 353,526,162
Years Until Decommissioning including 50% Decom Period Years	7.98
Real Rate of Return	2%
<b>Present Value of NRC Minimum for Next Era 70% Share of DAEC</b>	<b>\$ 301,853,975</b>
<b>Balance as of 8/31/09</b>	<b>\$ 179,995,139</b>
<b>Amount of Surplus (Deficit)</b>	<b>\$ (121,858,837)</b>

Enclosure 2

Decommissioning Funding Status  
Point Beach Nuclear Plant, Unit 1  
NextEra 100% Ownership Interest

**NRC Minimum** **342,997,317**

**Assumptions:**

	<u>Unit 1</u>
Real Rate of Return	2%
License Expiration	10/5/2030
Years Until Decommissioning	21.11
Post Shut Down Years	7
Years Assumed for Present Value Calculation (includes 50% Decom Period)	24.61
Trust Balance as of 8/31/09	215,515,628

**Calculation of NRC Minimum and Funding Assurance:**

Point Beach NRC Minimum	342,997,317
Real Rate of Return	2%
<b>Present Value of NRC Minimum</b>	210,690,052
<b>Balance as of 8/31/09</b>	215,515,628
<b>Amount of Surplus (Deficit)</b>	<b><u>4,825,576</u></b>

Enclosure 3

Decommissioning Funding Status  
Point Beach Nuclear Plant, Unit 2  
NextEra 100% Ownership Interest

**NRC Minimum** **342,997,317**

**Assumptions:**

	<u>Unit 2</u>
Real Rate of Return	2%
License Expiration	3/8/2033
Years Until Decommissioning	23.53
Post Shut Down Years	7
Years Assumed for Present Value Calculation (includes 50% Decom Period)	27.03
Trust Balance as of 8/31/09	203,065,522

**Calculation of NRC Minimum and Funding Assurance:**

Point Beach NRC Minimum	342,997,317
Real Rate of Return	2%
<b>Present Value of NRC Minimum</b>	200,812,877
<b>Balance as of 8/31/09</b>	203,065,522
<b>Amount of Surplus (Deficit)</b>	<u><u>2,252,645</u></u>