



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

August 22, 2010

Mr. Gene St. Pierre
Vice President, Fleet Support
FPL Group, Inc.
P.O. Box 14000
Juno Beach, FL 33408-0420

SUBJECT: DUANE ARNOLD ENERGY CENTER – NOTICE OF TERMINATION OF
PARENT COMPANY GUARANTY AND 2010 STATUS OF
DECOMMISSIONING FUNDING ASSURANCE (TAC NO. ME3780)

Dear Mr. St. Pierre:

The Nuclear Regulatory Commission (NRC) is in receipt of your Notice of Termination of Decommissioning Parent [Company] Guaranty, dated April 7, 2010, Agencywide Documents Access and Management System (ADAMS) Accession No. ML101040713. In it, FPL Group requested that that its Parent Company Guaranty (PCG) for the Duane Arnold Energy Center (DAEC) be terminated, because current financial assurance for DAEC is sufficient without further reliance upon a \$93,000,000 Parent Company Guaranty.

NextEra Energy Duane Arnold, LLC submitted a [2010 Annual] Decommissioning Funding Status Report in a letter dated March 25, 2010 (ADAMS Accession No. ML100970069), as supplemented by a letter from Florida Power & Light Company dated May 25, 2010 (ADAMS Accession No. ML101470054).

The NRC staff has reviewed the letters of March 25, April 7, and May 25, 2010, and finds no objection to the cancellation of the PCG at the end of the 120 day notice period specified in Appendix A to Title 10 of the *Code of Federal Regulations* Part 30. The March 25, 2010, submittal included a revised site-specific cost estimate using SAFSTOR which demonstrated that the PCG is no longer necessary to provide decommissioning funding assurance.


However, changing economic environments, along with NRC staff reviews of future Decommissioning Funding Assurance Reports, may require the reintroduction of a FPL Group Parent Company Guaranty for Duane Arnold Energy Center, or another method provided in the regulations.

G. St. Pierre

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If you have any questions regarding this letter, please contact me at 301-415-3079.

Sincerely,



Karl Feintuch, Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-331

cc:

Mr. Christopher R. Costanzo
Vice President
Duane Arnold Energy Center
3277 DAEC Road
Palo, IA 52324-9785

Mr. Larry Nicholson
Director of Licensing
Florida Power & Light Company
700 Universe Boulevard
P.O. Box 14000
Juno Beach, FL 33408-0420

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/RA/

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