

The Northern Trust Company
50 South La Salle Street
Chicago, Illinois 60603
(312) 630-6000



Northern Trust

October 26, 2010

Mr. Eric Leeds, Director
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852

Subject: Zion Nuclear Power Station, Units 1 and 2
Notice of Disbursement from Decommissioning Trust

In accordance with the Zion Nuclear Power Station (ZNPS) Facility Operating Licenses, Condition 2.C.(14)(c), the decommissioning trust agreement provides that no disbursement shall be made by the Trustee unless the Trustee has first given the Director of the Office of Nuclear Reactor Regulation 30 days prior written notice of such disbursement.

Also, Article II, Section 2.01, "Distributions," of the Restated Non-Tax Qualified Nuclear Decommissioning Master Trust Agreement provide that distributions will be made in accordance with Article 2 of the Master Terms. The Master Terms for Trust Agreements Article 2, "Establishment of Separate Trusts and Dispositive Provisions," Section 2.2 "Payment of Nuclear Decommissioning Cost," paragraph (d) subparagraph (i), provides that except for administrative costs and taxes as provided in Section 2.5 and 4.1 of the Master Terms, no disbursement or payments for decommissioning costs shall be made from the trusts unless the Trustee provides thirty days' prior written notice to the NRC Director, Office of Nuclear Reactor Regulation.

This letter provides the Director of the Office of Nuclear Reactor Regulation written notification of The Northern Trust Company's intent to make disbursements from the trusts for ZNPS, Units 1 and 2 to Exelon Generation Company, LLC (EGC). The transfer of funds will reimburse EGC for decommissioning costs of \$1,122,229.74 incurred at ZNPS, Unit 1 and \$1,122,229.75 incurred at ZNPS, Unit 2 in July and August 2010. EGC has confirmed to us that the costs to be reimbursed were related to maintaining the units in SAFSTOR and are Qualified Costs payable by the trust.

ADD
NRR

We plan to make distribution to EGC from the Zion 1 Non-Tax Qualified Trust and the Zion 2 Non-Tax Qualified Trust in the amounts described above, 30 days following the date of this letter, in the absence of any written notice of objection from the NRC.

If you have any questions about this letter, please contact me at (312) 444-2423.

Respectfully,

A handwritten signature in black ink, appearing to read "Phil Michalec". The signature is fluid and cursive, with a large initial "P" and "M".

Phil Michalec
Vice President

From: Origin ID: CHIA (312) 444-2423
Phil Michalec
NORTHERN TRUST BANK
181 w Madison



chicago, IL 60603

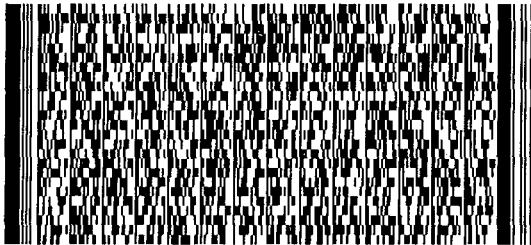
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ActWgt: 0.5 LB
CAD: 2098139/NET3090

Delivery Address Bar Code



Ref # P Michalec/ 0474
Invoice #
PO #
Dept #

SHIP TO: (000) 000-0000 BILL SENDER
Mr. Eric Leeds, Director
U.S. Nuclear Regulatory Commission
11555 ROCKVILLE PIKE
OFFICE OF NUCLEAR REACTOR REGULATIO
ROCKVILLE, MD 20852



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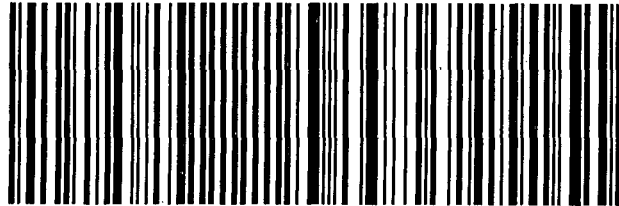
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