



December 1, 2010

Director of the Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Serial No. 10-627
NL&OS/TJS R0
Docket No. 50-245
License No. DPR-21

DOMINION NUCLEAR CONNECTICUT, INC.
MILLSTONE POWER STATION UNIT 1
DECOMMISSIONING TRUST FUND DISBURSEMENT
THIRTY-DAY WRITTEN NOTIFICATION

Pursuant to License Condition 2.C(6)(c) of the Millstone Power Station Unit 1 (MPS1) Facility Operating License, the Dominion Nuclear Connecticut, Inc. (DNC) Nuclear Decommissioning Trust Agreements require 30 days prior written notice to the Nuclear Regulatory Commission (NRC) before the Trustee may make payments or disbursements from the decommissioning trust fund other than for those items specifically identified in the trust agreement. These provisions further require that no payment or disbursement be made from the decommissioning trust fund if prior written notice of objection is received from the Director, Office of Nuclear Reactor Regulation.

The decommissioning activities accomplished to date have placed MPS1 into a long-term modified SAFSTOR condition. Activities required during modified SAFSTOR dormancy include wet spent fuel storage and monitoring, preventive and corrective maintenance on remaining active operating systems, general building maintenance, routine radiological inspections, security, etc. In addition to the cost for the various monitoring and maintenance activities, applicable property taxes, insurance, electricity, and NRC fees are included in these annual costs. Additional activities planned for the near-term include decommissioning activities (radioactive) and green-field activities (non-radioactive), which involve equipment and material removal for storage, disposal, or asset recovery.

The annual costs for modified SAFSTOR, spent fuel management and additional activities are approximately \$5 million dollars per year (in 2010 dollars) and are escalated 4.73% annually for the period 2011 through 2015. The proposed disbursements are consistent with the decommissioning funding analysis for MPS1 submitted on March 30, 2010 (Serial No. 10-111) which shows that the current decommissioning fund is adequate to complete decommissioning with these expenditures. This approach and funding level is consistent with the present funding levels disbursed for modified SAFSTOR, spent fuel management, and additional activities through the period 2005 – 2010 as submitted in DNC Letter #05-318 dated October 21, 2005. The MPS1 decommissioning funding analysis includes spent fuel storage costs and green-field costs, which are included in the site specific cost estimate on which the analysis is based. Consequently, while a certain portion of the

disbursements relate to spent fuel storage costs and green field costs, they are being made from funds intended for this purpose and will not affect the decommissioning funding analysis. Therefore, the disbursements requested will not reduce the fund below levels required for completion of decommissioning.

This letter constitutes the 30-day prior written notice required pursuant to License Condition 2.C(6)(c) of the MPS1 Facility Operating License and by Section 4.01 of the Trust Agreements. DNC intends to provide written direction to the Trustee with respect to the expenditure of funds no sooner than 30 days from the date of this letter, unless DNC or the Trustee receives written notice of objection from the NRC. Such prior written notice should be directed to both:

Mr. David A. Heacock
President and Chief Nuclear Officer
Dominion Nuclear Connecticut, Inc.
5000 Dominion Boulevard
Glen Allen, Va. 23060

Mr. Glen R. Metzger
Vice President
The Bank Of New York Mellon
Room 0625
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If you have any questions or require additional information, please contact Mr. David A. Sommers at (804) 273-2823.

Sincerely,



David A. Heacock
President and Chief Nuclear Officer
Dominion Nuclear Connecticut, Inc.

The Bank of New York Mellon Trustee,
As directed by Dominion Nuclear Connecticut, Inc.,



Glen R. Metzger
Vice President
The Bank Of New York Mellon

Commitments made in this letter: None

cc: U.S. Nuclear Regulatory Commission
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Mr. Bill Dean, Administrator
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