



414 Nicollet Mall – MP4
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L-XE-11-007
10 CFR 50.75(f)(1)

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

Prairie Island Nuclear Generating Plant,
Units 1 and 2
Dockets 50-282, 50-306
License Nos. DPR-42 and DPR-60

Monticello Nuclear Generating Plant
Docket 50-263
Renewed License No. DPR-22

Prairie Island Independent Spent Fuel
Storage Installation
Docket 72-10
Materials License No. SNM-2506

Decommissioning Funding Status Reports

The enclosed decommissioning funding status reports are being submitted in accordance with 10 CFR 50.75, "Reporting and Recordkeeping for Decommissioning Planning," Paragraph (f)(1), for the aforementioned plants with addition to Regulatory Issue Summary (RIS) 2001-07 providing radiological decommissioning, spent fuel management, and site restoration cost segmentation. As holder of the plant operating licenses, Northern States Power Company, a Minnesota corporation (NSPM) d/b/a Xcel Energy is submitting these reports. The financial information presented herein, is current as of December 31, 2010.

Summary of Commitments

This letter contains no new commitments and no revisions to existing commitments.

James E. Molden
Vice President, Operations Support
Northern States Power Company – Minnesota

Enclosures (4)

cc: Administrator, Region III, USNRC
Project Managers, above listed plants, USNRC
NRC Resident Inspectors, above listed plants, USNRC

ENCLOSURES

Enclosure	Plant	Title
1	Prairie Island Nuclear Generating Plant, Unit 1 (PI1)	Decommissioning Funding Status Report
2	Prairie Island Nuclear Generating Plant, Unit 2 (PI2)	Decommissioning Funding Status Report
3	Monticello Nuclear Generating Plant (MNGP)	Decommissioning Funding Status Report
4	All	Xcel Energy Breakdown of Annual Contributions and Trust Fund Balance (RIS 2001-07)

5 pages follow

ENCLOSURE 1

Prairie Island Nuclear Generating Plant, Unit 1 Docket No. 50-282 License No. DPR-42 Decommissioning Funding Status Report

As provided in 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC on a calendar year basis beginning March 31, 1999, and every two years thereafter on the status of its decommissioning funding for each reactor or share of reactor it owns.

1. The minimum decommissioning fund estimate, pursuant to 10 CFR 50.75(b) and (c), in 2010 dollars.

\$403,497,119

2. The amount accumulated at the end of the calendar year preceding the date of the report.

(See Enclosure 4 for segmentation of Radiological Decommissioning, Spent Fuel Management, and Site Restoration Trust Funds Balances).

External Qualified	\$343,789,857
External Escrow	\$45,819,995
Internal	\$631,467
Total	\$390,241,319

3. A schedule of the annual amounts remaining to be collected through rates from customers.

Annual Annuity	Years to Collect
\$0	2.8 yrs

4. Assumptions used regarding escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other factors used in funding projections.

Plant Owner (% Ownership)	Rate of Earnings (Nominal Rate Of Return)	Escalation Factor (Inflation)	Real Rate of Return (Projected)
Xcel Energy (100%) - PINGP Unit 1	6.30%	2.89%	3.41%

Basis for Allowance:

Xcel Energy files a triennial decommissioning study with the Minnesota Public Utilities Commission (MPUC) for approval. A portion of the study is dedicated to an internal analysis of inflation factors surrounding the various components necessary to perform the decommissioning function. The analysis utilizes long-range inflation projections published by Global Insight, the Consumer Price Index, and the Chained Price Index for Gross Domestic Product, as well as other forecasted data. Note: These rates apply to external funds only. The rate of earnings and escalation factors were approved by the MPUC in the most recent triennial decommissioning study completed by the company, MPUC Docket No. E002/M-08-1201, effective June 12, 2009. The projected real rate of return of 3.41% would accumulate sufficient decommissioning funds by the current 2013 end of license date.

5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e) (1) (v).

None

6. Any modifications to a licensee's method of providing financial assurance occurring since the last submitted report.

None

7. Any material changes to trust agreements.

None

ENCLOSURE 2

Prairie Island Nuclear Generating Plant, Unit 2 Docket 50-306 License DPR-60 Decommissioning Funding Status Report

As provided in 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC on a calendar year basis beginning March 31, 1999, and every two years thereafter on the status of its decommissioning funding for each reactor or share of reactor it owns.

1. The minimum decommissioning fund estimate, pursuant to 10 CFR 50.75(b) and (c), in 2010 dollars.

\$403,655,513

2. The amount accumulated at the end of the calendar year preceding the date of the report.

(See Enclosure 4 for segmentation of Radiological Decommissioning, Spent Fuel Management, and Site Restoration Trust Funds Balances).

External Qualified	\$358,946,949
External Escrow	\$57,272,598
Internal	\$918,249
Total	\$417,137,796

3. A schedule of the annual amounts remaining to be collected through rates on customers.

Annual Annuity	Years to Collect
\$0	3.8 yrs

4. Assumptions used regarding escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other factors used in funding projections.

Plant Owner (% Ownership)	Rate of Earnings (Nominal Rate Of Return)	Escalation Factor (Inflation)	Real Rate of Return (Projected)
Xcel Energy (100%)- PINGP Unit 2	6.30%	2.89%	3.41%

Basis for Allowance:

Xcel Energy files a triennial decommissioning study with the Minnesota Public Utilities Commission (MPUC) for approval. A portion of the study is dedicated to an internal analysis of inflation factors surrounding the various components necessary to perform the decommissioning function. The analysis utilizes long-range inflation projections published by Global Insight, the Consumer Price Index, and the Chained Price Index for Gross Domestic Product, as well as other forecasted data. Note: These rates apply to external funds only. The rate of earnings and escalation factors were approved by the MPUC in the most recent triennial decommissioning study completed by the company, MPUC Docket No. E002/M-08-1201, effective June 12, 2009. The projected real rate of return of 3.41% would accumulate sufficient decommissioning funds by the current 2014 end of license date.

5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e) (1) (v).

None

6. Any modifications to a licensee's method of providing financial assurance occurring since the last submitted report.

None

7. Any material changes to trust agreements.

None

ENCLOSURE 3

Monticello Nuclear Generating Plant Docket No. 50-263 License No. DPR-22 Decommissioning Funding Status Report

As provided in 10 CFR 50.75(f)(1), each power reactor licensee is required to report to the NRC on a calendar year basis beginning March 31, 1999, and every two years thereafter on the status of its decommissioning funding for each reactor or share of reactor it owns.

1. The minimum decommissioning fund estimate, pursuant to 10 CFR 50.75(b) and (c), in 2010 dollars.

\$547,601,510

2. The amount accumulated for Radiological Decommissioning at the end of the calendar year preceding the date of the report.

(See Enclosure 4 for segmentation of Radiological Decommissioning, Spent Fuel Management, and Site Restoration Trust Funds Balances).

External Qualified	\$352,285,756
External Escrow	\$605,248
Internal	\$0
Total	\$352,891,004

3. A schedule of the annual amounts remaining to be collected through rates from customers.

Annual Annuity	Years to Collect
\$0	19.75 yrs

4. Assumptions used regarding escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other factors used in funding projections.

Plant Owner (% Ownership)	Rate of Earnings (Nominal Rate Of Return)	Escalation Factor (Inflation)	Real Rate of Return (Projected)
Xcel Energy (100%)- Monticello	6.30%	2.89%	3.41%

Basis for Allowance:

Xcel Energy files a triennial decommissioning study with the Minnesota Public Utilities Commission (MPUC) for approval. A portion of the study is dedicated to an internal analysis of inflation factors surrounding the various components necessary to perform the decommissioning function. The analysis utilizes long-range inflation projections published by Global Insight, the Consumer Price Index, and the Chained Price Index for Gross Domestic Product, as well as other forecasted data. Note: These rates apply to external funds only. The rate of earnings and escalation factors were approved by the MPUC in the most recent triennial decommissioning study completed by the company, MPUC Docket No. E002/M-08-1201, effective June 12, 2009. The projected real rate of return of 3.41% would accumulate approximately \$667 million in decommissioning funds by the 2030 end of license date.

5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e) (1) (v).

None

6. Any modifications to a licensee's method of providing financial assurance occurring since the last submitted report.

None

7. Any material changes to trust agreements.

None

ENCLOSURE 4

Prairie Island Nuclear Generating Plant (PINGP) Units 1 and 2
Dockets 50-282 and 50-306
Licenses Nos. DPR-42 and DPR-60
Monticello Nuclear Generating Plant (MNGP)
Docket 50-263
License No. DPR-22

Xcel Energy Breakdown of Annual Contributions and Trust Fund Balance

The following table is the radiological decommissioning, spent fuel management, and site restoration segmentation of the trust fund balances for PINGP Units 1 and 2 and MNGP.

Trust Fund Balances

Prairie Island Unit 1	2010	2011
Radiological Decommissioning	360,458,108	390,241,319
Spent Fuel Management	23,508,137	25,450,521
Site Restoration	7,836,046	8,483,507
Total	391,802,291	424,175,347
Prairie Island Unit 2	2010	2011
Radiological Decommissioning	385,039,654	417,137,796
Spent Fuel Management	29,947,527	32,444,049
Site Restoration	12,834,656	13,904,594
Total	427,821,837	463,486,439
Monticello	2010	2011
Radiological Decommissioning	328,042,595	352,891,004
Spent Fuel Management	90,643,349	97,227,106
Site Restoration	12,949,050	14,558,079
Total	431,634,994	464,676,189

ENCLOSURE 4 cont.

The following annual contributions table shows the approximate accrual segmentation for radiological decommissioning, spent fuel management, and site restoration for PINGP Units 1 and 2 for 2010. Currently, there are no contributions being made to MNGP or PINGP Trust Funds for 2011.

Annual Contributions

<i>Prairie Island Unit 1</i>	2010	2011
Radiological Decommissioning	0	0
Spent Fuel Management	227,205	0
Site Restoration	127,803	0
Total	355,008	0
 <i>Prairie Island Unit 2</i>	 2010	 2011
Radiological Decommissioning	0	0
Spent Fuel Management	394,046	0
Site Restoration	184,582	0
Total	578,628	0
 <i>Monticello Unit 1</i>	 2010	 2011
Radiological Decommissioning	0	0
Spent Fuel Management	0	0
Site Restoration	0	0
Total	0	0