



GPU Nuclear, Inc.
Three Mile Island
Nuclear Station
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Tel 717-948-8461

March 30, 2011
TMI-11-026

10 CFR 50.75

ATTN: Document Control Desk
United States Nuclear Regulatory Commission
Washington, D.C. 20555-0001

SUBJECT:
Three Mile Island Nuclear Station, Unit 2
Docket No. 50-320, License No. DPR-73
Decommissioning Funding Status Report for the
Three Mile Island Nuclear Station, Unit 2

Pursuant to 10 CFR 50.75(f)(1), GPU Nuclear, Inc. is hereby submitting the Decommissioning Funding Status Report for Three Mile Island Nuclear Station, Unit 2 for the year ending December 31, 2010.

There are no regulatory commitments contained in this letter. If there are any questions, or if additional information is required, please contact Mr. Thomas A. Lentz, Manager – FirstEnergy Nuclear Operating Company Fleet Licensing, at (330) 761-6071.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Lash", written in a cursive style.

James H. Lash
Chief Nuclear Officer

Attachment:
Decommissioning Funding Status Report Three Mile Island Nuclear Station, Unit 2 As of December 31, 2010

cc: NRC Region I Administrator
NRC Project Manager
NRC Resident Inspector

FSME20
FSME

Attachment
TMI-11-026

Decommissioning Funding Status Report
Three Mile Island Nuclear Station, Unit 2
As of December 31, 2010
Page 1 of 11

1. Decommissioning fund estimate, pursuant to 10 CFR 50.75(b) and (c) is based upon a site specific decommissioning cost study, *Decommissioning Cost Analysis for Three Mile Island Unit 2*, dated January 2009 and escalated to 2010 dollars:

Radiological	\$860,374,745
Non-Radiological	<u>32,658,865</u>
FirstEnergy Consolidated	<u>\$893,033,610</u>

2. The amount accumulated in external trust funds at December 31, 2010:

Metropolitan Edison Company	\$297,193,872
Pennsylvania Electric Company	156,540,599
Jersey Central Power & Light Company	<u>185,565,006</u>
FirstEnergy Corp. Consolidated	<u>\$639,299,477</u>

3. A schedule of the annual amounts remaining to be collected from ratepayers is attached as Schedule 1.
4. The assumptions used regarding escalation in decommissioning cost, rates of earnings on decommissioning funds, and rates of other factors used in funding projections:

Consolidated Ownership Interest in Unit	100%
"Real" Rate of Return	2.00%
Rate of Escalation	2.81%
Year of Site Restoration Completion	2054
Dormancy Period	2014-2043
Year of Three Mile Island Nuclear Station, Unit 1	2034
Operating License Termination	

An additional assumption is the decommissioning activities for Three Mile Island Nuclear Station, Unit 2 will be synchronized with those of Three Mile Island Nuclear Station, Unit 1 such that the licenses for both units will be terminated concurrently.

5. There are no contracts upon which the owners/licensees are relying pursuant to 10 CFR 50.75(e)(1)(v).
6. There are no modifications to the licensee's current method of providing financial assurance since the last submitted report.

7. There were no amendments to the Trust Agreements for the above-mentioned owners of Three Mile Island Nuclear Station, Unit 2.
8. Schedules 2 through 4 each contains an analysis of funding earnings and withdrawals for the three owners of Three Mile Island Nuclear Station, Unit 2; Metropolitan Edison Company, Pennsylvania Electric Company, and Jersey Central Power & Light Company; respectively. Schedule 5 contains a consolidated analysis for FirstEnergy Corp.
9. Mathematical rounding was performed during the development of the supporting calculations.
10. References
 - A. *Decommissioning Cost Analysis for Three Mile Island Unit 2*, dated January 2009.*
 - B. *Financial Escalation Analysis for the Decommissioning of Three Mile Island Unit 2*, dated May 2009.*

* Both documents were contained in GPU Nuclear letter, subject: "Three Mile Island Nuclear Station, Unit 2 Docket No. 50-320, License No. DPR-73 Decommissioning Funding Status Report for the Three Mile Island Nuclear Station, Unit 2 Pursuant to 10 CFR 50.75(f)(1)," dated March 29, 2010 (Accession Number ML100960464).

Schedule 1

Schedule of Annual Amounts Remaining to be Collected
Three Mile Island Nuclear Station, Unit 2

Annual Amounts to be Collected				
Year	Metropolitan Edison Company	Pennsylvania Electric Company	Jersey Central Power & Light Company ¹	FirstEnergy Corp. Consolidated
2011	-	-	723,628	723,628
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
Total	-	-	-	-

Note 1: On February 19, 2010 the Jersey Central Power & Light Company filed a request with the New Jersey Board of Public Utilities to reduce the Nuclear Decommissioning Cost charge to zero. The New Jersey Board of Public Utilities has not yet approved the request. Therefore, it is assumed that the Jersey Central Power & Light Company will collect at least \$723,628 in 2011.

Schedule 2

Metropolitan Edison Company¹

Reflects 50% ownership in Three Mile Island Nuclear Station, Unit 2

	After - Tax	Pre Tax Equivalent
Estimated Weighted Average Net Investment Rate	2.00%	
Estimated Escalation Rate	<u>2.81%</u>	
Estimated AfterTax Rate of Return	4.81%	6.03%
Qualified Trust Balance on December 31, 2010	297,193,872	
Non- Qualified Trust Balance on December 31, 2010	-	
Total	<u>297,193,872</u>	

Year	Beginning Balance	Deposits	Earnings	Withdrawals ²	Ending Balance
2011	297,193,872	-	14,295,025	-	311,488,897
2012	311,488,897	-	14,982,616	-	326,471,513
2013	326,471,513	-	15,703,280	-	342,174,793
2014	342,174,793	-	16,458,608	-	358,633,400
2015	358,633,400	-	17,250,267	-	375,883,667
2016	375,883,667	-	18,080,004	-	393,963,671
2017	393,963,671	-	18,949,653	-	412,913,324
2018	412,913,324	-	19,861,131	-	432,774,455
2019	432,774,455	-	20,816,451	-	453,590,906
2020	453,590,906	-	21,817,723	-	475,408,628
2021	475,408,628	-	22,867,155	-	498,275,783
2022	498,275,783	-	23,967,065	-	522,242,849
2023	522,242,849	-	25,119,881	-	547,362,730
2024	547,362,730	-	26,328,147	-	573,690,877
2025	573,690,877	-	27,594,531	-	601,285,408
2026	601,285,408	-	28,921,828	-	630,207,236
2027	630,207,236	-	30,312,968	-	660,520,204
2028	660,520,204	-	31,771,022	-	692,291,226
2029	692,291,226	-	33,299,208	-	725,590,434
2030	725,590,434	-	34,900,900	-	760,491,334
2031	760,491,334	-	36,579,633	-	797,070,967
2032	797,070,967	-	38,339,114	-	835,410,081
2033	835,410,081	-	40,183,225	-	875,593,305
2034	875,593,305	-	42,055,793	(1,252,500)	916,396,598
2035	916,396,598	-	43,990,701	(1,829,000)	958,558,300
2036	958,558,300	-	46,015,962	(1,885,500)	1,002,688,761
2037	1,002,688,761	-	48,136,280	(1,934,500)	1,048,890,541
2038	1,048,890,541	-	50,355,916	(1,990,000)	1,097,256,457
2039	1,097,256,457	-	52,679,551	(2,047,500)	1,147,888,508
2040	1,147,888,508	-	55,111,826	(2,112,500)	1,200,887,834
2041	1,200,887,834	-	57,658,424	(2,168,000)	1,256,378,258
2042	1,256,378,258	-	60,324,483	(2,231,000)	1,314,471,741
2043	1,314,471,741	-	60,226,936	(62,352,500)	1,312,346,177
2044	1,312,346,177	-	58,087,204	(104,712,000)	1,265,721,381
2045	1,265,721,381	-	54,992,869	(122,418,500)	1,198,295,749
2046	1,198,295,749	-	51,572,976	(126,092,500)	1,123,776,226

2047	1,123,776,226	-	47,806,360	(129,881,000)	1,041,701,586
2048	1,041,701,586	-	43,652,871	(134,157,500)	951,196,956
2049	951,196,956	-	39,705,394	(125,721,000)	865,181,350
2050	865,181,350	-	35,660,419	(123,800,500)	777,041,269
2051	777,041,269	-	31,239,905	(127,563,000)	680,718,174
2052	680,718,174	-	27,116,167	(116,972,500)	590,861,840
2053	590,861,840	-	25,809,611	(54,279,500)	562,391,951
2054	562,391,951	-	25,558,390	(31,032,500)	556,917,841

Note 1: Mathematical rounding was performed during the development of the supporting calculations.

Note 2: The withdrawals are Metropolitan Edison Company's share of the decommissioning expenditures contained in the *Financial Escalation Analysis for the Decommissioning of Three Mile Island Unit 2*, dated May 2009 (Reference B). The expenditures are assumed to be made at beginning of the year.

Schedule 3

Pennsylvania Electric Company¹
Reflects 25% ownership in Three Mile Island Nuclear Station, Unit 2

	After - Tax	Pre Tax Equivalent
Estimated Weighted Average Net Investment Rate	2.00%	
Estimated Escalation Rate	<u>2.81%</u>	
Estimated AfterTax Rate of Return	4.81%	6.03%
Qualified Trust Balance on December 31, 2010	61,725,379	
Non-Qualified Trust Balance on December 31, 2010	<u>94,815,220</u>	
Total	156,540,599	

Year	Beginning Balance	Deposits	Earnings	Withdrawals ²	Ending Balance
2011	156,540,599	-	7,529,603	-	164,070,202
2012	164,070,202	-	7,891,777	-	171,961,979
2013	171,961,979	-	8,271,371	-	180,233,350
2014	180,233,350	-	8,669,224	-	188,902,574
2015	188,902,574	-	9,086,214	-	197,988,788
2016	197,988,788	-	9,523,261	-	207,512,049
2017	207,512,049	-	9,981,330	-	217,493,378
2018	217,493,378	-	10,461,431	-	227,954,810
2019	227,954,810	-	10,964,626	-	238,919,436
2020	238,919,436	-	11,492,025	-	250,411,461
2021	250,411,461	-	12,044,791	-	262,456,252
2022	262,456,252	-	12,624,146	-	275,080,398
2023	275,080,398	-	13,231,367	-	288,311,765
2024	288,311,765	-	13,867,796	-	302,179,561
2025	302,179,561	-	14,534,837	-	316,714,398
2026	316,714,398	-	15,233,963	-	331,948,361
2027	331,948,361	-	15,966,716	-	347,915,077
2028	347,915,077	-	16,734,715	-	364,649,792
2029	364,649,792	-	17,539,655	-	382,189,447
2030	382,189,447	-	18,383,312	-	400,572,759
2031	400,572,759	-	19,267,550	-	419,840,309
2032	419,840,309	-	20,194,319	-	440,034,628
2033	440,034,628	-	21,165,666	-	461,200,293
2034	461,200,293	-	22,153,611	(626,250)	482,727,655
2035	482,727,655	-	23,175,213	(914,500)	504,988,368
2036	504,988,368	-	24,244,594	(942,750)	528,290,212
2037	528,290,212	-	25,364,234	(967,250)	552,687,196
2038	552,687,196	-	26,536,395	(995,000)	578,228,591
2039	578,228,591	-	27,763,553	(1,023,750)	604,968,394
2040	604,968,394	-	29,048,174	(1,056,250)	632,960,318
2041	632,960,318	-	30,393,251	(1,084,000)	662,269,569
2042	662,269,569	-	31,801,511	(1,115,500)	692,955,580
2043	692,955,580	-	31,831,586	(31,176,250)	693,610,915
2044	693,610,915	-	30,844,361	(52,356,000)	672,099,277
2045	672,099,277	-	29,383,810	(61,209,250)	640,273,837
2046	640,273,837	-	27,764,647	(63,046,250)	604,992,234

2047	604,992,234	-	25,976,488	(64,940,500)	566,028,222
2048	566,028,222	-	23,999,470	(67,078,750)	522,948,942
2049	522,948,942	-	22,130,254	(62,860,500)	482,218,696
2050	482,218,696	-	20,217,317	(61,900,250)	440,535,763
2051	440,535,763	-	18,121,880	(63,781,500)	394,876,143
2052	394,876,143	-	16,180,354	(58,486,250)	352,570,247
2053	352,570,247	-	15,653,207	(27,139,750)	341,083,704
2054	341,083,704	-	15,659,795	(15,516,250)	341,227,249

Note 1: Mathematical rounding was performed during the development of the supporting calculations.

Note 2: The withdrawals are Pennsylvania Electric Company's share of the decommissioning expenditures contained in the *Financial Escalation Analysis for the Decommissioning of Three Mile Island Unit 2*, dated May 2009 (Reference B). The expenditures are assumed to be made at beginning of the year.

Schedule 4

Jersey Central Power & Light Company¹

Reflects 25% ownership in Three Mile Island Nuclear Station, Unit 2

Estimated Weighted Average Net Investment Rate	After - Tax	Pre Tax Equivalent
Estimated Escalation Rate	2.00%	
Estimated AfterTax Rate of Return	2.81%	
	4.81%	6.03%

Qualified Trust Balance on December 31, 2010	155,881,034
Non-Qualified Trust Balance on December 31, 2010	<u>29,683,972</u>
Total	185,565,006

Year	Beginning Balance	Deposits ²	Earnings	Withdrawals ³	Ending Balance
2011	185,565,006	723,628	8,943,080	-	195,231,714
2012	195,231,714	-	9,390,645	-	204,622,359
2013	204,622,359	-	9,842,335	-	214,464,695
2014	214,464,695	-	10,315,752	-	224,780,447
2015	224,780,447	-	10,811,939	-	235,592,386
2016	235,592,386	-	11,331,994	-	246,924,380
2017	246,924,380	-	11,877,063	-	258,801,443
2018	258,801,443	-	12,448,349	-	271,249,792
2019	271,249,792	-	13,047,115	-	284,296,907
2020	284,296,907	-	13,674,681	-	297,971,588
2021	297,971,588	-	14,332,433	-	312,304,022
2022	312,304,022	-	15,021,823	-	327,325,845
2023	327,325,845	-	15,744,373	-	343,070,218
2024	343,070,218	-	16,501,677	-	359,571,896
2025	359,571,896	-	17,295,408	-	376,867,304
2026	376,867,304	-	18,127,317	-	394,994,621
2027	394,994,621	-	18,999,241	-	413,993,862
2028	413,993,862	-	19,913,105	-	433,906,967
2029	433,906,967	-	20,870,925	-	454,777,892
2030	454,777,892	-	21,874,817	-	476,652,709
2031	476,652,709	-	22,926,995	-	499,579,704
2032	499,579,704	-	24,029,784	-	523,609,488
2033	523,609,488	-	25,185,616	-	548,795,104
2034	548,795,104	-	26,366,922	(626,250)	574,535,776
2035	574,535,776	-	27,591,183	(914,500)	601,212,460
2036	601,212,460	-	28,872,973	(942,750)	629,142,683
2037	629,142,683	-	30,215,238	(967,250)	658,390,671
2038	658,390,671	-	31,620,732	(995,000)	689,016,403
2039	689,016,403	-	33,092,447	(1,023,750)	721,085,099
2040	721,085,099	-	34,633,388	(1,056,250)	754,662,237
2041	754,662,237	-	36,247,113	(1,084,000)	789,825,350
2042	789,825,350	-	37,936,944	(1,115,500)	826,646,794
2043	826,646,794	-	38,262,133	(31,176,250)	833,732,677
2044	833,732,677	-	37,584,218	(52,356,000)	818,960,895
2045	818,960,895	-	36,447,854	(61,209,250)	794,199,500
2046	794,199,500	-	35,168,471	(63,046,250)	766,321,721

2047	766,321,721	-	33,736,437	(64,940,500)	735,117,658
2048	735,117,658	-	32,132,671	(67,078,750)	700,171,579
2049	700,171,579	-	30,654,663	(62,860,500)	667,965,742
2050	667,965,742	-	29,151,750	(61,900,250)	635,217,242
2051	635,217,242	-	27,486,059	(63,781,500)	598,921,801
2052	598,921,801	-	25,994,950	(58,486,250)	566,430,501
2053	566,430,501	-	25,939,885	(27,139,750)	565,230,636
2054	565,230,636	-	26,441,262	(15,516,250)	576,155,648

Note 1: Mathematical rounding was performed during the development of the supporting calculations.

Note 2: On February 19, 2010 the Jersey Central Power & Light Company filed a request with the New Jersey Board of Public Utilities to reduce the Nuclear Decommissioning Cost charge to zero. The New Jersey Board of Public Utilities has not yet approved the request. Therefore, it is assumed that the Jersey Central Power & Light Company will collect at least \$723,628 in 2011.

Note 3: The withdrawals are Jersey Central Power & Light Company's share of the decommissioning expenditures contained in the *Financial Escalation Analysis for the Decommissioning of Three Mile Island Unit 2*, dated May 2009 (Reference B). The expenditures are assumed to be made at beginning of the year.

Schedule 5

FirstEnergy Corp. Consolidated¹
Three Mile Island Nuclear Station, Unit 2

	After - Tax	Pre Tax Equivalent
Estimated Weighted Average Net Investment Rate	2.00%	
Estimated Escalation Rate	<u>2.81%</u>	
Estimated AfterTax Rate of Return	4.81%	6.03%
Qualified Trust Balance on December 31, 2010	514,800,284	
Non-Qualified Trust Balance on December 31, 2010	<u>124,499,193</u>	
Total	639,299,477	

Year	Beginning Balance	Deposits ²	Earnings	Withdrawals ³	Ending Balance
2011	639,299,477	723,628	30,767,708	-	670,790,813
2012	670,790,813	-	32,265,038	-	703,055,851
2013	703,055,851	-	33,816,986	-	736,872,838
2014	736,872,838	-	35,443,583	-	772,316,421
2015	772,316,421	-	37,148,420	-	809,464,841
2016	809,464,841	-	38,935,259	-	848,400,100
2017	848,400,100	-	40,808,045	-	889,208,145
2018	889,208,145	-	42,770,912	-	931,979,056
2019	931,979,056	-	44,828,193	-	976,807,249
2020	976,807,249	-	46,984,429	-	1,023,791,678
2021	1,023,791,678	-	49,244,380	-	1,073,036,057
2022	1,073,036,057	-	51,613,034	-	1,124,649,092
2023	1,124,649,092	-	54,095,621	-	1,178,744,713
2024	1,178,744,713	-	56,697,621	-	1,235,442,334
2025	1,235,442,334	-	59,424,776	-	1,294,867,110
2026	1,294,867,110	-	62,283,108	-	1,357,150,218
2027	1,357,150,218	-	65,278,925	-	1,422,429,143
2028	1,422,429,143	-	68,418,842	-	1,490,847,985
2029	1,490,847,985	-	71,709,788	-	1,562,557,773
2030	1,562,557,773	-	75,159,029	-	1,637,716,802
2031	1,637,716,802	-	78,774,178	-	1,716,490,980
2032	1,716,490,980	-	82,563,216	-	1,799,054,196
2033	1,799,054,196	-	86,534,507	-	1,885,588,703
2034	1,885,588,703	-	90,576,326	(2,505,000)	1,973,660,029
2035	1,973,660,029	-	94,757,098	(3,658,000)	2,064,759,127
2036	2,064,759,127	-	99,133,529	(3,771,000)	2,160,121,656
2037	2,160,121,656	-	103,715,753	(3,869,000)	2,259,968,409
2038	2,259,968,409	-	108,513,042	(3,980,000)	2,364,501,451
2039	2,364,501,451	-	113,535,550	(4,095,000)	2,473,942,001
2040	2,473,942,001	-	118,793,388	(4,225,000)	2,588,510,389
2041	2,588,510,389	-	124,298,788	(4,336,000)	2,708,473,177
2042	2,708,473,177	-	130,062,938	(4,462,000)	2,834,074,115
2043	2,834,074,115	-	130,320,654	(124,705,000)	2,839,689,769
2044	2,839,689,769	-	126,515,784	(209,424,000)	2,756,781,553
2045	2,756,781,553	-	120,824,533	(244,837,000)	2,632,769,086
2046	2,632,769,086	-	114,506,095	(252,185,000)	2,495,090,180

2047	2,495,090,180	-	107,519,285	(259,762,000)	2,342,847,466
2048	2,342,847,466	-	99,785,012	(268,315,000)	2,174,317,478
2049	2,174,317,478	-	92,490,310	(251,442,000)	2,015,365,788
2050	2,015,365,788	-	85,029,486	(247,601,000)	1,852,794,274
2051	1,852,794,274	-	76,847,844	(255,126,000)	1,674,516,118
2052	1,674,516,118	-	69,291,471	(233,945,000)	1,509,862,589
2053	1,509,862,589	-	67,402,703	(108,559,000)	1,468,706,292
2054	1,468,706,292	-	67,659,446	(62,065,000)	1,474,300,738

Note 1: Mathematical rounding was performed during the development of the supporting calculations.

Note 2: On February 19, 2010 the Jersey Central Power & Light Company filed a request with the New Jersey Board of Public Utilities to reduce the Nuclear Decommissioning Cost charge to zero. The New Jersey Board of Public Utilities has not yet approved the request. Therefore, it is assumed that the Jersey Central Power & Light Company will collect at least \$723,628 in 2011.

Note 3: The withdrawals are the decommissioning expenditures contained in the *Financial Escalation Analysis for the Decommissioning of Three Mile Island Unit 2*, dated May 2009 (Reference B). The expenditures are assumed to be made at beginning of the year.