

Plant name:

Palo Verde Nuclear Generating Station, Unit 1

Docket Number:

50-528

1

The minimum financial assurance (MFA) estimate pursuant to 10 CFR 50.75(b) & (c):

\$469,000,000

Did the licensee identify the amount of estimated radiological funds? (Y/N)

Y

2

The total amount of dollars accumulated at the end of the appropriate year: (see below)

Licensee:	% Owned:	Category:	Amount in Trust Fund:
Arizona Public Service Company (APS)	29.10%	1	\$136,871,000
Salt River Project Agricultural Improvement and Power District (SRP)	17.49%	1	\$77,407,000
El Paso Electric Company (EPE)	15.80%	1	\$52,645,000
Southern California Edison Company (SCE)	15.80%	1	\$250,567,000
Public Service Company of New Mexico (PNM)	10.20%	1	\$50,022,000
Southern California Public Power Authority (SCPPA)	5.91%	1	\$51,678,000
Los Angeles Department of Water and Power (LADWP)	5.70%	1	\$40,435,000

Total Trust Fund Balance

\$659,625,000

3

Schedule of the annual amounts remaining to be collected: (provided/none)

Provided

4

Assumptions used in determining rates of escalation in decommissioning costs, rates of earnings on decommissioning funds, and rates of other factors used in funding projections: (see below)

Rate of Return on Earnings	Escalation Rate	Rate(s) of Other Factors	Real Rate of Return	PUC Verified (Y/N)	Allowed through Decom (Y/N)	RAI Needed (Y/N)	Post-RAI		
							PUC Verified (Y/N)	Allowed through Decom (Y/N)	Rates Determined (Y/N)
Variable ¹	Variable ¹		Variable ¹	N		Y	Y	N	N ²

5

Any contracts upon which the licensee is relying? (Y/N)

N

6

Any modifications to a licensee's method of providing decommissioning funding assurance? (Y/N)

N

7

Any material changes to trust agreements? (Y/N)

N

If a change has occurred, the reviewer will document on this sheet that a change has occurred and identify the reviewer who will evaluate the change: (see below)

¹ Rates provided are considered variable because the rates are not consistent throughout the licensee(s) and/or years of operation.

² For EPE, year-to-year rates cannot be determined from the submitted information since they are determined by the FERC, the Public Utility Commission of Texas and the New Mexico Public Regulation commission, which have issued various orders and rules related to decommissioning funding, investment criteria, and/or fund operations.

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Month:12

Day:31

Year:2010

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1

2025

BWR/PWR	MWth	1986\$	ECI	Base Lx		Lx	Px	Latest Month Px	Base Px	Fx	Latest Month Fx	Base Fx		Ex		Bx
PWR	3990	\$105,000,000	112.5	2.06	0.65	2.32	1.676	191.4	114.2	3.049	250.0	82.0	0.13	2.253	0.22	12.28

NRC Minimum:

\$472,584,981

Site Specific:

\$529,232,000

Licensee:	% Owned:	Category	Amount of NRC Minimum/Site Specific:	Amount in Trust Fund:
Arizona Public Service Company (APS)	29.10%	1	\$154,006,512	\$136,871,000
Salt River Project Agricultural Improvement and Power District (SRP)	17.49%	1	\$92,562,677	\$77,407,000
El Paso Electric Company (EPE)	15.80%	1	\$83,618,656	\$52,645,000
Southern California Edison Company (SCE)	15.80%	1	\$83,618,656	\$250,567,000
Public Service Company of New Mexico (PNM)	10.20%	1	\$53,981,664	\$50,022,000
Southern California Public Power Authority (SCPPA)	5.91%	1	\$31,277,611	\$51,678,000
Los Angeles Department of Water and Power (LADWP)	5.70%	1	\$0	\$40,435,000
Total Fund Balance:			\$659,625,000	

Step 1:
Earnings Credit:

Trust Fund Balance:	Real Rate of Return per year	Years Left in License	Total Earnings:	Does Licensee Pass:
\$659,625,000	2%	14.42	\$877,592,159	YES

Step 2:
Accumulation:

Value of Annuity per year (amount/See Annuity Sheet)	Real Rate of Return per year	Number of Annual Payments:	Total Annuity:
See Annuity Sheet	See Annuity Sheet		See Total Step 2
Total Annuity	Real Rate of Return per year	Years remaining after annuity	Total Step 2:
See Total Step 2	See Annuity Sheet	N/A	\$139,861,857
Total Step 1 + Step 2			Does Licensee Pass:
\$1,017,454,016			YES

Step 3:
Decom Period:

Total Earnings:	Real Rate of Return per year	Decom Period:	Total Earnings for Decom:
\$1,017,454,016	2%	7	\$75,640,415

Total of Steps 1 thru 3:	Does Licensee Pass:	Shortfall:
\$1,093,094,431	YES	NO

Signature: Michael Purdie and JoAnn Simpson
Date: 8/10/2011
Signature: Aaron L. Szabo
Date: 8/22/2011

Spreadsheet created by: Aaron Szabo, Shawn Harwell
Formulas verified by: Clayton Pittiglio

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If licensee is granted greater than 2% RRR

Step 4:
Earnings Credit:

Owner	Trust Fund Balance:	Real Rate of Return	Years Left in License	Total Earnings:	Does Licensee Pass:
APS	\$136,871,000	2.00%	14.42	\$905,770,440	YES
SRP	\$77,407,000	2.00%			
EPE	\$52,645,000	2.0375%			
SCE	\$250,567,000	2.00%			
PNM	\$50,022,000	4.50%			
SCPPA	\$51,678,000	2.00%			
LADWP	\$40,435,000	2.00%			

Step 5:
Accumulation:

Value of Annuity per year	Real Rate of Return per year	Number of Annual Payments:	Total Annuity:
See Annuity Sheet	See Annuity Sheet	0	See Total Step 4
Total Annuity	Real Rate of Return per year	Years remaining after annuity	Total Step 5
See Total Step 4	See Annuity Sheet	N/A	\$145,070,067
Total Step 4 + Step 5			Does Licensee Pass:
\$1,050,840,508			YES

Step 6:
Decom Period:

Total Earnings:	Real Rate of Return per year	Decom Period:	Total Earnings for Decom:
\$1,050,840,508	2.00%	7	\$78,122,461
Total of Steps 4 thru 6:		Does Licensee Pass:	Shortfall:
\$1,128,962,969		YES	NO

Signature: Michael Purdie and JoAnn Simpson
Date: 8/10/2011
Signature: Aaron L. Szabo
Date: 8/22/2011

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