

Plant name: Salem Nuclear Generating Station, Unit 2

Docket Number: 50-311

- 1

The minimum financial assurance (MFA) estimate pursuant to 10 CFR 50.75(b) & (c):¹

\$484,136,000
- 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:
Exelon Generation Company, LLC	42.59%	1	\$133,670,000
PSEG	57.41%	1	\$230,825,000

Total Trust Fund Balance \$364,495,000

- 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 ²			variable ²	N	N	Y	Y	N	Y

- 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)

Y³
- 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 Licensee calculated MFA higher than NRC calculations. Justification, including factors used, were provided to NRC for review. No further review required.

² Rates provided are variable because the rates are not consistent throughout the licensee(s) and/or years of operation/decommission

³ EGC- financial assurance provided by external sinking fund method coupled with an external trust fund; PSEG - prepayment method. No further review required.

Plant name: Salem Nuclear Generating Station, Unit 2 **Docket Number:** 50-311

Date of Operation:	Month:	Day	Year:
	12	31	2010
Termination of Operations:	4	18	2040

BWR/PWR	<u>MWth</u>	<u>1986\$</u>	ECI	Base Lx		<u>Lx</u>	Px	Latest Month Px	Base Px	Fx	Latest Month Fx	Base Fx		<u>Ex</u>		<u>Bx</u>
PWR	3459	\$105,000,000	113.6	2.16	0.65	2.45	1.676	191.4	114.2	3.049	250.0	82.0	0.13	2.253	0.22	12.28

NRC Minimum: \$481,884,726 **Site Specific:**

Licensee:	% Owned:	Category	Amount of NRC Minimum/Site Specific:	Amount in Trust Fund:
Exelon Generation Company, LLC	42.59%	1	\$205,234,705	\$133,670,000
PSEG	57.41%	1	\$276,650,021	\$230,825,000
			Total Fund Balance:	\$364,495,000

Step 1:
Earnings Credit:

Trust Fund Balance:	Real Rate of Return per year	Years Left in License	Total Earnings:	Does Licensee Pass:
\$364,495,000	2%	29.30	\$651,113,909	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	9	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	\$47,518,132

Total Step 1 + Step 2	Does Licensee Pass:
\$698,632,041	YES

Step 3:
Decom Period:

Total Earnings:	Real Rate of Return per year	Decom Period:	Total Earnings for Decom:
\$698,632,041	2%	7	\$51,938,286

Total of Steps 1 thru 3:	Does Licensee Pass:	Shortfall:
\$750,570,327	YES	NO

Signature: Shawn Harwell
Date: 8/4/2011
Signature: Aaron L. Szabo
Date: 8/16/2011

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

Plant name: Salem Nuclear Generating Station, Unit 2 **Docket Number:** 50-311

Date of Operation: **Month:** 12 **Day:** 31 **Year:** 2010

Termination of Operations: 4 18 2040

If licensee is granted greater than 2% RRR

Step 4:
Earnings Credit:

Trust Fund Balance:	Trust Fund Balance:	Real Rate of Return	Years Left in	Total Earnings:	Does Licensee Pass:
Exelon Generation Co	\$133,670,000	3.00%	29.30	\$730,119,552	YES
PSEG	\$230,825,000	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	9	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	\$60,918,676

Total Step 4 + Step 5	Does Licensee Pass:
\$791,038,228	YES

Step 6:
Decom Period:

Total Earnings:	Real Rate of Return per year	Decom Period:	Total Earnings for Decom:
\$791,038,228	2.00%	7	\$58,808,024

Total of Steps 4 thru 6:	Does Licensee Pass:	Shortfall:
\$849,846,251	YES	NO

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Date: 8/16/2011

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ANNUITY

Termination of Operations: 4 18 2040

Year	Annuity:	Real Rate of Return:	Total Accumulation
2011	\$3,195,000	2%	\$5,707,554
2012	\$3,195,000	2%	\$5,595,641
2013	\$3,195,000	2%	\$5,485,922
2014	\$3,195,000	2%	\$5,378,355
2015	\$3,195,000	2%	\$5,272,897
2016	\$3,195,000	2%	\$5,169,507
2017	\$3,195,000	2%	\$5,068,144
2018	\$3,195,000	2%	\$4,968,769
2019	\$3,195,000	2%	\$4,871,342

Total: \$47,518,132

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ANNUITY

Termination of Operations: 4 18 2040

If licensee is granted greater than 2% RRR

Year	Annuity:	Real Rate of Return:	Total Accumulation
2011	\$3,195,000	3.00%	\$7,596,136
2012	\$3,195,000	3.00%	\$7,374,890
2013	\$3,195,000	3.00%	\$7,160,087
2014	\$3,195,000	3.00%	\$6,951,541
2015	\$3,195,000	3.00%	\$6,749,069
2016	\$3,195,000	3.00%	\$6,552,494
2017	\$3,195,000	3.00%	\$6,361,645
2018	\$3,195,000	3.00%	\$6,176,354
2019	\$3,195,000	3.00%	\$5,996,460

Total: \$60,918,676

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