

**Plant name:** Susquehanna Steam Electric Station, Unit 1

**Docket Number:** 50-387

1 The minimum financial assurance (MFA) estimate pursuant to 10 CFR 50.75(b) & (c): \$628,425,000  
 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:
PPL Susquehanna, LLC	90.00%	2	\$292,181,288
Allegheny Electric Cooperative	10.00%	1	\$23,812,636
			Total Trust Fund Balance
			\$315,993,924

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)
2.00%			2.00%	N	Y	N			

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) Y<sup>1</sup>

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)

<sup>1</sup> Per PPL, the previous report credited collections and utilized inflation and earnings rates based on an order entered by the Pennsylvania PUC on 9/27/1995 at Docket No. R-00943271. The annual collections permitted under this order ceased at the end of 2009. In addition, the previous report provided an analysis crediting earnings through a SAFSTOR period, which is no longer necessary as the current funding is sufficient for immediate DECON. Per AEC, they have all required contracts in place from the 14 cooperatives that fund the trust fund.



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**Date of Operation:**                      **Month:** 12      **Day:** 31      **Year:** 2010  
**Termination of Operations:**                      7                      17                      2042

If licensee is granted greater than 2% RRR

**Step 4:  
Earnings Credit:**

Trust Fund Balance:	Real Rate of Return per year	Years Left in License	Total Earnings:	Does Licensee Pass:
\$315,993,924	2.00%	31.54	\$590,161,608	NO

**Step 5:  
Accumulation:**

Value of Annuity per year see annuity sheet	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	\$106,524,087

Total Step 4 + Step 5	Does Licensee Pass:
\$696,685,695	YES

**Step 6:  
Decom Period:**

Total Earnings:	Real Rate of Return per year	Decom Period:	Total Earnings for Decom:
\$696,685,695	2.00%	7	\$51,793,589

Total of Steps 4 thru 6:	Does Licensee Pass:	Shortfall:
\$748,479,284	YES	NO

**ANNUITY**

**Termination of Operations:**                    7                    17                    2042

<b>Year</b>	<b>Annuity:</b>	<b>Real Rate of Return:</b>	<b>Total Accumulation</b>
2011	\$1,297,000	2%	\$2,422,400
2012	\$1,348,880	2%	\$2,469,899
2013	\$1,402,835	2%	\$2,518,328
2014	\$1,458,949	2%	\$2,567,708
2015	\$1,571,307	2%	\$2,711,230
2016	\$1,577,999	2%	\$2,669,389
2017	\$1,641,119	2%	\$2,721,730
2018	\$1,706,764	2%	\$2,775,097
2019	\$1,775,034	2%	\$2,829,510
2020	\$1,846,035	2%	\$2,884,990
2021	\$1,919,877	2%	\$2,941,560
2022	\$1,996,672	2%	\$2,999,237
2023	\$2,076,539	2%	\$3,058,046
2024	\$2,159,600	2%	\$3,118,007
2025	\$2,245,984	2%	\$3,179,144
2026	\$2,335,824	2%	\$3,241,481
2027	\$2,429,257	2%	\$3,305,040
2028	\$2,526,427	2%	\$3,369,844
2029	\$2,627,484	2%	\$3,435,919
2030	\$2,732,583	2%	\$3,503,290
2031	\$2,841,887	2%	\$3,571,983
2032	\$2,955,562	2%	\$3,642,021
2033	\$3,073,785	2%	\$3,713,434
2034	\$3,196,736	2%	\$3,786,246
2035	\$3,324,606	2%	\$3,860,486
2036	\$3,457,590	2%	\$3,936,182
2037	\$3,595,893	2%	\$4,013,361
2038	\$3,739,729	2%	\$4,092,055
2039	\$3,889,318	2%	\$4,172,291
2040	\$4,044,891	2%	\$4,254,101
2041	\$4,206,687	2%	\$4,337,515
2042	\$4,374,954	2%	\$4,422,564

**Total:    \$106,524,087**

Signature: Michael Purdie and JoAnn Simpson

Date: 06/24/2011

Signature: Kosmas Lois

Date: 6/29/2011

Spreadsheet created by: Aaron Szabo, Shawn Harwell

Formulas verified by: Clayton Pittiglio

**ANNUITY**

**Termination of Operations:**                    7                    17                    2042

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**Total:    \$106,524,087**

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