

PSEG Nuclear LLC

P.O. Box 236, Hancocks Bridge, NJ 08038-0236



10 CFR 140.21(e)

LR-N15-0049
March 30, 2015

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Salem Generating Station, Units 1 and 2
Renewed Facility Operating License Nos. DPR-70 and DPR-75
NRC Docket Nos. 50-272 and 50-311

Hope Creek Generating Station
Renewed Facility Operating License No. NPF-57
NRC Docket No. 50-354

Subject: Guarantees of Payment of Deferred Premiums

PSEG Nuclear LLC as the licensee of the Salem Generating Station, Units 1 and 2 and the Hope Creek Generating Station, submits supporting documentation to satisfy the guarantee of payment of deferred premium requirements as provided under 10 CFR 140.21(e).

The 2014 PSEG Power LLC Consolidated Statements of Cash Flows is included as Attachment 1 to meet the requirement to provide evidence that a cash flow can be generated and would be available for payment of retrospective premiums. The 2014 PSEG Power LLC Consolidated Statements of Cash Flows is a certified financial statement extracted from the PSEG 2014 Annual Report / Form 10-K. The Form 10-K is publicly available on the internet at the following Uniform Resource Locator (URL):

<http://www.sec.gov/Archives/edgar/data/81033/000078878415000002/pseg201410kq4.htm>

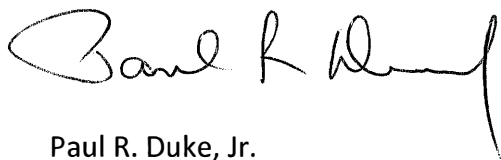
There are no regulatory commitments contained in this submittal.

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If you have any questions or require additional information, please contact
Mr. Gary Wohler at 856-339-5020.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R. Duke, Jr.", written in a cursive style.

Paul R. Duke, Jr.
Manager - Licensing

Attachment 1 - PSEG Power LLC Consolidated Statements of Cash Flows

cc: Mr. D. Dorman, Administrator, Region I, NRC
Ms. C. Sanders-Parker, Salem and Hope Creek Project Manager, NRC
NRC Senior Resident Inspector, Salem
NRC Senior Resident Inspector, Hope Creek
Mr. P. Mulligan, Manager IV, NJBNE
Corporate Commitment Tracking Coordinator
Hope Creek Commitment Tracking Coordinator
Salem Commitment Tracking Coordinator

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Attachment 1

**PSEG Power LLC
Consolidated Statements of Cash Flows**

PSEG POWER LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
Millions

| | Years Ended December 31, | | |
|--------------------------------------------------------------------------------------|--------------------------|--------------|--------------|
| | 2014 | 2013 | 2012 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net Income | \$ 760 | \$ 644 | \$ 666 |
| Adjustments to Reconcile Net Income to Net Cash Flows from Operating Activities: | | | |
| Depreciation and Amortization | 292 | 273 | 242 |
| Amortization of Nuclear Fuel | 200 | 192 | 173 |
| Provision for Deferred Income Taxes and ITC | 221 | 122 | 397 |
| Interest Accretion on Asset Retirement Obligation | 30 | 23 | 21 |
| Net Realized and Unrealized (Gains) Losses on Energy Contracts and Other Derivatives | (93) | 79 | 63 |
| Non-Cash Employee Benefit Plan Costs | 13 | 66 | 70 |
| Net Realized (Gains) Losses and (Income) Expense from NDT Fund | (166) | (104) | (118) |
| Net Change in Certain Current Assets and Liabilities: | | | |
| Fuel, Materials and Supplies | 19 | (8) | 47 |
| Margin Deposit | (22) | (43) | (116) |
| Accounts Receivable | (15) | (4) | 24 |
| Accounts Payable | (59) | 28 | 93 |
| Accounts Receivable/Payable-Affiliated Companies, net | 220 | — | (40) |
| Accrued Interest Payable | — | 2 | (6) |
| Other Current Assets and Liabilities | (6) | 70 | (17) |
| Employee Benefit Plan Funding and Related Payments | (7) | (46) | (72) |
| Other | 38 | 53 | 26 |
| Net Cash Provided By (Used In) Operating Activities | <u>1,425</u> | <u>1,347</u> | <u>1,453</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Additions to Property, Plant and Equipment | (626) | (609) | (770) |
| Proceeds from Sales of Available-for-Sale Securities | 1,557 | 1,084 | 1,478 |
| Investments in Available-for-Sale Securities | (1,573) | (1,102) | (1,506) |
| Short-Term Loan—Affiliated Company, net | 206 | (216) | 333 |
| Other | (88) | (18) | (7) |
| Net Cash Provided By (Used In) Investing Activities | <u>(524)</u> | <u>(861)</u> | <u>(472)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Issuance of Recourse Long-Term Debt | — | 500 | — |
| Cash Dividend Paid | (895) | (705) | (619) |
| Redemption of Long-Term Debt | — | (300) | (414) |
| Contributed Capital | — | 24 | 69 |
| Cash Payment on Debt Redemption/Exchange | — | — | (15) |
| Other | (3) | (6) | (7) |
| Net Cash Provided By (Used In) Financing Activities | <u>(898)</u> | <u>(487)</u> | <u>(986)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 3 | (1) | (5) |
| Cash and Cash Equivalents at Beginning of Period | 6 | 7 | 12 |
| Cash and Cash Equivalents at End of Period | <u>\$ 9</u> | <u>\$ 6</u> | <u>\$ 7</u> |
| Supplemental Disclosure of Cash Flow Information: | | | |
| Income Taxes Paid (Received) | \$ 68 | \$ 291 | \$ 81 |
| Interest Paid, Net of Amounts Capitalized | \$ 119 | \$ 106 | \$ 119 |
| Accrued Property, Plant and Equipment Expenditures | \$ 91 | \$ 90 | \$ 95 |

See disclosures regarding PSEG Power LLC included in the Notes to Consolidated Financial Statements.