

March 26, 2015

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

Serial No. 15-099  
NL&OS/TJS Rev. 0  
Docket No. 50-245  
License No. DPR-21

**DOMINION NUCLEAR CONNECTICUT, INC.**  
**MILLSTONE POWER STATION UNIT 1**  
**DECOMMISSIONING FUNDING STATUS REPORT**

Pursuant to 10 CFR 50.75(f)(1) and 10 CFR 50.82(a)(8)(v)-(vii), Dominion Nuclear Connecticut, Inc. (DNC) is providing this report on the status of decommissioning funding for Millstone Power Station Unit 1 (MPS1).

Attachment 1 provides the following information for MPS1:

- Table I - Decommissioning Funding Status Report for MPS1  
Summary Information as of December 31, 2014
- Table II - Decommissioning Funding Status Report for MPS1  
Annual Cash Flow Analysis Starting January 1, 2015 through  
the End of Decommissioning

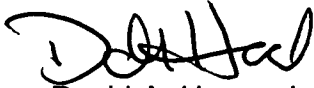
The following information is provided in support and as part of this filing:

1. The escalation of decommissioning costs from the Cost Study's 2014 dollars to 2015 dollars is 1.09% and is based upon the average of CPI-U rates for that period. The mnemonics are "FCPIU.US, CPI-U Not Seasonally Adjusted (NSA) All Urban Consumers, All Items US City Average (Index, 1982-84=100, SA)."
2. The escalation of decommissioning costs, shown in Table II "Annual Cash Flow Analysis" with a starting date of January 1, 2015 is held at 0% based on assuming 2% Real Rate of Return.
3. The growth rate on Trust Funds is held at the allowed 2% Real Rate of Return over the escalation rate.
4. No rate regulatory authority citation for MPS Unit 1 is referenced because MPS1 is a merchant unit.
5. There are no contracts upon which DNC is relying under paragraph 10 CFR 50.75(e)(1)(v) and there were no modifications to the current method of providing financial assurance since the last submitted report.
6. There are no annual funding amounts for MPS1.
7. Trust Fund amounts shown in this report are market value and after-tax on realized gains and losses. The Trust Fund balances have not been adjusted for unrealized gain or loss positions not currently taxable.
8. Since the previous annual submittal on March 31, 2014 (Serial No. 14-140) for MPS1 there have been no material changes to trust agreements established for nuclear decommissioning.

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NRR

Please contact Mr. David A. Sommers at (804) 273-2823 if you have any questions or require additional information.

Sincerely,



David A. Heacock  
President and Chief Nuclear Officer  
Dominion Nuclear Connecticut, Inc.

Attachment

Commitments made in this letter: None

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**Attachment 1**

**Decommissioning Funding Status Report for MPS1**  
**Summary Information as of December 31, 2014**

**Millstone Power Station - Unit 1**  
**DOMINION NUCLEAR CONNECTICUT, INC. (DNC)**

**Millstone Power Station Unit 1  
Decommissioning Funding Status Report as of December 31, 2014**

**Table I**

Decommissioning Funding Status Report for MPS1 Summary Information as of December 31, 2014 10 CFR 50.82 (a)(8)(v)-(vii) (in millions)						
<b>Decommissioning Trust Fund Balances</b>				10 CFR Reference	50.82(a)(8)(v)(A)	50.82(a)(8)(vii)(A)
<b>Fund Balance</b>	<b>Type of Trusts</b>			<b>Comments</b>		
\$ 449.649	Unit 1 qualified fund balance			As of:	12/31/2014	
\$ -	Unit 1 non-qualified fund balance			As of:	12/31/2014	
\$ 1.026	Less costs incurred but not yet billed to Trust			Actual Cost in:	2014	Dollars
\$ 448.623	Adjusted decommissioning fund balance			As of:	12/31/2014	
<b>Other Financial Assurance Methods Being Relied Upon</b>				10 CFR Reference	50.82(a)(8)(v)(A)	
None						
<b>Prior Years Decommissioning Expenditures</b>				10 CFR Reference	50.82(a)(8)(v)(A)	
<b>Total</b>	<b>License Term</b>	<b>Spent Fuel Mgmt</b>	<b>Site Restoration</b>	<b>Comments</b>		
\$ 3.724	\$ 0.443	\$ 3.281	\$ -	2014 Cost in:	2014	Dollars
\$ 73.338	\$ 45.170	\$ 28.168	\$ -	2001-2013 Cost in:	As-Spent	Dollars
\$ 77.062	\$ 45.612	\$ 31.449	\$ -	Total Prior Year in:	As-Spent	Dollars
<b>Prior Year Decommissioning Expenditures Variance to Estimated Cost</b>				10 CFR Reference	50.82(a)(8)(v)(B)	
<b>Total</b>	<b>License Term</b>	<b>Spent Fuel Mgmt</b>	<b>Site Restoration</b>	<b>Comments</b>		
\$ 3.724	\$ -	\$ -	\$ -	Actual Cost in	2014	Dollars
\$ 6.015	\$ -	\$ -	\$ -	NRC Auth \$ in	2014	Dollars
\$ (2.291)	\$ -	\$ -	\$ -			
Variance: Underrun to NRC Authorized Expenditures						
<b>Remaining Decommissioning Estimated Cost</b>				10 CFR Reference	50.82(a)(8)(v)(B)	50.82(a)(8)(vii)(B)
<b>Total</b>	<b>License</b>	<b>Spent Fuel Mgmt</b>	<b>Site Restoration</b>	<b>Comments</b>		
\$ 386.212	\$ 288.933	\$ 76.373	\$ 20.905	Estimate in:	2015	Dollars
<b>Decommissioning Criteria Upon Which the Estimate is Based</b>				10 CFR Reference	50.82(a)(8)(v)(B)	
SAFSTOR						
<b>Any Modification To Method of Providing Financial Assurance</b>				10 CFR Reference	50.82(a)(8)(v)(C)	
None						
<b>Any Material Changes To Trust Agreement Since Previous Report</b>				10 CFR Reference	50.82(a)(8)(v)(D)	
None						
<b>Need For Additional Financial Assurance</b>				10 CFR Reference	50.82(a)(8)(vi)	50.82(a)(8)(vii)(C)
None				See Annual Cash Flow Analysis in Table II		
<b>Inputs to Remaining Cost and Funding Analysis</b>						
2015	Start year of Remaining Cost and Funding analysis					
1.09%	Escalate study dollars from Study Year to Start Year of Analysis using an average of CPI rates					
0.00%	Escalation rate		2015	& Beyond		
2.00%	Fund growth rate		2015	& Beyond (Reflects NRC allowed 2% Real Rate of Return)		
Projected annual expenditures - see Annual Cash Flow Analysis in Table II						

**Notes: Table I**

- 1) Previous decommissioning expenditures represent the withdrawals from the nuclear decommissioning trusts made by Dominion Nuclear Connecticut, Inc. These expenditures do not include the withdrawals made by the former owners of MPS1.
- 2) These expenditures include withdrawals for spent fuel management, consistent with DNC's previous notices to the NRC, as well as allowed ordinary administrative costs.
- 3) A revised Decommissioning Cost Estimate (DCE) was developed in 2014 for MPS1. The estimate of remaining spent fuel management costs reflects a shift in the delayed planned date on which the Department of Energy is expected to begin accepting spent nuclear fuel.

**Millstone Power Station Unit 1  
Decommissioning Funding Status Report as of December 31, 2014  
Table II**

Decommissioning Funding Status Report for MPS1 Annual Cash Flow Analysis Starting January 1, 2015 through End of Decommissioning 10 CFR 50.82 (a)(8)(v)-(vii) (In millions)							
Year	Column 1 Beginning of Year Balance	Column 2 Earnings on Trust Funds (Reflects 2% RRoR)	Column 3 Remaining License Termination Expenditures (Reflects 0% Esc)	Column 4 Remaining Spent Fuel Mgmt Expenditures (Reflects 0% Esc)	Column 5 Remaining Site Restoration Expenditures (Reflects 0% Esc)	Column 6 Remaining SAFSTOR Expenditures (Reflects 0% Esc)	Column 7 End of Year Balance
2015	\$ 448.623	\$ 8.914	\$ 2.162	\$ 3.684	\$ -	\$ 5.846	\$ 451.691
2016	\$ 451.691	\$ 8.990	\$ 1.540	\$ 2.799	\$ -	\$ 4.340	\$ 456.342
2017	\$ 456.342	\$ 9.086	\$ 1.540	\$ 2.576	\$ -	\$ 4.116	\$ 461.312
2018	\$ 461.312	\$ 9.187	\$ 1.540	\$ 2.427	\$ -	\$ 3.967	\$ 466.531
2019	\$ 466.531	\$ 9.292	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 471.933
2020	\$ 471.933	\$ 9.395	\$ 1.540	\$ 2.846	\$ -	\$ 4.386	\$ 476.942
2021	\$ 476.942	\$ 9.498	\$ 1.540	\$ 2.573	\$ -	\$ 4.113	\$ 482.326
2022	\$ 482.326	\$ 9.608	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 488.045
2023	\$ 488.045	\$ 9.722	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 493.877
2024	\$ 493.877	\$ 9.839	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 499.827
2025	\$ 499.827	\$ 9.902	\$ 6.760	\$ 2.722	\$ -	\$ 9.482	\$ 500.246
2026	\$ 500.246	\$ 9.964	\$ 1.540	\$ 2.573	\$ -	\$ 4.113	\$ 506.097
2027	\$ 506.097	\$ 10.081	\$ 1.540	\$ 2.603	\$ -	\$ 4.143	\$ 512.034
2028	\$ 512.034	\$ 10.183	\$ 1.540	\$ 4.264	\$ -	\$ 5.804	\$ 516.413
2029	\$ 516.413	\$ 10.273	\$ 1.540	\$ 3.991	\$ -	\$ 5.532	\$ 521.154
2030	\$ 521.154	\$ 10.384	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 527.649
2031	\$ 527.649	\$ 10.512	\$ 1.540	\$ 2.573	\$ -	\$ 4.113	\$ 534.048
2032	\$ 534.048	\$ 10.642	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 540.801
2033	\$ 540.801	\$ 10.777	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 547.689
2034	\$ 547.689	\$ 10.915	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 554.714
2035	\$ 554.714	\$ 11.049	\$ 2.162	\$ 2.349	\$ -	\$ 4.511	\$ 561.253
2036	\$ 561.253	\$ 11.184	\$ 1.540	\$ 2.573	\$ -	\$ 4.113	\$ 568.324
2037	\$ 568.324	\$ 11.328	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 575.762
2038	\$ 575.762	\$ 11.476	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 583.349
2039	\$ 583.349	\$ 11.628	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 591.088
2040	\$ 591.088	\$ 11.783	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 598.982
2041	\$ 598.982	\$ 11.941	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 607.033
2042	\$ 607.033	\$ 12.102	\$ 1.540	\$ 2.349	\$ -	\$ 3.889	\$ 615.246
2043	\$ 615.246	\$ 12.254	\$ 2.718	\$ 2.349	\$ -	\$ 5.067	\$ 622.433
2044	\$ 622.433	\$ 12.337	\$ 10.560	\$ 0.585	\$ -	\$ 11.145	\$ 623.625
2045	\$ 623.625	\$ 12.434	\$ 3.862	\$ -	\$ -	\$ 3.862	\$ 632.197
2046	\$ 632.197	\$ 12.630	\$ 1.400	\$ -	\$ -	\$ 1.400	\$ 643.427
2047	\$ 643.427	\$ 12.855	\$ 1.400	\$ -	\$ -	\$ 1.400	\$ 654.881
2048	\$ 654.881	\$ 13.072	\$ 2.530	\$ -	\$ -	\$ 2.530	\$ 665.423
2049	\$ 665.423	\$ 12.742	\$ 56.643	\$ -	\$ -	\$ 56.643	\$ 621.522
2050	\$ 621.522	\$ 11.640	\$ 79.002	\$ -	\$ -	\$ 79.002	\$ 554.160
2051	\$ 554.160	\$ 10.348	\$ 73.554	\$ -	\$ -	\$ 73.554	\$ 490.953
2052	\$ 490.953	\$ 9.807	\$ 1.191	\$ -	\$ -	\$ 1.191	\$ 499.569
2053	\$ 499.569	\$ 9.786	\$ 0.103	\$ -	\$ 20.450	\$ 20.552	\$ 488.802
2054	\$ 488.802	\$ 9.772	\$ 0.038	\$ -	\$ 0.362	\$ 0.401	\$ 498.173
2055	\$ 498.173	\$ 9.963	\$ -	\$ -	\$ 0.093	\$ 0.093	\$ 508.043
2056	\$ 508.043	\$ 10.161	\$ -	\$ -	\$ -	\$ -	\$ 518.204
2057	\$ 518.204	\$ 10.364	\$ -	\$ -	\$ -	\$ -	\$ 528.568
2058	\$ 528.568	\$ 10.571	\$ -	\$ -	\$ -	\$ -	\$ 539.139
2059	\$ 539.139	\$ 10.783	\$ -	\$ -	\$ -	\$ -	\$ 549.922
2060	\$ 549.922	\$ 10.998	\$ -	\$ -	\$ -	\$ -	\$ 560.920
2061	\$ 560.920	\$ 11.218	\$ -	\$ -	\$ -	\$ -	\$ 572.139
2062	\$ 572.139	\$ 11.443	\$ -	\$ -	\$ -	\$ -	\$ 583.581
2063	\$ 583.581	\$ 11.672	\$ -	\$ -	\$ -	\$ -	\$ 595.253
2064	\$ 595.253	\$ 11.905	\$ -	\$ -	\$ -	\$ -	\$ 607.158
2065	\$ 607.158	\$ 12.143	\$ -	\$ -	\$ -	\$ -	\$ 619.301
2066	\$ 619.301	\$ 12.386	\$ -	\$ -	\$ -	\$ -	\$ 631.687
2067	\$ 631.687	\$ 12.634	\$ -	\$ -	\$ -	\$ -	\$ 644.321
2068	\$ 644.321	\$ 12.886	\$ -	\$ -	\$ -	\$ -	\$ 657.208
2069	\$ 657.208	\$ 13.144	\$ -	\$ -	\$ -	\$ -	\$ 670.352
2070	\$ 670.352	\$ 13.407	\$ -	\$ -	\$ -	\$ -	\$ 683.759
2071	\$ 683.759	\$ 13.612	\$ 6.340	\$ -	\$ -	\$ 6.340	\$ 691.031
Remaining \$ in	2015	Dollars	\$ 288.933	\$ 76.373	\$ 20.905	\$ 386.212	
Est. Fund Balance (end of Decommissioning) (In Future \$ escalated at 0.0% & 2.0% Real Rate of Return Fund Growth Rate)							\$ 691.031
Est. Fund Balance (end of Decommissioning) discounted to 2015 Dollars Discount Rate = 2.00%							\$ 227.975

**Millstone Power Station Unit 1  
Decommissioning Funding Status Report as of December 31, 2014**

**Table II Definitions:**

- Column 1: Beginning of Year Balance:**  
Reflects the beginning-of-year Trust Fund balance at a 0.0% cost escalation rate and a 2.0% Real Rate of Return (RRoR) on fund growth.
- Column 2: Earnings on Trust Funds:**  
Reflects earnings on funds remaining in the trust. A 2.0% RRoR Fund growth rate is used for 2015 through 2071 which reflects the allowed 2.0% RRoR over a 0.0% cost escalation rate. The annual 2.0% RRoR earnings are calculated on the beginning balance plus 50% of the projected annual expenditure for each year.
- Column 3: Remaining License Termination Expenditures:**  
Reflects the annual License Termination Plan cost portion at a 0.0% escalation rate from the Site Specific Estimate.
- Column 4: Remaining Spent Fuel Management Expenditures:**  
Reflects the annual Irradiated Fuel Management Plan cost portion at a 0.0% escalation rate from the Site Specific Estimate. This column is intended to provide the report on the status of funding for managing irradiated fuel required by 10 CFR 50.82(a)(8)(vii).
- Column 5: Remaining Site Restoration Expenditures:**  
Reflects the annual Site Restoration Plan cost portion at a 0.0% escalation rate from the Site Specific Estimate.
- Column 6: Remaining SAFSTOR Expenditures:**  
Reflects the annual SAFSTOR Decommissioning Plan cost at a 0.0% escalation rate from the Site Specific Cost Estimate.
- Column 7: End of Year Balance:**  
Reflects the end of year Trust Fund balance after all projected earnings are added and all projected expenditures are deducted for the year specified at a 0.0% escalation rate and a 2.0% RRoR on fund growth.

**Tables I and II General Notes:**

- 1) Trust Fund balance reflects market value on December 31, 2014, net of taxes on realized gains and losses.
- 2) The 2.0% RRoR is based on the rate allowed by 10 CFR 50.75(e)(1)(i) and 10 CFR 50.82(a)(8)(vi) and not on any order of rate setting authority.
- 3) The funding method for providing financial assurance for decommissioning MPS1 remains prepayment. The cash flow analysis in Table II demonstrates that the amounts accumulated in the Trust are sufficient, with credited earnings at a 2.0% RRoR, to cover the estimated cost of radiological decommissioning, spent fuel management and site restoration.
- 4) A revised Decommissioning Cost Estimate (DCE) was developed in 2014 for MPS1. The estimate of remaining spent fuel management costs reflects a shift in the delayed planned date on which the Department of Energy is expected to begin accepting spent nuclear fuel.