

VIRGINIA ELECTRIC AND POWER COMPANY

RICHMOND, VIRGINIA 23261

March 26, 2015

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

Serial No. 15-101
NL&OS/TJS R0
Docket Nos. 50-280, 281
338, 339
License Nos. DPR-32, 37
NPF-4, 7

VIRGINIA ELECTRIC AND POWER COMPANY
SURRY POWER STATION UNITS 1 AND 2
NORTH ANNA POWER STATION UNITS 1 AND 2
DECOMMISSIONING FUNDING STATUS REPORT

Pursuant to 10 CFR 50.75(f)(1), Virginia Electric and Power Company (Dominion), is providing this report on the status of decommissioning funding for each of the four nuclear power reactors referenced above.

Attachment 1 provides the following information for North Anna Power Station (NAPS) and Surry Power Station (SPS):

Table I - NRC Minimum Financial Assurance Amount as of 12/31/2014

Table II - Allocated Radiological Funds Held in External Trusts as of 12/31/2014

Table III - Current Annual Funding Levels – Radiological Portion

Table IV - NRC Minimum Financial Assurance Summary Table

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

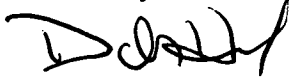
1. Preliminary December 2014 Bureau of Labor Statistics indices values are used because the final December 2014 indices values were not available at the time of this filing.
2. The escalation of decommissioning costs is held at 0% based on assuming 2% Real Rate of Return.
3. The growth rate on Trust Funds is held at the allowed 2% Real Rate of Return over the escalation rate.
4. No rate regulatory authority citation for SPS or NAPS is referenced because the 2% Real Rate of Return allowed by 50.75(e)(1)(ii) is used in the calculations.
5. There are no contracts upon which Dominion is relying under paragraph 10 CFR 50.75(e)(1)(v) and there were no modifications to the licensee's current method of providing financial assurance since the last submitted report.
6. The current annual funding amounts shown for SPS and NAPS (Attachment 1, Table III) reflect only those fund amounts that are dedicated to radiological decommissioning.
7. Trust Fund amounts shown for each of the units 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.

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8. Since the previous biennial submittal on March 28, 2013 (Serial No. 13-136) for SPS and NAPS, there have been no material changes to trust agreements established for nuclear decommissioning for the SPS and NAPS units.

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
Virginia Electric and Power Company

Attachment

Commitments made in this letter: None

cc: U. S. Nuclear Regulatory Commission
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Attachment 1

Nuclear Decommissioning Financial Assurance as of 12/31/2014

**Surry Power Station Units 1 and 2
North Anna Power Station Units 1 and 2
Virginia Electric and Power Company (Dominion)**

VIRGINIA ELECTRIC AND POWER COMPANY
Nuclear Decommissioning Financial Assurance as of 12/31/2014

VIRGINIA ELECTRIC AND POWER COMPANY					
Nuclear Decommissioning Financial Assurance as of: 12/31/2014					
Table I:					
NRC Minimum Financial Assurance Amount as of: 12/31/2014					
10 CFR 50.75 (f)(1)					
(Millions of Dollars)					
Customer Classification (see Note 6)	<small>(see Note 5)</small> Surry Unit 1 DPR-32	<small>(see Note 5)</small> Surry Unit 2 DPR-37	<small>(see Notes 1&5)</small> North Anna Unit 1 NPF-4	<small>(see Notes 1&5)</small> North Anna Unit 2 NPF-7	Total All Units
Virginia State Corporation Commission (VSOC)	\$ 389.55	\$ 389.55	\$ 358.76	\$ 358.76	\$ 1,496.61
Company Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
North Carolina Utilities Commission	\$ 23.05	\$ 23.05	\$ 21.22	\$ 21.22	\$ 88.54
Federal Energy Regulatory Commission	\$ 10.40	\$ 10.40	\$ 9.58	\$ 9.58	\$ 39.95
Virginia Retail (not under VSOC jurisdiction)	\$ 54.33	\$ 54.33	\$ 50.04	\$ 50.04	\$ 208.74
Unallocated	\$ 3.95	\$ 3.95	\$ 3.64	\$ 3.64	\$ 15.19
Total	\$ 481.3	\$ 481.3	\$ 443.2	\$ 443.2	\$ 1,849.0
Table II:					
Allocated Radiological Funds Held in External Trusts as of: 12/31/2014					
10 CFR 50.75 (f)(1)					
(Millions of Dollars)					
Customer Classification (see Note 6)	<small>(see Note 2)</small> Surry Unit 1 DPR-32	<small>(see Note 2)</small> Surry Unit 2 DPR-37	<small>(see Notes 1 & 2)</small> North Anna Unit 1 NPF-4	<small>(see Notes 1 & 2)</small> North Anna Unit 2 NPF-7	Total All Units
Virginia State Corporation Commission (VSOC)	\$ 294.0	\$ 286.3	\$ 236.7	\$ 224.7	\$ 1,041.7
Company Contribution	\$ 2.9	\$ 3.4	\$ 1.1	\$ 1.0	\$ 8.3
North Carolina Utilities Commission	\$ 17.9	\$ 20.4	\$ 17.8	\$ 16.7	\$ 72.8
Federal Energy Regulatory Commission	\$ 15.1	\$ 16.7	\$ 4.8	\$ 4.4	\$ 41.0
Virginia Retail (not under VSOC jurisdiction)	\$ 43.2	\$ 47.1	\$ 38.8	\$ 36.1	\$ 165.2
Unallocated	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 373.2	\$ 373.8	\$ 299.1	\$ 282.9	\$ 1,328.9
Table III:					
Current Annual Funding Levels - Radiological Portion					
10 CFR 50.75 (f)(1)					
(Millions of Dollars)					
Customer Classification	Surry Unit 1 DPR-32	Surry Unit 2 DPR-37	<small>(see Note 1)</small> North Anna Unit 1 NPF-4	<small>(see Note 1)</small> North Anna Unit 2 NPF-7	Total All Units
Virginia State Corporation Commission (VSOC)	\$ -	\$ -	\$ -	\$ -	\$ -
Company Contribution	\$ 0.3	\$ 0.3	\$ 0.1	\$ 0.1	\$ 0.8
North Carolina Utilities Commission	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Energy Regulatory Commission	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.4
Virginia Retail (not under VSOC jurisdiction)	\$ -	\$ -	\$ -	\$ -	\$ -
Unallocated	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 0.4	\$ 0.4	\$ 0.2	\$ 0.2	\$ 1.3

VIRGINIA ELECTRIC AND POWER COMPANY
Nuclear Decommissioning Financial Assurance as of 12/31/2014

Table IV:		NRC Minimum Financial Assurance Summary Table 10 CFR 50.75 (f)(1) (Millions of Dollars - except percentages and years)					
		(see Note 5) Surry Unit 1 DPR-32	(see Note 5) Surry Unit 2 DPR-37	(see Notes 1&5) North Anna Unit 1 NPF-4	(see Notes 1&5) North Anna Unit 2 NPF-7	Total All Units	
Method for Providing Financial Assurance		External Sinking Fund	External Sinking Fund	External Sinking Fund	External Sinking Fund		
NRC Minimum Amounts as of:	12/31/2014	\$ 481.3	\$ 481.3	\$ 443.2	\$ 443.2	\$ 1,849.0	
Funds in External Trusts as of:	12/31/2014	\$ 547.3	\$ 538.9	\$ 435.1	\$ 408.5	\$ 1,929.9	
Allocated Radiological Funds in External Trusts as of: (See Note 2)	12/31/2014	\$ 373.2	\$ 373.8	\$ 299.1	\$ 282.9	\$ 1,328.9	
Allocated Radiological Funds in External Trusts as of: Minus NRC Minimum Amount as of: (See Notes 2 & 3)	12/31/2014 12/31/2014	\$ (108.1)	\$ (107.5)	\$ (144.2)	\$ (160.4)	\$ (520.1)	
Projected Annual Escalation Factors		0.00%	0.00%	0.00%	0.00%		
Annual Trust Funds Earnings Rate (After Tax & Fees - assumes 2% Real Rate of Return)		2.00%	2.00%	2.00%	2.00%		
Year That Operating License Expires / Start of Decommissioning (Reflects License Renewal for Surry and North Anna)		2032	2033	2038	2040		
NRC Minimum Financial Assurance Amount 3.5 years after start of Decommissioning		\$ 481.3	\$ 481.3	\$ 443.2	\$ 443.2	\$ 1,849.0	
Estimated Radiological Funds in External Trusts 3.5 years after start of Decommissioning (See Note 2)		\$ 576.5	\$ 586.5	\$ 517.5	\$ 513.1	\$ 2,193.6	
Allocated Radiological Funds in excess or (underfunded) to NRC Minimum 3.5 years after start of Decommissioning (See Notes 2, 3 & 4)		\$ 95.2	\$ 105.2	\$ 74.3	\$ 69.9	\$ 344.5	
Estimated Radiological Funds in excess or (underfunded) to NRC Minimum Discounted using Annual Trust Funds Earnings Rate to 12/31/2014 \$ (See Note 4 & 5)		\$ 62.8	\$ 68.5	\$ 43.7	\$ 39.2	\$ 214.2	

Notes: Tables I through IV (Any minor differences in totals are due to rounding.)

- 1) The North Anna Power Station is jointly owned by Virginia Electric and Power Company (88.4%) and Old Dominion Electric Cooperative (11.6%). However, Virginia Electric and Power Company is responsible for 89.26% of the Decommissioning obligation. The amounts stated in the above tables reflect only that portion of the Decommissioning obligation attributable to Virginia Electric and Power Company.
- 2) The Allocated Radiological Fund amounts shown exclude amounts designated for the future decommissioning of the Independent Spent Fuel Storage Installations (ISFSIs), spent fuel management, and non-radiological decommissioning.
- 3) Negative amounts (if any) indicate that the Trust Fund values are less than the value of the NRC Minimum for the period indicated.
- 4) The Future Value calculation for SPS and NAPS reflects a 2% Real Rate of Return applied from 01/01/2015 to 3.5 years after start of Decommissioning assuming a 0% Escalation Rate.
- 5) Adjustment Factors used in calculating NRC Minimum Values are based on preliminary December 2014 BLS Producer Price Indices, as final December 2014 indices were not available at the time of the calculation.
- 6) The allocation among customer classifications in Tables I and II is based on 2013 allocation percentages as the 2014 allocations have not yet been finalized.