

PSEG Nuclear LLC

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

MAR 29 2016



10 CFR 140.21(e)

LR-N16-0071

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).

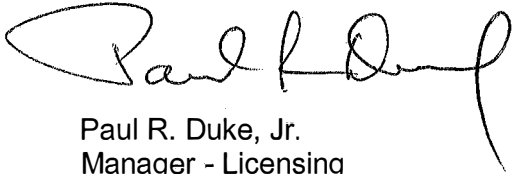
The 2015 PSEG Power LLC Consolidated Statements of Cash Flows is included as Attachment 1 to meet the requirement to provide evidence that a cash flow can be generated and would be available for payment of retrospective premiums. The 2015 PSEG Power LLC Consolidated Statements of Cash Flows is a certified financial statement extracted from the PSEG 2015 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/81033/000078878416000014/pseg201510kq4.htm>

There are no regulatory commitments contained in this submittal.

If you have any questions or require additional information, please contact Ms. Tanya Timberman at 856-339-1426.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul R. Duke, Jr.", with a large, stylized flourish at the end.

Paul R. Duke, Jr.
Manager - Licensing

Attachment 1 - PSEG Power LLC Consolidated Statements of Cash Flows

cc: Mr. D. Dorman, Administrator, Region I, NRC
Mr. T. Wengert, Project Manager, NRC
NRC Senior Resident Inspector, Salem
NRC Senior Resident Inspector, Hope Creek
Mr. P. Mulligan, Chief, NJBNE
Corporate Commitment Tracking Coordinator
Hope Creek Commitment Tracking Coordinator
Salem Commitment Tracking Coordinator

**LR-N16-0071
Attachment 1**

Attachment 1

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

PSEG POWER LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
Millions

	<u>Years Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	\$ 856	\$ 760	\$ 644
Adjustments to Reconcile Net Income to Net Cash Flows from Operating Activities:			
Depreciation and Amortization	291	292	273
Amortization of Nuclear Fuel	213	200	192
Provision for Deferred Income Taxes and ITC	261	221	122
Interest Accretion on Asset Retirement Obligation	26	30	23
Net Realized and Unrealized (Gains) Losses on Energy Contracts and Other Derivatives	(143)	(93)	79
Non-Cash Employee Benefit Plan Costs	48	13	66
Net Realized (Gains) Losses and (Income) Expense from NDT Fund	(38)	(166)	(104)
Net Change in Certain Current Assets and Liabilities:			
Fuel, Materials and Supplies	62	19	(8)
Margin Deposit	122	(22)	(43)
Accounts Receivable	63	(15)	(4)
Accounts Payable	(46)	(59)	28
Accounts Receivable/Payable-Affiliated Companies, net	(84)	220	—
Other Current Assets and Liabilities	(36)	(6)	72
Employee Benefit Plan Funding and Related Payments	(11)	(7)	(46)
Other	122	38	53
Net Cash Provided By (Used In) Operating Activities	<u>1,706</u>	<u>1,425</u>	<u>1,347</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to Property, Plant and Equipment	(1,117)	(626)	(609)
Proceeds from Sales of Available-for-Sale Securities	1,422	1,557	1,084
Investments in Available-for-Sale Securities	(1,455)	(1,573)	(1,102)
Short-Term Loan—Affiliated Company, net	221	206	(216)
Other	(72)	(88)	(18)
Net Cash Provided By (Used In) Investing Activities	<u>(1,001)</u>	<u>(524)</u>	<u>(861)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of Long-Term Debt	—	—	500
Cash Dividend Paid	(400)	(895)	(705)
Redemption of Long-Term Debt	(300)	—	(300)
Contributed Capital	—	—	24
Other	(2)	(3)	(6)
Net Cash Provided By (Used In) Financing Activities	<u>(702)</u>	<u>(898)</u>	<u>(487)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>3</u>	<u>3</u>	<u>(1)</u>
Cash and Cash Equivalents at Beginning of Period	<u>9</u>	<u>6</u>	<u>7</u>

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Attachment 1

	Years Ended December		
	31,		
	2015	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash and Cash Equivalents at Beginning of Period	9	6	7
Cash and Cash Equivalents at End of Period	\$ 12	\$ 9	\$ 6
Supplemental Disclosure of Cash Flow Information:			
Income Taxes Paid (Received)	\$ 393	\$ 68	\$ 291
Interest Paid, Net of Amounts Capitalized	\$ 116	\$ 119	\$ 106
Accrued Property, Plant and Equipment Expenditures	\$ 114	\$ 91	\$ 90

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