

CATEGORY 1

REGULATORY INFORMATION DISTRIBUTION SYSTEM (RIDS)

ACCESSION NBR: 9804290364 DOC.DATE: 98/04/23 NOTARIZED: YES DOCKET #
 FACIL: 50-387 Susquehanna Steam Electric Station, Unit 1, Pennsylv 05000387
 50-388 Susquehanna Steam Electric Station, Unit 2, Pennsylv 05000388
 AUTH.NAME AUTHOR AFFILIATION
 BYRAM, R.G. Pennsylvania Power & Light Co.
 RECIPIENT NAME RECIPIENT AFFILIATION
 Document Control Branch (Document Control Desk)

SUBJECT: Informs that licensee has opted to demonstrate adequate cash flow for payment of deferred premiums, per 10CFR140.21(e).
 Affidavit providing licensee certified financial statement, encl.

DISTRIBUTION CODE: M001D COPIES RECEIVED: LTR 1 ENCL 1 SIZE: 3
 TITLE: Insurance: Indemnity/Endorsement Agreements

NOTES: 05000387

	RECIPIENT		COPIES		
	ID CODE/NAME		LTR	ENCL	
	NERSES, V		1	0	
INTERNAL:	FILE CENTER	01	1	1	
EXTERNAL:	NRC PDR		1	1	
NOTES:			1	1	

NOTE TO ALL "RIDS" RECIPIENTS:
 PLEASE HELP US TO REDUCE WASTE. TO HAVE YOUR NAME OR ORGANIZATION REMOVED FROM DISTRIBUTION LISTS OR REDUCE THE NUMBER OF COPIES RECEIVED BY YOU OR YOUR ORGANIZATION, CONTACT THE DOCUMENT CONTROL DESK (DCD) ON EXTENSION 415-2083

TOTAL NUMBER OF COPIES REQUIRED: LTR 4 ENCL 3

C
A
T
E
G
O
R
Y

1

D
O
C
U
M
E
N
T

Robert G. Byram
Senior Vice President
Generation and Chief Nuclear Officer
Tel. 610.774.7502 Fax 610.774.5019
E-mail: rgbyram@papl.com

PP&L, Inc.
Two North Ninth Street
Allentown, PA 18101-1179
Tel. 610.774.5151
<http://www.papl.com/>



APR 23 1998

U. S. Nuclear Regulatory Commission
Attn.: Document Control Desk
Mail Station PI-137
Washington, D.C. 20555

SUSQUEHANNA STEAM ELECTRIC STATION
GUARANTEE OF PAYMENT OF DEFERRED
PREMIUMS - 10CFR140.21
PLA-4888 FILE R41-2A

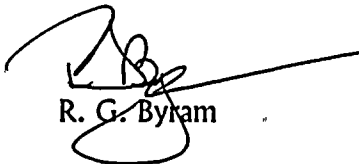
Docket Nos. 50-387
and 50-388

Dear Sir:

In response to the requirements of 10CFR140.21, PP&L, Inc. has opted this year to demonstrate adequate cash flow for payment of deferred premiums pursuant to 10CFR140.21(e). The attached affidavit provides PP&L's certified financial statement.

Since PP&L guarantees assessments against Allegheny Electric Cooperative, Inc., only PP&L should be invoiced for the annual fee.

Sincerely,



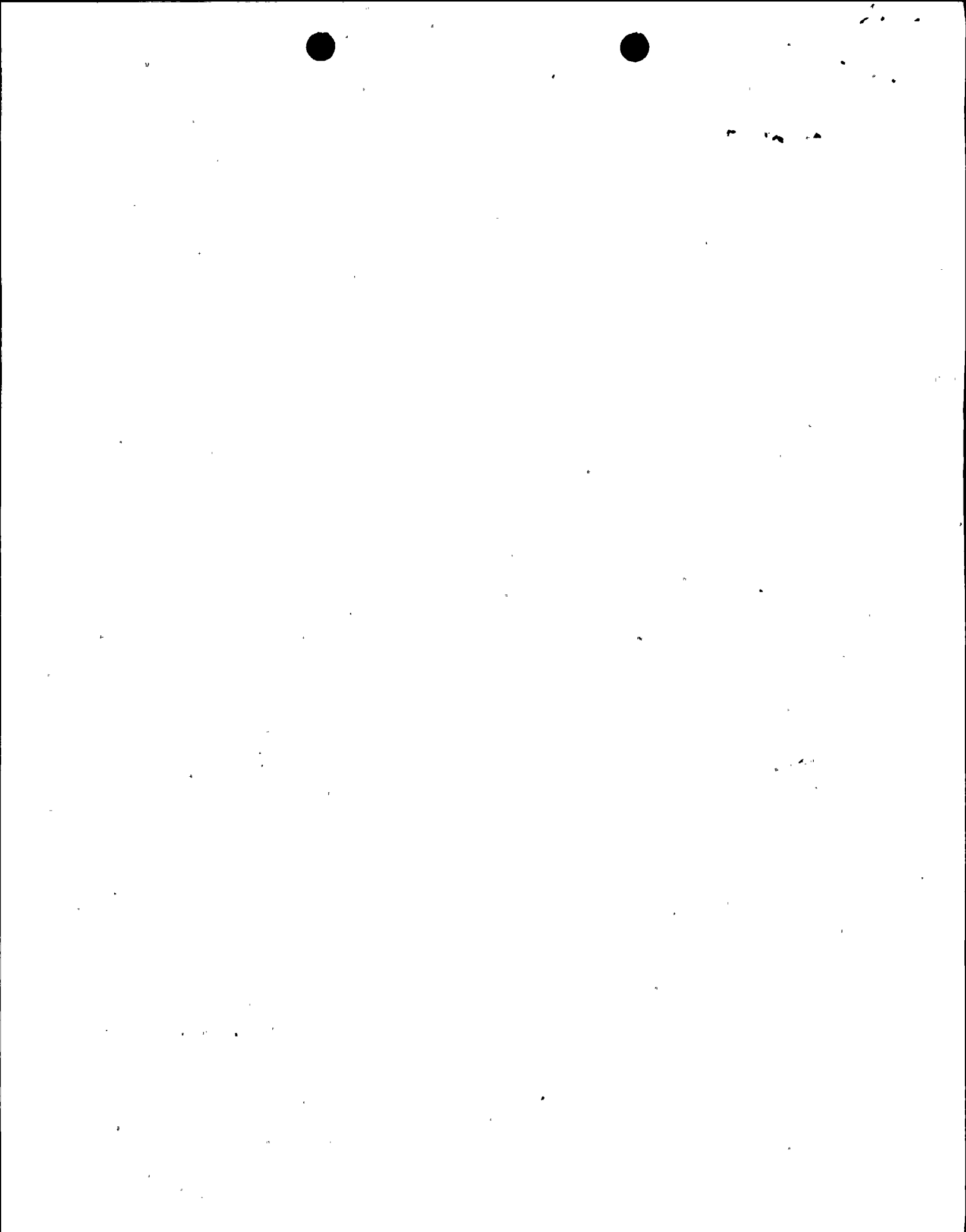
R. G. Byram

Attachment

copy: NRC Region I
Mr. K. Jenison, NRC Sr. Resident Inspector - SSES
Mr. V. Nerses, Jr., Sr. Project Manager - OWFN
Ms. J. Rodriguez
Division of Accounting and Finance
Office of Resource Management
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

9804290364 980423
PDR ADDCK 05000387
I PDR

11
Mool



PP&L, Inc.
1998 INTERNAL CASH FLOW PROJECTION
FOR THE SUSQUEHANNA NUCLEAR POWER STATION

(Thousands of Dollars)

	1997 <u>Actual</u>	1998 <u>Projected</u>
Net Income After Taxes	348,498	308,872
Less Dividends Paid	<u>(297,731)</u>	<u>(305,153)</u>
Retained Earnings	50,767	3,719
Adjustments:		
Depreciation & Amortization	373,860	379,955
Deferred Income Taxes and Investment Tax Credit	19,949	(16,757)
Allowance for Funds Used During Construction	<u>(7,294)</u>	<u>(9,680)</u>
Total Adjustments	<u>386,515</u>	<u>353,518</u>
Internal Cash Flow	<u>\$437,282</u>	<u>\$ 357,237</u>
Average Quarterly Cash Flow	<u>\$109,321</u>	<u>\$ 89,309</u>
Percentage Ownership in All Operating Nuclear Units	Susquehanna # 1 Susquehanna # 2	90% 90%
Maximum Total Contingent Liability	\$20,000	

