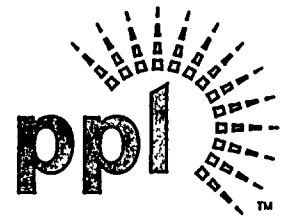




Robert G. Byram
Senior Vice President
Generation and Chief Nuclear Officer
Tel. 610.774.7502 Fax 610.774.5019
E-mail: rbyram@papl.com

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



APR 12 1999

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-5049

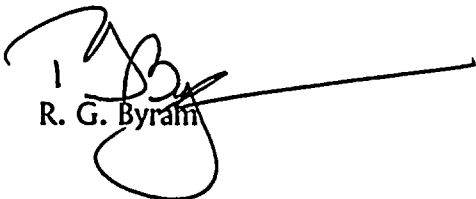
Docket Nos. 50-387
and 50-388

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.

Please contact Mr. Terry L. Harpster at (610) 774-7504 if you have any questions concerning this submittal.

Sincerely,


R. G. Byram

Attachment

copy: NRC Region I
Mr. S. Hansell, NRC Sr. Resident Inspector - SSES
Mr. V. Nerses, Jr., NRC 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

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PDR

PP&L, Inc.
1999 INTERNAL CASH FLOW PROJECTION
FOR THE SUSQUEHANNA NUCLEAR POWER STATION

(Thousands of Dollars)

	1998 <u>Actual</u>	1999 <u>Projected</u>
Net Income After Taxes, Excluding Extraordinary Items	408,587	352,729
Less Dividends Paid	<u>(278,117)</u>	<u>(183,642)</u>
Retained Earnings	130,470	169,087
Adjustments:		
Depreciation & Amortization	323,097	203,386
Deferred Income Taxes and Investment Tax Credit	12,439	(32,858)
Allowance for Funds Used During Construction and Capitalized interest	<u>(7,873)</u>	<u>(7,522)</u>
Total Adjustments	<u>327,663</u>	<u>163,006</u>
Internal Cash Flow	<u>\$458,133</u>	<u>\$ 332,093</u>
Average Quarterly Cash Flow	<u>\$114,533</u>	<u>\$ 83,023</u>
Percentage Ownership in All Operating Nuclear Units	Susquehanna # 1 Susquehanna # 2	90% 90%
Maximum Total Contingent Liability		\$20,000

