



PENNSYLVANIA POWER COMPANY

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ROBERT P. WUSHINSKE
SECRETARY AND TREASURER

March 29, 1982



U. S. Nuclear Regulatory Commission
Washington, DC 20555

Attention: Mr. Jerome Saltzman, Assistant Director
State and Licensee Relations, Office of State Programs

Subject: Docket No. 50-334 - Beaver Valley Power Station Unit No. 1

Gentlemen:

Pursuant to our election of alternative No. 5, regarding the Price-Anderson Act retrospective premium system guarantee requirements, and the applicable requirement for annual submittals pertaining to the requirements, you will find enclosed:

1. A copy of our 1981 Annual Report to Stockholders which includes financial statements certified by our independent public accountants;
2. A copy of our earnings statement for the quarter ended December 31, 1981; and
3. A one-year internal cash flow projection for 1982, and the actual cash flow for 1981. This statement indicated that \$1,750,000, our portion of the \$10 million retrospective premiums for the unit in question, would be available for the payment of such premiums.

With respect to item No. 4 of alternative No. 5, please be advised that the cash flow projection indicates that no capital expenditure curtailment would have to take place in order to make the retrospective premium available for payment.

Because Pennsylvania Power Company is currently paying an indemnity fee which is greater than \$1,000, it is our understanding that payment of the \$1,000 minimum annual indemnity fee is not necessary, as the guarantee of payment of deferred premiums for its operating reactors.

Very truly yours,

smr
Enclosures

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