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Lynn Firestone  
Senior Vice President

April 6, 1982



U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Attention: Mr. Jerome Saltzman, Assistant Director  
State and Licensing Relations  
Office of State Programs, Nuclear Reactor Regulation

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;
3. A one-year internal cash flow projection for 1982, and the actual cash flow for 1981. This statement indicated that \$3.5 million, 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 number 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 Ohio Edison 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,

*Lynn Firestone*

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OHIO EDISON COMPANY  
Income Statement for 3 Months Ended December 31, 1981  
(In Thousands)

Operating Revenues.....	<u>\$301,145</u>
Operating Expenses and Taxes:	
Operation and maintenance.....	184,304
Provision for depreciation and amortization.....	20,577
General taxes.....	8,291
Income taxes - Current.....	11,734
- Deferred, net.....	9,053
- Investment tax credits, net.....	(482)
Total operating expenses and taxes.....	<u>233,477</u>
Operating Income.....	<u>67,668</u>
Other Income and Deductions:	
Allowance for equity funds used during construction.....	16,337
Income taxes - credit.....	11,761
Miscellaneous, net.....	10,645
Total other income and deductions.....	<u>38,743</u>
Total Income.....	<u>106,411</u>
Net Interest:	
Interest on long-term debt.....	56,411
Allowance for borrowed funds used during construction, net of deferred income taxes.....	(14,991)
Other interest expense.....	6,612
Net interest.....	<u>48,032</u>
Net Income.....	58,379
Preferred and Preference Stock Dividend Requirements.....	<u>8,252</u>
Net Income for Common Stock.....	<u>\$ 50,127</u>
Weighted Average Number of Shares of Common Stock Outstanding.....	<u>75,881</u>

OHIO EDISON COMPANY

1982 Internal Cash Flow Projection  
For Beaver Valley Power Station Unit No. 1  
(Dollars in Thousands)

	<u>Prior Year Actual Total</u>	<u>Projection Year Total</u>
Net Income After Taxes	\$163,892	\$179,709
Less: Dividends Paid	126,030	146,284
Retained Earnings	<u>\$ 37,862</u>	<u>\$ 33,425</u>
Adjustments:		
Depreciation and Amortization	\$ 81,659	\$ 87,507
Deferred Income Taxes and Investment Tax Credits	\$ 35,380	\$ 38,099
Allowance For Other Funds Used During Construction	(53,938)	(68,724)
Total Adjustments	<u>\$ 63,101</u>	<u>\$ 56,882</u>
Internal Cash Flow	<u>\$100,963</u>	<u>\$ 90,307</u>
Average Quarterly Cash Flow	<u>\$ 25,241</u>	<u>\$ 22,577</u>
Percentage Ownership in Nuclear Unit		35%
Maximum Total Contingent Liability		\$3,500