



INTERNAL  
CORRESPONDENCE



**Wisconsin Electric** POWER COMPANY  
231 W. MICHIGAN, P.O. BOX 2046, MILWAUKEE, WI 53201

February 13, 1991

Dr. Thomas Murley  
U.S. Nuclear Regulatory Commission  
1 White Flint North  
11555 Rockville Pike  
Rockville, Maryland 20852

Attention: Mr. Darrell Nash  
Mail Stop 12E4

Pursuant to 10CFR Section 140.21 we are enclosing a Certified Cash Flow Projection for year 1991. It demonstrates that Wisconsin Electric is capable of meeting a retrospective premium call for Point Beach Nuclear Plant Units 1 and 2.

You will note that we are not enclosing the certified annual financial statement which we had done in previous years. This is based on a rereading of the regulation, conversations between your staff and mine, and a review of NRC guidance documents including Regulatory Guide 9.4. If you feel certified financial statements are needed we would undertake to file with the NRC the company's Annual Report on Form 10-K containing such certified statements after it is filed with the Securities and Exchange Commission, on or about March 31 of each year. As you are aware, the Form 10-K as filed with the SEC is available to the general public.

Sincerely,

Jerry G. Remmel  
Senior Vice President

Enclosure

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WISCONSIN ELECTRIC POWER COMPANY

1991 Internal Cash Flow Projection  
for Point Beach Nuclear Plant  
(Dollars in Millions)

	Actual <u>1990</u>	Projected <u>1991</u>
Net Income After Taxes and Preferred Dividends	\$180	\$168
Less: Common Dividends Paid	( <u>175</u> )	( <u>153</u> )
Retained Earnings	5	15
Adjustments:		
Depreciation and Amortization	132	133
Deferred Income Taxes and Investment Tax Credits	13	9
Allowance for Funds Used During Construction	( <u>9</u> )	( <u>13</u> )
Total Adjustments	<u>136</u>	<u>129</u>
Internal Cash Flow	<u>\$141</u>	<u>\$144</u>
Average Quarterly Cash Flow*	<u>\$ 35</u>	<u>\$ 36</u>
Percentage Ownership in all Operating Nuclear Units	Unit No. 1 Unit No. 2	100% 100%
Maximum Total Contingent Liability	\$20 million per year	

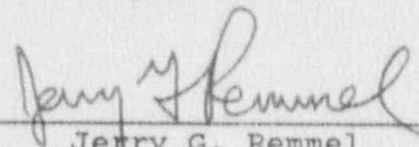
\*If it becomes necessary to curtail capital expenditures to ensure meeting a retrospective premium call, we would anticipate reducing construction activities to the extent necessary.

CERTIFICATION:

The Cash Flow Projections detailed above are based on the most current information available to us and represent our best estimates as of this date.

Dated 2/12/91

By

  
Jerry G. Rimmel  
Senior Vice President