

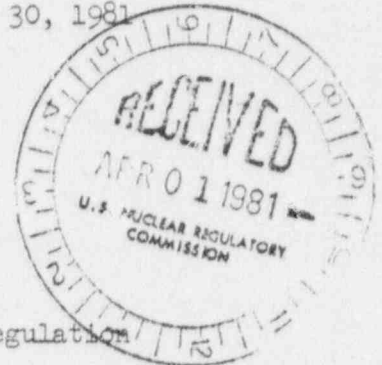


# OHIO EDISON COMPANY

76 SOUTH MAIN STREET, AKRON, OHIO 44308 • 216-384-5840

LYNN FIRESTONE  
SENIOR VICE PRESIDENT

March 30, 1981



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 1980 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, 1980;
3. A one-year internal cash flow projection for 1981, and the actual cash flow for 1980. 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,

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OHIO EDISON COMPANY  
Income Statement For 3 Months Ended December 31, 1980  
(Dollars in Thousands)

|  |                         |
|--|-------------------------|
| Operating Revenues   | \$ 233,565              |
| Operation and Maintenance Expenses                         | \$ 157,983              |
| Provision for Depreciation                                 | 19,543                  |
| Taxes - General  | 18,504                  |
| - Federal Income   | 7,530                   |
| - State Income   | 225                     |
| - Federal and State Income Taxes Deferred - Net            | 5,131                   |
| - Investment Tax Credit - Net                              | (4,886)                 |
| Operating Income   | <u>\$ 29,535</u>        |
| Other Income and Deductions:                               |                         |
| Allowance for Other Funds Used During Construction         | \$ 12,754               |
| Income Taxes - Credit                                      | 10,089                  |
| Miscellaneous, Less Applicable Income Taxes - Net          | 4,398                   |
| Total  | <u>\$ 27,241</u>        |
| Total Income   | <u>\$ 56,776</u>        |
| Interest and Other Charges:                                |                         |
| Interest on Long-Term Debt                                 | \$ 40,940               |
| Amortization of Debt Discount, Prem. and Exp. - Net        | 163                     |
| Other Interest Expense                                     | 3,100                   |
| - Credit   | (17,592)                |
| Net Income (Before Preferred Stock Dividend Requirements)  | <u>\$ 30,165</u>        |
| Preferred Stock Dividend Requirements                      | <u>\$ 8,393</u>         |
| Net Income for Common Stock                                | <u><u>\$ 21,772</u></u> |
| Shares of Common Stock Outstanding - Average During Period | 68,145,327              |

OHIO EDISON COMPANY

1981 Internal Cash Flow Projection  
For Beaver Valley Power Station Unit No. 1  
(Dollars in Thousands)

|   | Prior Year<br>Actual Total | Projection<br>Year Total |
|---|----------------------------|--------------------------|
| Net Income After Taxes                              | \$ 100,645                 | \$ 145,678               |
| Less: Dividends Paid                                | 118,137                    | 125,167                  |
| Retained Earnings                                   | \$ (17,492)                | \$ 20,511                |
| Adjustments:  |                            |                          |
| Depreciation and Amortization                       | \$ 72,435                  | \$ 80,717                |
| Deferred Income Taxes and<br>Investment Tax Credits | \$ 14,027                  | \$ 32,504                |
| Allowance For Funds Used<br>During Construction     | (51,962)                   | (60,854)                 |
| Total Adjustments                                   | \$ 34,500                  | \$ 52,367                |
| Internal Cash Flow                                  | \$ 17,008                  | \$ 72,878                |
| Average Quarterly Cash Flow                         | \$ 4,252                   | \$ 18,220                |
| Percentage Ownership in Nuclear Unit                |                            | 35%                      |
| Maximum Total Contingent Liability                  |                            | \$3,500                  |