

10 CFR 140.21

June 2, 2022

ATTN: Document Control Desk
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

**Subject: Annual Report of Guarantee of Payment of Deferred Premium
Palo Verde Nuclear Generating Station Units 1, 2, and 3
Docket Nos. 50-528, 50-529, and 50-530**

Dear Sir or Madam:

10 CFR 140.21 requires Southern California Edison (SCE), as a minority owner of a 15.8% share of Palo Verde Units 1, 2, and 3, to provide evidence that it maintains a guarantee of payment of its share of the deferred premium in an amount of \$20.496 million (100% share) for each reactor it is licensed to own.


In accordance with option (e) of 10 CFR 140.21 and with 10 CFR 50.71(b), SCE is not required to submit its annual financial report or certified financial statement because SCE has provided its quarterly Form 10-Q report to the Securities and Exchange Commission. SCE is providing the enclosed 2021 Internal Cash Flow Statement, which is derived from the consolidated financial statements included in SCE's 2021 Annual Report.

With average quarterly cash flows of approximately \$507 million during 2021, SCE certifies that it would be able to generate sufficient funds for payment of total retrospective premiums of \$9.7 million during calendar year 2022.

There are no commitments contained in this letter or its enclosure.

Should you have any questions or require additional information, please contact me at (949) 368-7024.

Sincerely,



MOO1
MOO4
NRR

Enclosure: 2021 Internal Cash Flow Statement

cc: S. A. Morris, Regional Administrator, NRC Region IV
A. M. Snyder, NRC Project Manager, SONGS Units 1, 2 and 3

Enclosure

2021 Internal Cash Flow Statement

SOUTHERN CALIFORNIA EDISON COMPANY

2021 Internal Cash Flow
(Dollars in Millions)

	<u>2021</u> <u>Actual</u>
Net Income After Taxes	\$935
Dividends Paid	<u>(\$1,081)</u>
Retained Earnings	(\$146)
Adjustments:	
Depreciation & Amortization	\$2,280
Net Deferred Taxes & ITC	\$62
Allowance for Funds Used During Construction	<u>(\$168)</u>
Total Adjustments	\$2,174
 Annual Internal Cash Flow	 \$2,028
 Quarterly Internal Cash Flow	 \$507

Percentage Ownership:

Palo Verde Nuclear Generating Station Units 1, 2, & 3 Southern California Edison Company	15.8000%
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Maximum Total Contingent Liability:

Palo Verde Nuclear Generating Station Unit 1	
Southern California Edison Company	\$ 3.238 ⁽¹⁾
Other Co-Owners	<u>\$ 17.258</u>
TOTAL	\$ 20.496

Palo Verde Nuclear Generating Station Unit 2	
Southern California Edison Company	\$ 3.238 ⁽¹⁾
Other Co-Owners	<u>\$ 17.258</u>
TOTAL	\$ 20.496

Palo Verde Nuclear Generating Station Unit 3	
Southern California Edison Company	\$ 3.238 ⁽¹⁾
Other Co-Owners	<u>\$ 17.258</u>
TOTAL	\$ 20.496

SCE Contingent Liability for Palo Verde Units 1, 2, & 3	\$ 9.715
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- (1) The value represents 15.8% (SCE's Share) of the Palo Verde Annual Per Incident Contingent Liability. The Maximum Total Contingent Liability was increased to \$20.496 (Dollars in Millions) per reactor, as announced in the Federal Register, Volume 83, No. 185; Monday September 24, 2018, Pages 48202-3 and became effective on November 1, 2018.**