

# REGULATORY INFORMATION DISTRIBUTION SYSTEM (RIDS)

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 50-261 H. B. Robinson Plant, Unit 2, Carolina Power and Light 05000261  
 50-324 Brunswick Steam Electric Plant, Unit 2, Carolina Power 05000324  
 50-325 Brunswick Steam Electric Plant, Unit 1, Carolina Power 05000325  
 50-400 Shearon Harris Nuclear Power Plant, Unit 1, Carolina 05000400

AUTH. NAME: AUTH. AFFILIATION  
 BARHAM, C.D. Carolina Power & Light Co.  
 RECIP. NAME: RECIPIENT AFFILIATION  
 SALTZMAN, J. Assistant Director for State & Licensee Relations

SUBJECT: Forwards Annual Financial Rept 1983. Internal cash flow  
 projection & assumptions supporting internal cash flow  
 projection for 1984 also encl.

*4 See Annual Repts*  
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**Carolina Power & Light Company**

P. O. Box 1551 • Raleigh, N. C. 27602

CHARLES D. BARHAM, JR.  
Senior Vice President and General Counsel

March 30, 1984

Mr. Jerome Saltzman, Assistant Director  
State and Licensee Relations  
Office of State Programs  
Nuclear Regulatory Commission  
Washington, D. C. 20555

Re: Docket Nos. 50-261 (DPR-23)  
50-324 (DPR-61)  
50-325 (DPR-72)

Dear Mr. Saltzman:

In accordance with our previous advice to you that Carolina Power & Light Company would guarantee its retrospective premium liability to its nuclear liability insurance carriers through submittal of certified cash flow projection, we are transmitting herewith:

- (1) Carolina Power & Light Company's Financial Statements for Years Ended December 31, 1983 and 1982 and Auditors' Opinion prepared by Deloitte, Haskins & Sells dated February 15, 1984, which appears as Pages 24 through 34 of Carolina Power & Light Company's Annual Report for 1983;
- (2) A Projected Internal Cash Flow Statement for the Year Ending December 31, 1984, certified by the Company's Chief Accounting Officer, and
- (3) Carolina Power & Light Company's Annual Report for 1983 manually signed by the auditor.

North Carolina Eastern Municipal Power Agency is the owner of 18.33 percent of the Brunswick Steam Electric Plant. This submittal guarantees the retrospective premium liability of both Carolina Power & Light Company and North Carolina Eastern Municipal Power Agency.

Very truly yours,

8404050026 840330  
PDR ADDCK 05000261  
I PDR

*Charles D. Barham, Jr.*  
Charles D. Barham, Jr.

CDBjr/bjl

Enclosures

cc: North Carolina Eastern Municipal Power Agency (w/enclosures)  
Mr. J. L. Lancaster, Jr.  
Mr. C. D. Mann  
Mr. S. R. Zimmerman

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CAROLINA POWER & LIGHT COMPANY

1984 Internal Cash Flow Projection for Robinson Nuclear Power Plant  
and Brunswick Nuclear Power Plant

(Thousands of Dollars)

	<u>Prior Year Actual Total</u>	<u>Projection Total (a)</u>
Net income after taxes	\$239,269	\$244,000
Less dividends paid	<u>(190,963)</u>	<u>(214,000)</u>
Retained earnings	<u>48,306</u>	<u>30,000</u>
Adjustments:		
Depreciation and amortization	180,565	192,000
Deferred income taxes and investment tax credits	134,862	170,000
Sale of generating facilities	233,192	0
Allowance for other funds used during construction, less deferred income taxes on borrowed funds	<u>(64,056)</u>	<u>(60,000)</u>
Total adjustments	<u>484,563</u>	<u>302,000</u>
Internal cash flow	<u>\$532,869</u>	<u>\$332,000</u>
Average quarterly cash flow	<u>\$133,217</u>	<u>\$ 83,000</u>
Percentage ownerships in all operating nuclear units	Robinson Unit No. 2 100.00% Brunswick Unit No. 1 81.67% Brunswick Unit No. 2 81.67%	
Maximum total contingent liability		<u>\$ 30,000 (b)</u>

Depreciation and amortization are projected to increase primarily because of a normal increase in utility plant in service. All of the proceeds from the sale of generating facilities to the North Carolina Eastern Municipal Power Agency ((NCEMPA) have been utilized.

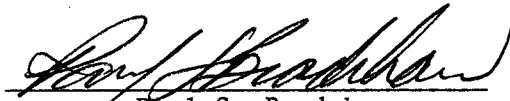
- (a) Projected - see attached Assumptions Supporting Internal Cash Flow Projection For the Year Ended December 31, 1983
- (b) Includes \$3,666,000 applicable to the 18.33% ownership interests of the NCEMPA in the Brunswick Units.

CAROLINA POWER & LIGHT COMPANY

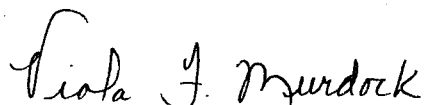
Assumptions Supporting Internal Cash Flow Projection for the Year  
Ended December 31, 1984

1. Electricity sales for 1984 are based upon a projected 2% increase over the 1983 level of sales. A rate of return on estimated average common equity (beginning and end-of-year average) of 14.50% is assumed.
2. Deferred income taxes are currently provided for all timing differences in the recognition of items for tax and financial reporting purposes. Investment tax credits generated and utilized after 1971 have been deferred and are being amortized over the service lives of the property.
3. Depreciation of utility plant for financial reporting purposes is computed on the straight-line method based upon estimated useful lives. Estimated depreciation for 1984 is based upon rates in effect at the beginning of the year.
4. Estimated common stock dividend amounts are based upon an assumed 1.2% increase in the level of common dividends paid and a 10% increase in the shares outstanding. Preferred stock dividend amounts reflect a 10% increase in shares outstanding at the beginning of the year.

I have examined the foregoing internal cash flow projection and underlying assumptions and certify that it fairly presents the internal cash flow position of Carolina Power & Light Company for the twelve-month period ending December 31, 1984.

  
Paul S. Bradshaw  
Vice President and Controller

Sworn to and subscribed before me  
this 29<sup>th</sup> day of March, 1984.

  
\_\_\_\_\_  
Viola J. Murdock

My commission expires: 3-16-86

(SEAL)