

MAR 18 1974

Docket No. 50-220

Niagara Mohawk Power Corporation  
ATTN: Mr. Philip D. Raymond  
Vice President - Engineering  
300 Erie Boulevard West  
Syracuse, New York 13202

Gentlemen:

To continue our review of your application notarized June 27, 1972, for conversion of Provisional Operating License No. DPR-17 to a full-term operating license for Nine Mile Point Unit 1 (NMP-1), additional information is required. The information requested is described in the enclosure to this letter and pertains to the financial information which is required to enable us to evaluate the financial qualifications of Niagara Mohawk Power Corporation to operate the NMP-1 facility.

You are requested to provide this information on or before April 26, 1974, as an amendment to your application with three signed and notarized originals and nineteen additional copies.

Sincerely,

Original Signed by:  
Dennis L. Ziemann

Dennis L. Ziemann, Chief  
Operating Reactors Branch #2  
Directorate of Licensing

Enclosure:  
List of Additional Financial Info

cc w/enclosure: See next page

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App'l

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cc w/enclosure:

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ADDITIONAL FINANCIAL INFORMATION REQUIRED  
CONVERSION OF PROVISIONAL TO FULL-TERM OPERATING LICENSE  
NINE MILE POINT NUCLEAR STATION UNIT 1  
DOCKET NO. 50-220

1. Indicate the annual costs to operate the subject facility for at least the five-year period subsequent to the conversion of the provisional operating license to a full-term operating license. The types of cost included in the estimate should be indicated and should include (but not necessarily be limited to) operation and maintenance expenses with fuel costs shown separately, depreciation, taxes, and required return on investment. Indicate the source or sources of funds to cover all of the estimated costs. (Attached is a form which may be used for each year of the five-year period.)
2. Indicate the estimated costs of permanently shutting down the facility, a listing of what is included in these costs, the assumptions made in estimating the costs, the type of shutdown contemplated, and the source of funds to cover these costs.
3. Provide an estimate of the annual cost to maintain the shutdown facility in a safe condition. Indicate what is included in the estimate, assumptions made in estimating the costs, the type of shutdown contemplated, and the source of funds to cover these costs.
4. Provide a copy of the prospectus for a recent security issue.
5. Provide copies of the 1973, if available, annual reports to stockholders and the most recent balance sheet, income statement, and statement of sources and application of funds.
6. Indicate if Niagara Mohawk Power Corporation (NMPC) expects to be able to sell power produced by the subject facility at a rate which will cover all costs of production plus a reasonable return on invested capital.
7. Provide a copy of the most recent Officer's Certificate prepared by NMPC in connection with the issuance of mortgage bonds and showing interest coverage and debt ratio calculations pursuant to the applicable bond indenture.
8. Provide any other information which would be needed to determine the financial ability of NMPC to operate the reactor and to shut down the reactor and maintain it in a safe condition.



ATTACHMENT

ESTIMATED ANNUAL COST OF OPERATING NUCLEAR GENERATING  
UNIT: \_\_\_\_\_

FOR THE CALENDAR YEAR 19\_\_\_\_

(thousands of dollars)

Operation and maintenance expenses

Nuclear power generation

Nuclear fuel expense (plant factor \_\_\_\_\_%)..... \$ \_\_\_\_\_

Other operating expenses..... \_\_\_\_\_

Maintenance expenses..... \_\_\_\_\_

Total nuclear power generation..... \_\_\_\_\_

Transmission expenses..... \_\_\_\_\_

Administrative and general expenses

Property and liability insurance..... \_\_\_\_\_

Other A.&G. expenses..... \_\_\_\_\_

Total A.&G. expenses..... \_\_\_\_\_

TOTAL O&M EXPENSES..... \_\_\_\_\_

Depreciation expense..... \_\_\_\_\_

Taxes other than income taxes

Property taxes..... \_\_\_\_\_

Other..... \_\_\_\_\_

Total taxes other than income taxes..... \_\_\_\_\_

Income taxes - Federal..... \_\_\_\_\_

Income taxes - other..... \_\_\_\_\_

Deferred income taxes - net..... \_\_\_\_\_

Investment tax credit adjustments - net..... \_\_\_\_\_

Return (rate of return: \_\_\_\_\_%)..... \_\_\_\_\_

TOTAL ANNUAL COST OF OPERATION

\$ \_\_\_\_\_

