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 FACIL: 50-244 Robert Emmet Ginna Nuclear Plant, Unit 1, Rochester G 05000244
 AUTH. NAME AUTHOR AFFILIATION
 KOWBA, S. Rochester Gas & Electric Corp.
 RECIP. NAME RECIPIENT AFFILIATION
 SALTZMAN, J. Utility Finance Branch

SUBJECT: Forwards info re actual cash flow & certified financial statement for 1979 to support util guarantee that retrospective premium can be payed per Alternative Method 5.

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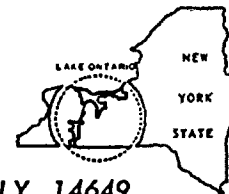
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ROCHESTER GAS AND ELECTRIC CORPORATION • 89 EAST AVENUE, ROCHESTER, N.Y. 14649

STEPHEN KOWBA
ASSISTANT CONTROLLER

TELEPHONE
AREA CODE 716 546-2700

October 2, 1980

Mr. Jerome Saltzman, Chief
Antitrust & Indemnity Group
Nuclear Reactor Regulation
Nuclear Energy Commission
Washington, D C 20555

Re: Docket No. 50-244

Dear Mr. Saltzman:

Enclosed is material required under Alternative Method No. 5 to support a guarantee by Rochester Gas and Electric Corporation that it can pay the retrospective premiums which might be required under the Secondary Financial Protection system.

Attachment A summarizes the actual cash flow for the calendar year 1979 and the projected cash flow for the calendar year 1980.

Attachment B is a certified financial statement covering the three months ended December 31, 1979 and 12 months ended December 31, 1979.

We do not believe that it would be necessary to curtail any capital expenditures if a retrospective premium had to be paid. However, if future circumstances were such as to impact capital expenditures, we probably would delay upgrading distribution facilities which would not have an immediate impact on our service standards.

Very truly yours,


Stephen Kowba

Enclosures

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Rochester Gas and Electric Corporation

1980 Cash Flow Projection
For R. E. Ginna Nuclear Power Station

(000's)

	1979 <u>Actual</u>	1980 Projected (9 Mos. Actual, 3 Mos. Forecast)
Net Income After Taxes	\$ 39,565	\$ 45,770
Less Dividends Paid	<u>28,793</u>	<u>34,323</u>
Retained Earnings	\$ 10,772	\$ 11,447
Adjustments:		
Depreciation and Amortization	\$ 40,829	\$ 48,616
Deferred Income Taxes	2,596	2,418
Deferred Fuel Costs	(4,755)	(5,060)
Allowance for Funds Used During Construction	<u>(17,211)</u>	<u>(18,353)</u>
Total Adjustments	\$ 21,459	\$ 27,621
Internal Cash Flow	<u>\$ 32,231</u>	<u>\$ 39,068</u>
Average Quarterly Cash Flow	<u>\$ 8,058</u>	<u>\$ 9,767</u>
Percentage Ownership in All Operating Nuclear Units		R. E. Ginna 100%
Maximum Total Contingent Liability		\$ 10,000

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Rochester Gas and Electric Corporation
Statement of Income
(000's)

	Three Months Ended December 31, 1979	Year Ended December 31, 1979
Revenue		
Electric	\$ 50,457	\$219,373
Gas	40,862	140,527
Steam	5,075	19,988
	<u>96,394</u>	<u>379,888</u>
Electric sales to other utilities	11,849	37,804
	<u>108,243</u>	<u>417,692</u>
Expense		
Electric and steam fuels	16,011	62,109
Purchased electricity	7,869	31,937
Deferred fuel - electric and steam	(2,173)	(1,038)
Purchased natural gas	31,070	89,804
Other operation	19,033	72,264
Maintenance	7,190	30,129
Total operation and maintenance expense	79,000	285,205
Depreciation	6,100	23,703
Taxes-Local, state and other	12,090	49,916
Federal income tax - current	(2,348)	(36)
- deferred	1,502	6,162
Regulatory allowance for costs not currently recoverable	620	620
Operating Income	11,279	52,122
Other Income and Deductions		
Allowance for other funds used during construction	2,820	11,439
Other - net	846	3,774
	<u>3,666</u>	<u>15,213</u>
Income before Interest Charges	14,945	67,335
Interest Charges		
Long-term debt	7,247	29,084
Short-term debt	1,759	4,016
Other - net	109	441
Allowance for borrowed funds used during construction	(1,364)	(5,771)
	<u>7,751</u>	<u>27,770</u>
Net Income	7,194	39,565
Dividends on Preferred and Preference Stock	1,957	6,645
Earnings Applicable to Common Stock	<u>\$ 5,237</u>	<u>\$ 32,920</u>

I hereby certify these Financial Statements to be correct to the best of my knowledge and belief.

ROCHESTER GAS AND ELECTRIC CORPORATION

By Stephen Kowba

