

March 21, 2018



United States Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, D. C. 20555-0001

Serial No. 18-090  
NRA/TJS Rev. 1  
Docket No. 50-245  
License No. DPR-21

**DOMINION ENERGY NUCLEAR CONNECTICUT, INC.**  
**MILLSTONE POWER STATION UNIT 1**  
**DECOMMISSIONING FUNDING STATUS REPORT**

Pursuant to 10 CFR 50.75(f)(1) and 10 CFR 50.82(a)(8)(v)-(vii), Dominion Energy Nuclear Connecticut, Inc. (DENC), is providing this report on the status of decommissioning funding for Millstone Power Station Unit 1 (MPS1).

Attachment 1 provides the following information for MPS1:

- Table I - Decommissioning Funding Status Report for MPS1  
Summary Information as of December 31, 2017
- Table II - Decommissioning Funding Status Report for MPS1  
Annual Cash Flow Analysis Starting January 1, 2018 through  
End of Decommissioning

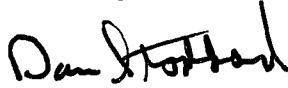
The following information is provided in support and as part of this filing:

1. The escalation of decommissioning costs from the Cost Study's 2014 dollars to 2018 dollars is 1.52% and is based upon the average of CPI-U rates for that period. The mnemonic is "FCPIU.US CPI: Urban Consumer - All Items, (Index 1982-84=100, SA)."
2. The escalation rate of decommissioning costs, shown in Table II is 0% based on assuming a 2% Real Rate of Return.
3. The growth rate on Trust Funds is the allowed 2% Real Rate of Return over the escalation rate.
4. No rate regulatory authority citation for MPS1 is referenced because MPS1 is a merchant unit.
5. There are no contracts upon which DENC is relying under paragraph 10 CFR 50.75(e)(1)(v) and there were no modifications to the current method of providing financial assurance since the last submitted report.
6. There are no annual funding amounts for MPS1.
7. Trust Fund balances shown in this report are market value and after-tax on realized gains and losses. The Trust Fund balances have not been adjusted for unrealized gain or loss positions that are not currently taxable.
8. Since the previous annual submittal on March 30, 2017 (Serial No. 17-081, ADAMS Accession No. ML17094A518) for MPS1 there have been no material changes to the Trust agreements established for nuclear decommissioning.

ADD1  
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Please contact Mr. Craig D. Sly at (804) 273-2784 if you have any questions or require additional information.

Sincerely,



D. G. Stoddard  
Senior Vice President and Chief Nuclear Officer  
Dominion Energy Nuclear Connecticut, Inc.

Attachment:

1. Decommissioning Funding Status Report for MPS1, Summary Information as of December 31, 2017

Commitments made in this letter: None

cc: U. S. Nuclear Regulatory Commission  
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**Attachment 1**

**Decommissioning Funding Status Report for MPS1**  
**Summary Information as of December 31, 2017**

**Millstone Power Station - Unit 1**  
**Dominion Energy Nuclear Connecticut, Inc. (DENC)**

**Millstone Power Station Unit 1  
Decommissioning Funding Status Report as of December 31, 2017  
Table I**

Decommissioning Funding Status Report for MPS1 Summary Information as of December 31, 2017 10 CFR 50.82 (a)(8)(v)-(vii) (In millions)						
Decommissioning Trust Fund Balances				10 CFR Reference	50.82(a)(8)(v)(A)	50.82(a)(8)(vii)(A)
Fund Balance	Type of Trusts			Comments		
\$ 532.943	Unit 1 qualified fund balance			As of:	12/31/2017	
\$ -	Unit 1 non-qualified fund balance			As of:	12/31/2017	
\$ 0.889	Less costs incurred but not yet billed to Trust			Actual Cost in:	2017	Dollars
\$ 532.054	Adjusted decommissioning fund balance			As of:	12/31/2017	
Other Financial Assurance Methods Being Relied Upon				10 CFR Reference	50.82(a)(8)(v)(A)	
None						
Prior Years Decommissioning Expenditures				10 CFR Reference	50.82(a)(8)(v)(A)	
Total	License Term	Spent Fuel Mgmt	Site Restoration	Comments		
\$ 3.874	\$ 0.495	\$ 3.379	\$ -	2017 Cost in:	2017	Dollars
\$ 87.106	\$ 47.801	\$ 39.305	\$ -	2001-2016 Cost in:	As-Spent	Dollars
\$ 90.980	\$ 48.296	\$ 42.684	\$ -	Total Prior Year in:	As-Spent	Dollars
Prior Year Decommissioning Expenditures Variance to Estimated Cost				10 CFR Reference	50.82(a)(8)(v)(B)	
Total	License Term	Spent Fuel Mgmt	Site Restoration	Comments		
\$ 3.873	\$ -	\$ -	\$ -	Actual Cost in	2017	Dollars
\$ 4.968	\$ -	\$ -	\$ -	NRC Auth \$ in	2017	Dollars
\$ (1.094)	\$ -	\$ -	\$ -			
Variance: Underrun to NRC Authorized Expenditures						
Remaining Decommissioning Estimated Cost				10 CFR Reference	50.82(a)(8)(v)(B)	50.82(a)(8)(vii)(B)
Total	License	Spent Fuel Mgmt	Site Restoration	Comments		
\$ 392.218	\$ 296.486	\$ 73.770	\$ 21.962	Estimate in :	2018	Dollars
Decommissioning Criteria Upon Which the Estimate is Based				10 CFR Reference	50.82(a)(8)(v)(B)	
SAFSTOR						
Any Modification To Method of Providing Financial Assurance				10 CFR Reference	50.82(a)(8)(v)(C)	
None						
Any Material Changes To Trust Agreement Since Previous Report				10 CFR Reference	50.82(a)(8)(v)(D)	
None						
Need For Additional Financial Assurance				10 CFR Reference	50.82(a)(8)(vi)	50.82(a)(8)(vii)(C)
None				See Annual Cash Flow Analysis in Table II		
Inputs to Remaining Cost and Funding Analysis						
2018	Start year of Remaining Cost and Funding analysis					
1.52%	Escalate study dollars from Study Year to Start Year of Analysis using an average of CPI rates					
0.00%	Escalation rate 2018 & Beyond					
2.00%	Fund growth rate 2018 & Beyond (Reflects NRC allowed 2% Real Rate of Return)					
Projected annual expenditures - see Annual Cash Flow Analysis in Table II						

**Notes: Table I**

- 1) Previous decommissioning expenditures represent the withdrawals from the nuclear decommissioning trusts made by Dominion Energy Nuclear Connecticut, Inc. These expenditures do not include the withdrawals made by the former owners of MPS1.
- 2) Expenditures include withdrawals for spent fuel management, consistent with DENC's previous notices to the NRC, as well as allowed ordinary administrative costs.
- 3) 2017 NRC Authorized expenditures of \$4.968 million are based on \$5 million (rounded) in 2017 dollars as described in DENC's submittal dated August 22, 2017 (ML17240A170).



**Table II Definitions:**

<b>Column 1:</b>	<b>Beginning of Year Balance:</b> Reflects the beginning-of-year Trust Fund balance at a 0.0% cost escalation rate and a 2.0% Real Rate of Return (RRoR) on fund growth.
<b>Column 2:</b>	<b>Earnings on Trust Funds:</b> Reflects earnings on funds remaining in the trust. A 2.0% RRoR Fund growth rate is used for 2018 through 2071 which reflects the allowed 2.0% RRoR over a 0.0% cost escalation rate. The annual 2.0% RRoR earnings are calculated on the beginning balance less 50% of the projected annual expenditure for each year.
<b>Column 3:</b>	<b>Remaining License Termination Expenditures:</b> Reflects the annual License Termination Plan cost portion at a 0.0% escalation rate from the Site Specific Estimate.
<b>Column 4:</b>	<b>Remaining Spent Fuel Management Expenditures:</b> Reflects the annual Irradiated Fuel Management Plan cost portion at a 0.0% escalation rate from the Site Specific Estimate. This column provides information on the status of funding for managing irradiated fuel as required by 10 CFR 50.82(a)(8)(vii).
<b>Column 5:</b>	<b>Remaining Site Restoration Expenditures:</b> Reflects the annual Site Restoration Plan cost portion at a 0.0% escalation rate from the Site Specific Estimate.
<b>Column 6:</b>	<b>Remaining SAFSTOR Expenditures:</b> Reflects the annual SAFSTOR Decommissioning Plan cost at a 0.0% escalation rate from the Site Specific Cost Estimate.
<b>Column 7:</b>	<b>End of Year Balance:</b> Reflects the end of year Trust Fund balance after all projected earnings are added and all projected expenditures are deducted for the year specified at a 0.0% escalation rate and a 2.0% RRoR on fund growth.

**Tables I and II General Notes:** (Any minor differences in totals are due to rounding.)

- 1) Trust Fund balance reflects market value on December 31, 2017, net of taxes on realized gains and losses.
- 2) The 2.0% RRoR is based on the rate allowed by 10 CFR 50.75(e)(1)(i) and 10 CFR 50.82(a)(8)(vi).
- 3) The funding method for providing financial assurance for decommissioning MPS1 remains prepayment. The cash flow analysis in Table II demonstrates that the amounts accumulated in the Trust are sufficient, with credited earnings at a 2.0% RRoR, to cover the estimated cost of radiological decommissioning, spent fuel management and site restoration.