

CONFIDENTIAL FINANCIAL INFORMATION TO BE WITHHELD FROM
PUBLIC DISCLOSURE PURSUANT TO 10 CFR 2.390 AND 10 CFR 9.17



341 White Pond Dr.
Akron, Ohio 44320

February 27, 2019
L-19-045

10 CFR 140.21

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

SUBJECT:
Beaver Valley Power Station, Unit Nos. 1 and 2
Docket No. 50-334, License No. DPR-66
Docket No. 50-412, License No. NPF-73

Davis-Besse Nuclear Power Station, Unit No. 1
Docket No. 50-346, License No. NPF-3

Perry Nuclear Power Plant, Unit No. 1
Docket No. 50-440, License No. NPF-58
Retrospective Premium Guarantee

In accordance with 10 CFR 140.21, FirstEnergy Nuclear Operating Company (FENOC) hereby submits to the Nuclear Regulatory Commission (NRC) an internal cash flow projection for FirstEnergy Nuclear Generation, LLC (FENGEN). FENGEN is the licensed owner of the Beaver Valley Power Station, Unit Nos. 1 and 2; the Davis-Besse Nuclear Power Station, Unit No. 1; and the Perry Nuclear Power Plant, Unit No. 1, reactors. The cash flow projection provides evidence of the guarantee of payment of deferred premiums in the amount of \$20.496 million per reactor, as specified in 10 CFR 140.11(a)(4).

Enclosure C to this letter contains confidential financial information.
Withhold from public disclosure under 10 CFR 2.390 and 10 CFR 9.17.
Upon removal of Enclosure C, this letter is uncontrolled.

CONFIDENTIAL COMMERCIAL MATERIAL TO BE WITHHELD FROM PUBLIC DISCLOSURE
PURSUANT TO 10 CFR 2.390 AND 10 CFR 9.17

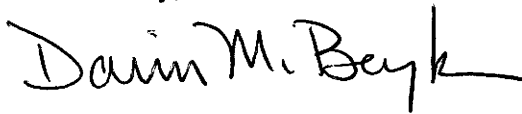
Beaver Valley Power Station, Unit Nos. 1 and 2
Davis-Besse Nuclear Power Station, Unit No. 1
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This financial projection is confidential commercial information, and FENOC requests that information be withheld from public disclosure pursuant to 10 CFR 2.390 and 10 CFR 9.17(a)(4). A redacted version of the financial projection suitable for public disclosure is provided in the non-proprietary version contained in Enclosure A. A confidential version of the financial projection is provided in Enclosure C. An affidavit supporting the request for withholding Enclosure C from public disclosure is provided in Enclosure B.

This information is required to be submitted annually on the anniversary date on which the indemnity agreement is effective for each reactor. Because the indemnity agreement effective dates vary for each reactor, the enclosure contains the information for the aforementioned reactors to be submitted by March 7, the earliest indemnity agreement anniversary date of the reactors.

There are no regulatory commitments contained in this letter. If there are any questions or if additional information is required, please contact Mr. Phil H. Lashley, Acting Manager – Nuclear Licensing and Regulatory Affairs, at (330) 315-6808.

Sincerely,

A handwritten signature in black ink that reads "Darin M. Benyak". The signature is fluid and cursive, with the first name "Darin" being the most prominent part.

Darin M. Benyak
Vice President, Nuclear Support and Regulatory Affairs

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PURSUANT TO 10 CFR 2.390 AND 10 CFR 9.17

Beaver Valley Power Station, Unit Nos. 1 and 2
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Enclosure:

- A. FirstEnergy Nuclear Generation, LLC 2019 Internal Cash Flow Projection for Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1; and Perry Nuclear Power Plant, Unit No. 1 (Non-Proprietary)
- B. Affidavit
- C. FirstEnergy Nuclear Generation, LLC 2019 Internal Cash Flow Projection for Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1; and Perry Nuclear Power Plant, Unit No. 1 (Proprietary)

cc: NRC Region I Administrator (without Enclosures B and C)
NRC Region III Administrator (without Enclosures B and C)
NRC Resident Inspector (Beaver Valley) (without Enclosures B and C)
NRC Resident Inspector (Davis-Besse) (without Enclosures B and C)
NRC Resident Inspector (Perry) (without Enclosures B and C)
NRC FENOC Fleet Project Manager (without Enclosures B and C)
Director, Bureau of Radiation Protection/Department of Environmental Protection (BRP/DEP) (without Enclosures B and C)
PA Department of Environmental Protection, Bureau of Water Protection (without Enclosures B and C)
Site BRP/DEP Representative (without Enclosures B and C)
Utility Radiological Safety Board (without Enclosures B and C)

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Enclosure A
L-19-045

FirstEnergy Nuclear Generation, LLC 2019 Internal Cash Flow Projection for
Beaver Valley Power Station, Unit Nos. 1 and 2;
Davis-Besse Nuclear Power Station, Unit No. 1;
and Perry Nuclear Power Plant, Unit No. 1
(Non-Proprietary)

(One Page Follows)

Enclosure A
L-19-045

FirstEnergy Nuclear Generation, LLC 2019 Internal Cash Flow Projection for
Beaver Valley Power Station, Unit Nos. 1 and 2;
Davis-Besse Nuclear Power Station, Unit No. 1;
and Perry Nuclear Power Plant, Unit No. 1

(Dollars in Thousands)

	2019 Projected ⁽¹⁾
Internal Cash Flows:	
Revenues	[]
Cost of Revenues	[]
Operations and Maintenance	[]
Other Operating Costs	[]
Capital Expenditures	[]
Deferred Cash Flow	[]
Net Internal Cash Flow	[]
Percentage Ownership in Units:	
Davis-Besse Unit No. 1	100.00%
Perry Unit No. 1	100.00%
Beaver Valley Unit No. 2	100.00%
Beaver Valley Unit No. 1	100.00%
Maximum Total Contingent Liability	<u>\$81,984</u>


Note:

(1) Information contained within the brackets [] is considered proprietary.

CERTIFICATION

I, Kevin T. Warvell, Chief Financial Officer of FirstEnergy Nuclear Generation, LLC, hereby certify that the foregoing Internal Cash Flow Projection for the calendar year 2019 is derived from reasonable assumptions and is a reasonable estimate.

2/26/19
Date


Kevin T. Warvell

Enclosure B
L-19-045

Affidavit

(Two Pages Follow)

10 CFR 2.390

AFFIDAVIT OF DARIN M. BENYAK

I, Darin M. Benyak, Vice President, Nuclear Support and Regulatory Affairs state that:

1. I am authorized to execute this affidavit on behalf of FirstEnergy Nuclear Operating Company (FENOC) and its affiliates.
2. FENOC is providing information in support of its "Retrospective Premium Guarantee" submittal. The proprietary version of Enclosure C being provided in the submittal contains a 2019 cash flow projection for FirstEnergy Nuclear Generation, LLC and the projected revenue is based on the intercompany Nuclear Power Supply Agreement dated August 10, 2006. This document constitutes proprietary commercial and financial information that should be held in confidence by the Nuclear Regulatory Commission (NRC) pursuant to the policy reflected in 10 CFR 2.390(a)(4) and 10 CFR 9.17(a)(4), because:
 - a. This information is and has been held in confidence by FENOC and its affiliates.
 - b. This information is of a type that is held in confidence by FENOC and its affiliates, and there is a rational basis for doing so because the information contains sensitive financial competitive information concerning FirstEnergy Nuclear Generation, LLC's anticipated cash flow.
 - c. This information is being transmitted to the NRC in confidence.
 - d. This information is not available in public sources and could not be gathered readily from other publicly available information.
 - e. Public disclosure of this information would create substantial harm to the competitive position of FirstEnergy Nuclear Generation, LLC by disclosing its internal cash flow.

3. Accordingly, FENOC requests that the designated documents be withheld from public disclosure pursuant to the policy reflected in 10 CFR 2.390(a)(4) and 10 CFR 9.17(a)(4).

FirstEnergy Nuclear Operating Company

Darin M. Benyak

Darin M. Benyak
Vice President, Nuclear Support and
Regulatory Affairs

STATE OF OHIO

COUNTY OF SUMMIT

Subscribed and sworn to me, a Notary Public, in and for the County and State
above named, this 27th day of Feb., 2019.

Terri L. Hunsinger

My Commission Expires: 5/05/21



Terri L. Hunsinger
Resident Summit County
Notary Public, State of Ohio
My Commission Expires: 5/05/2021