

Encl 3

PALO VERDE NUCLEAR GENERATING STATION  
UNIT 1, 2 AND 3

DOCKET NOS. STN-528, 529, 530  
RESPONSE TO REQUEST FOR FINANCIAL  
INFORMATION - OPERATING LICENSE STAGE  
LOS ANGELES DEPARTMENT OF WATER AND POWER  
SOUTHERN CALIFORNIA PUBLIC POWER  
AUTHORITY

25



OF THE NATIONAL ARCHIVES

## SECTION 1

### LOS ANGELES DEPARTMENT OF WATER AND POWER

#### Question 1.

Describe the nature, amount, ratings and success of each municipal applicant's most recent revenue and general obligation bond sales. Indicate the current total outstanding indebtedness in each category for each entity.

#### Answer:

Refer to the answer to Question 3 in Section 1 of the "Palo Verde Nuclear Generating Station Units 1, 2 and 3 (Docket Nos. STN 50-528/529/530), Financial Information In Support of Application for Amendment to Construction Permits Nos. CPPR-141, CPPR-142 and CPPR-143" (hereinafter referred to as "Financial Information Regarding LADWP and SCPPA").

Question 2.

Provide copies of the official statement for the most recent bond issue. Provide copies of the preliminary statement for any pending security issue.

Answer:

Refer to the answer to Question 4 in Section 1 of the Financial Information Regarding LADWP and SCPA.

Question 3.

Provide copies of the most recent annual financial report and the most recent interim financial statements. Continue to submit copies of the annual financial report for each year thereafter, as required by 10 CFR 50.71(b).

Answer:

Refer to the answer to Question 5 in Section 1 of the Financial Information Regarding LADWP and SCPA.

Question 4.

Is each participant's percentage-ownership share in the facility equal to its percentage entitlement in the electrical capacity and output of the plant? If not, explain the difference(s) and any resultant effect on any participant's obligation to provide its share of operating cost.

Answer:

Refer to the answer to Question 6 in Section 1 of the Financial Information Regarding LADWP and SCPA.



Question 5.

Describe the rate-setting authority of each municipal applicant and how that authority may be used to ensure the satisfaction of financial obligations related to operating costs and eventual shutdown costs of the facility. Describe any restrictions on such rate-setting authority and how this may affect the applicant's ability to satisfy its obligations to the project. Describe the nature and amount of each municipal applicant's most recent rate relief action and the anticipated effect on revenue. Indicate the nature and amount of any pending rate relief action(s).

Answer:

Refer to the answer to Question 7 in Section 1 of the Financial Information Regarding LADWP and SCPPA.



Question 6.

If a membership organization is participating in the joint ownership, explain the contractual arrangement among the members that assures that funds will be available to meet the entity's obligations to the project. Provide copies of the power sales contract.

Answer:

Not applicable.

Question 7.

Describe the applicant's plan for financing its share of the cost of eventual shutdown of the facility and maintenance in a safe shutdown condition.

Answer:

The cost of permanently shutting down the facility and maintaining it in a safe condition will be shared by LADWP in proportion to its Generation Entitlement Share, as defined in the ANPP Participation Agreement. However, ultimate plans and policies for the shutdown of PVNGS have not been finalized and, therefore, no method of financing has been determined at this time by LADWP respecting its share of such cost. Eventual implementation of a financing plan will require approval by LADWP's rate-setting authority.

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SECTION 2

SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY

Question 1.

Describe the nature, amount, ratings and success of each municipal applicant's most recent revenue and general obligation bond sales. Indicate the current total outstanding indebtedness in each category for each entity.

Answer:

Refer to the answer to Question 3 in Section 2 of the Financial Information Regarding LADWP and SCPPA.

Question 2.

Provide copies of the official statement for the most recent bond issue. Provide copies of the preliminary statement for any pending security issue.

Answer:

Refer to the answer to Question 4 in section 2 of the Financial Information Regarding LADWP and SCPPA.

Question 3.

Provide copies of the most recent annual financial report and the most recent interim financial statements. Continue to submit copies of the annual financial report for each year thereafter as required by 10 CFR 50.71(b).

Answer:

Refer to the answer to Question 5 in Section 2 of the Financial Information Regarding LADWP and SCPPA.

Question 4.

Is each participant's percentage ownership share in the facility equal to its percentage entitlement in the electrical capacity and output of the plant? If not, explain the difference(s) and any resultant effect on any participant's obligation to provide its share of operating costs.

Answer:

Refer to the answer to Question 6 in Section 2 of the Financial Information Regarding LADWP and SCPPA.



Question 5.

Describe the rate-setting authority of each municipal applicant and how that authority may be used to ensure the satisfaction of financial obligations relating to operating costs and eventual shutdown costs of the facility. Describe any restrictions on such rate-setting authority and how this may affect the applicant's ability to satisfy its obligations to the project. Describe the nature and amount of each municipal applicant's most recent rate relief action and the anticipated effect on revenues. Indicate the nature and amount of any pending rate relief action(s).

Answer:

Refer to the answer to Question 7 of the Financial Information Regarding LADWP and SCPPA.

Question 6.

If a membership organization is participating in the joint ownership, explain the contractual arrangement among the members that assures that funds will be available to meet the entity's obligations to the project. Provide copies of the power sales contract.

Answer:

Refer to the answer to Question 10 in Section 2 of the Financial Information Regarding LADWP and SCPA.

Question 7.

Describe the applicant's plan for financing its share of the cost of eventual shutdown of the facility and maintenance in a safe shutdown condition.

Answer:

SCPPA is currently studying several methods of financing to determine which of such methods it should adopt to finance its share of the costs of eventual shutdown and maintenance of PVNGS. A principal factor in this determination is that those electric customers who benefit from use of PVNGS should also bear the cost of the shutdown of PVNGS. It is also the intention of SCPPA to comply with the regulatory requirements of all governmental authorities having jurisdiction to regulate decommissioning cost recovery.