



**Public Service**

**Public Service  
Company of Colorado**  
P.O. Box 840  
Denver CO 80201-0840

April 25, 1990  
Fort St. Vrain  
Unit No. 1  
P-90125

A. Clegg Crawford  
Vice President  
Nuclear Operations

U.S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, D.C. 20555

ATTN: Mr. Seymour H. Weiss, Director  
Non-Power Reactor, Decommissioning and  
Environmental Project Directorate

Docket No. 50-267

SUBJECT: **PSC REVISED DECOMMISSIONING TRUST FUND AGREEMENTS**

REFERENCES: PSC letter, Crawford to Weiss, dated February 15, 1990  
(P-90039)

Dear Mr. Weiss:

Public Service Company of Colorado (PSC) submitted the revised Decommissioning Financial Plan as Attachment 2 to the above referenced letter. In Section 6.2 of the revised Financial Plan, PSC informed the NRC that interviews were in progress to upgrade the services of the external trust fund trustee. PSC committed to provide the NRC with any new contracts or agreements resulting from those interviews.

At this time, the present Decommissioning Trust Fund trustee has been retained. The existing trust agreements, forwarded in the above referenced letter, have been updated to incorporate recent NRC guidance as noted in the attached Amendment No. 1 to those trust agreements. PSC plans to continue periodic evaluation of its trust agreements and trustee performance. If it becomes necessary to change either the trustee or amend the trust agreements, PSC will notify the NRC of those changes.

If you have any questions regarding the revised agreements, please contact Mr. M.H. Holmes at (303) 480-6960.

Very truly yours,

A. Clegg Crawford  
Vice President  
Nuclear Operations

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*Add: Seymour Weiss*  
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ACC:CRB/cb

Attachment

cc: Regional Administrator, Region IV  
ATTN: Mr. J.B. Baird  
Technical Assistant  
Division of Reactor Projects

Mr. Robert Farrell  
Senior Resident Inspector  
Fort St. Vrain

Mr. Robert M. Quillin, Director  
Radiation Control Division  
Colorado Department of Health  
4210 East 11th Avenue  
Denver, CO 80220

AGREEMENT TO AMEND TRUST AGREEMENT  
WITH  
AMENDMENT NO. 1

This AGREEMENT TO AMEND TRUST AGREEMENT is executed this 28 day of March, 1990, by and between PUBLIC SERVICE COMPANY OF COLORADO, a Colorado corporation, with its principal office at Denver, Colorado (the "Company"), and FIRST INTERSTATE BANK OF DENVER, a national banking association (the "Trustee"), to amend the Trust Agreement between the parties dated January 1, 1987.

R E C I T A L

On the 1st day of January, 1987, the Company and the Trustee entered into a Trust Agreement wherein, inter alia, the Trustee agreed to act as Trustee of the Company's Fort St. Vrain Nuclear Decommissioning Trust Fund (the "Fund").

The following amendment is necessary to conform the Trust Agreement to the regulations of the United States Nuclear Regulatory Commission (the "NRC") regarding the decommissioning trust funds. The parties agree that the Trust Agreement should be amended as follows:

AMENDMENT NO. 1 TO TRUST AGREEMENT

The parties hereto, by their respective duly authorized officers, covenant and agree that SECTION IV, Payment For Decommissioning Cost, and SECTION VI, Trustee Management, of the Trust Agreement shall, upon execution hereof, be deleted in their entireties and the following substituted in lieu thereof:

#### SECTION IV

##### Payment For Decommissioning Costs

The Trustee will make such payments from the Fund as the Company may direct in writing to provide for the payment of the decommissioning costs of the Fort St. Vrain Nuclear Generating Station, upon certification by the Company that the NRC, or its successor, has approved a Decommissioning Plan, or to provide for the disposition of any balance remaining after the payment of such costs.

#### SECTION VI

##### Trustee management

Trustee will invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund. In investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the Fund, the Trustee or any other Fiduciary will discharge his duties with respect to the trust fund solely in the interest of and for the benefit of this trust fund, and with the care, skill, prudence and diligence under the circumstances then prevailing which persons of prudence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; except that securities or other obligations of the Company, or any other owner of the facility, or any of their affiliates as defined in the Investment Company Act of 1940, as amended, shall not be acquired or held, unless they are securities or other obligations of the Federal or a State government. Furthermore, at no time shall the Fund contain securities or other obligations of companies or entities that are owners or partial owners of nuclear generating facilities to exceed 2 % of the Fund at cost or 4 % of the Fund at market value unless they are obligations of the Federal

government. Within the limitations of the foregoing standard and pursuant to the requirements of Section 468A of the Internal Revenue Code of 1986, the Trustee is authorized to sell, exchange, partition, or otherwise dispose of all or any part of the Fund at public or private sale, without prior application to, or approval by, or order of any court, upon such terms and in such manner and at such prices as the Trustee shall determine; to modify, renew or extend bonds, notes or other obligations or any installment of principal thereof or any interest due thereon and to waive any defaults in the performance of the terms and conditions thereof; and to execute and deliver any and all bills of sale, assignments, bonds or other instruments in connection with these powers, all at such times, in such manner and upon such terms and conditions as the Trustee may deem expedient to accomplish the purposes of this Fund.

The Trustee is authorized to hold cash awaiting investment or distribution uninvested for a reasonable time and without liability for the payment of interest thereon.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to Trust Agreement to be effective on the day and year first above written.

PUBLIC SERVICE COMPANY OF COLORADO

By: 

Title: President

ATTEST:

By: 

Secretary

[SEAL]

FIRST INTERSTATE BANK OF DENVER

By:

Randall C. Reich  
Title: Vice President & Trust Officer

ATTEST:

By:

Title:

[SEAL]

STATE OF COLORADO

Denver COUNTY OF Denver ) ss.

The foregoing AGREEMENT TO AMEND TRUST AGREEMENT was acknowledged before me this 28th day of March, 1990, by R. C. Reich, as Vice President of Public Service Company of Colorado.

Witness my hand and official seal.

My commission expires: September 26, 1992

Yolanda C. Romero  
Notary Public

STATE OF COLORADO

City + COUNTY OF Denver ) ss.

The foregoing AGREEMENT TO AMEND TRUST AGREEMENT was acknowledged before me this 28th day of March, 1990, by Randall C. Reich, as Vice President & Trust Officer of First Interstate Bank of Denver.

Witness my hand and official seal.

My commission expires: 2/19/91

Jebbie Black  
Notary Public