

Omaha Public Power District  
444 South 16th Street Mall  
Omaha, Nebraska 68102-2247  
402/636-2000

October 3, 1994  
LIC-94-0193

U. S. Nuclear Regulatory Commission  
Attn: Mr. Robert S. Wood  
Mail Stop: OWSN 12E4  
Washington, DC 20555

References: 1. Docket No. 50-285  
2. Letter from OPPD (C. P. Moriarty) to NRC (R. S. Wood) dated  
June 29, 1990

Dear Mr. Wood:

SUBJECT: Fort Calhoun Station Unit No. 1 Decommissioning Funding Plan Trust  
Agreement Annual Audit

Attached please find a copy of the Omaha Public Power District's Annual Audit  
for the period of July 1, 1993 through June 30, 1994, as required by our  
Decommissioning Funding Plan Trust Agreement submitted with Reference 2.

If you should have any questions, please contact me.

Sincerely,

*W. G. Gates*

W. G. Gates  
Vice President

WGG/d11

Attachment

c: LeBoeuf, Lamb, Greene & MacRae (w/o Attachment)  
L. J. Callan, NRC Regional Administrator, Region IV (w/o Attachment)  
S. D. Bloom, NRC Project Manager (w/o Attachment)  
R. P. Mullikin, NRC Senior Resident Inspector (w/o Attachment)  
Document Control Desk (w/o Attachment)

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OMAHA PUBLIC POWER DISTRICT  
FORT CALHOUN STATION  
DECOMMISSIONING EXTERNAL TRUST FUND

Financial Statements for the  
Years Ended June 30, 1994 and 1993  
And Independent Auditors' Report

# OMAHA PUBLIC POWER DISTRICT FORT CALHOUN STATION DECOMMISSIONING EXTERNAL TRUST FUND

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## INDEPENDENT AUDITORS' REPORT

Omaha Public Power District Fort Calhoun Station  
Decommissioning External Trust Fund:

We have audited the accompanying statements of net assets available for decommissioning costs of the Omaha Public Power District Fort Calhoun Station Decommissioning External Trust Fund as of June 30, 1994 and 1993 and the related statements of changes in net assets available for decommissioning costs for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for decommissioning costs of the Omaha Public Power District Fort Calhoun Station Decommissioning External Trust Fund as of June 30, 1994 and 1993 and the changes in net assets available for decommissioning costs for the years then ended in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information on page 6 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This additional information is the responsibility of the Fund's management. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as whole.

*Deloitte + Touche LLP*

July 28, 1994

# OMAHA PUBLIC POWER DISTRICT FORT CALHOUN STATION DECOMMISSIONING EXTERNAL TRUST FUND

## STATEMENTS OF NET ASSETS AVAILABLE FOR DECOMMISSIONING COSTS JUNE 30, 1994 AND 1993

ASSETS	June 30,	
	1994	1993
Investments (Note 2)	\$55,914,845	\$45,053,021
Accrued interest receivable	<u>4,330,260</u>	<u>4,448,981</u>
Total	<u>\$60,245,105</u>	<u>\$49,502,002</u>
LIABILITIES AND NET ASSETS		
NET ASSETS AVAILABLE FOR DECOMMISSIONING COSTS	<u>\$60,245,105</u>	<u>\$49,502,002</u>

See notes to financial statements.

# OMAHA PUBLIC POWER DISTRICT FORT CALHOUN STATION DECOMMISSIONING EXTERNAL TRUST FUND

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR DECOMMISSIONING COSTS YEARS ENDED JUNE 30, 1994 AND 1993

	Year Ended June 30,	
	1994	1993
REVENUES:		
Investment income	\$ 3,050,976	\$ 3,025,214
Annual contribution (Note 3)	7,692,127	4,517,688
EXPENDITURES - (Note 4)	-	-
EXCESS OF REVENUES OVER EXPENDITURES	10,743,103	7,542,902
NET ASSETS AVAILABLE FOR DECOMMISSIONING COSTS, BEGINNING OF PERIOD	<u>49,502,002</u>	<u>41,959,100</u>
NET ASSETS AVAILABLE FOR DECOMMISSIONING COSTS, END OF PERIOD	<u>\$60,245,105</u>	<u>\$49,502,002</u>

See notes to financial statements.



# OMAHA PUBLIC POWER DISTRICT FORT CALHOUN STATION DECOMMISSIONING EXTERNAL TRUST FUND

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 1994 AND 1993

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Organization of Fund* - The Fort Calhoun Station Decommissioning External Trust Fund (the "Fund") was established in accordance with Nuclear Regulatory Commission (NRC) regulations, for the purpose of discharging the Omaha Public Power District's (the District) obligation to decommission, as defined by the NRC, its Fort Calhoun Nuclear Power Station Unit No. 1. For 1990 and subsequent years, the District's Board of Directors approved the collection of nuclear decommissioning costs based upon the NRC's external minimum funding requirements. The NRC's requirements are based on a generic estimate of the cost to decommission radioactive portions of a nuclear unit based on the size and type of reactor. Beginning in 1993, the District commenced funding on the basis of new decommissioning estimates which resulted from a 1992 independent engineering study and which exceed NRC external minimum funding requirements. Also during 1993, the NRC granted a five-year extension of the Fort Calhoun Station's operating license. The license, which was scheduled to expire in 2008, is now scheduled to expire in 2013. The estimate of the NRC minimum decommissioning amount for the Fort Calhoun Station - Unit No. 1, when its operating license is scheduled to expire in 2013, is \$218,940,000 in 1994 dollars. The District will periodically review and adjust, if necessary, the funding level for changes in the estimated costs of decommissioning the plant.

*Valuation of Investments* - Investments are shown at amortized cost. Estimated market value is based on quoted market prices or dealer quotes. If a quoted market price is not available, fair value is estimated using quoted market prices for similar securities.

*Investment Income* - Investment income is recorded as earned on an accrual basis. Amortized interest on zero coupon discounted securities is recorded as accrued interest receivable instead of adjusting the book value of the securities. This treatment can result in a large interest receivable balances as the securities are held for long periods.

### 2. INVESTMENTS

The Fund's investments are held by the Fund's trustee, the First National Bank of Omaha, in the Fund's name in accordance with the Trust requirements.

The following is a summary of the amortized cost and fair value of investment securities at June 30, 1994 and 1993, respectively:

	1994		1993	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
U.S. Treasury Notes and Interest Receipts	\$11,120,276	\$11,162,139	\$ 9,383,090	\$10,188,614
Resolution Funding Corporation Interest Receipts	23,191,299	26,756,067	23,148,022	27,408,378
Federal Home Loan Bank Bonds and Discounted Notes	16,700,015	16,255,563	7,052,616	7,117,471
Federal Farm Credit Bank Bonds	3,732,580	3,739,934	2,826,862	2,830,346
Federal National Mortgage Association Bonds and Interest Receipts	970,355	968,437	2,529,453	2,492,260
Secured Repurchase Agreements	200,320	200,320	112,978	112,978
Total	<u>\$55,914,845</u>	<u>\$59,082,460</u>	<u>\$45,053,021</u>	<u>\$50,150,047</u>

### 3. ANNUAL CONTRIBUTION

The District made regular annual contributions in July 1993 and 1992 of \$7,692,127 and \$4,517,688, respectively.

### 4. EXPENDITURES ON BEHALF OF THE FUND

Trustee fees of \$6,500 and \$5,400 were paid on behalf of the Fund by the Omaha Public Power District for the years ended June 30, 1994 and 1993, respectively.



**CERTIFICATION OF PAYMENTS FROM THE FUND  
PURSUANT TO SECTIONS 5 AND 6 OF THE FORT CALHOUN  
STATION UNIT NO. 1 DECOMMISSIONING FUNDING PLAN**

**YEARS ENDED JUNE 30, 1994 AND 1993**

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Not Applicable - No such payments were made during the years ended June 30, 1994 and 1993.