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Interoffice Correspondence

DOCKETED Georgia Power
USNRC

September 11, 1989 ⁹⁵ JAN 30 P3:21

(F)

To: Chuck Whitney
From: Dave Townley
Re: Nuclear Cost Comparisons

OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

At your direction and for the purpose of providing Mr. Dahlberg a high-level comparison of nuclear costs among SONOPCO plants, the nuclear industry, and GPC coal plants, I have assembled the following information. The information is presented as millions of dollars, dollars per installed capacity (Kilowatt of net design rating), and dollars per unit of energy (Kwh).

Company budget projections and Utility Data Institute (UDI) data were the sources of information. After working with the information for only a short period, it became evident that precise comparisons to industry plants and even among SONOPCO plants is extremely difficult. Differences in accounting and reporting practices are common so differences in seemingly comparable numbers may not be as they appear. For this comparison, I have at least tried to put SONOPCO plants on a comparable basis. Mine was a brief effort and more could be done to increase the precision of the adjustments needed for comparisons. However, for the stated purpose, this information should be useful. For notes on the major assumptions or adjustments in this comparison, see the attached page.

The numbers used for the 1990 Budget were those presented to Georgia Power during mid-August. During the course of this work, I understand that budget reviews are still underway and that reductions to the August SONOPCO budgets will be presented. I chose, at this time, to use budget numbers that had been shown to GPC. Overall, it appears from this comparison if the August proposal for 1990 budgets hold and the units operated as the 1989 Energy Budget projects, SONOPCO plants could be 5-30% or more above the comparable industry averages. Of course, lower budgets or better operating performance could improve this statistic. Also, excluding fuel, Georgia will require \$400 million to operate 4000 MWs of nuclear capacity while \$240 million will be required to operate over 12,000 MWs of coal capacity.

Many thanks go to Mr. Don Procter for his assistance in assembling the UDI data and to Mr. Tom Peacock for preparing the presentation of the information (numerically and graphically). For further questions regarding this data, Mr. Peacock (x.7350) can coordinate the response.

cc: Don Procter
Tom Peacock

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