



March 26, 2020

NG-20-0023  
10 CFR 50.75(f)(1)  
10 CFR 50.82(a)(8)(5)

Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555-0001

Duane Arnold Energy Center  
Docket No. 50-331  
Renewed Facility Operating License No DPR-49

#### Decommissioning Funding Status Report

Pursuant to 10 CFR 50.75(f)(1), enclosed is the Decommissioning Funding Status (DFS) Report for the Duane Arnold Energy Center (DAEC). NextEra Energy Duane Arnold, LLC, Central Iowa Power Cooperative, and Corn Belt Power Cooperative own the DAEC. The report provides the status of decommissioning funding for all three owners.

This letter contains no new commitments and no revisions to existing commitments.

Should there be any questions, please contact Stephanie Castaneda at (561) 805-2556.

A handwritten signature in blue ink that reads "Dean Curtland".

Dean Curtland  
Site Director, Duane Arnold Energy Center  
NextEra Energy Duane Arnold, LLC

Enclosure

## **Enclosure 1**

Decommissioning Funding Status Report  
10 FR 50.75(f)(1)

Duane Arnold Energy Center

4 pages follow

**Duane Arnold Energy Center  
NextEra Energy Duane Arnold, LLC (NEDA),  
Central Iowa Power Cooperative (CIPCO),  
Corn Belt Power Cooperative (Corn Belt)  
Decommissioning Funding Status Report**

1. Duane Arnold Energy Center has performed a site specific decommissioning cost study that has estimated license termination costs of \$724,688,000 (2018 dollars) which is higher than the minimum decommissioning fund estimate pursuant to 10 CFR 50.75(b) and (c) of \$617,688,089.

2. The amount accumulated at the end of the calendar year preceding the date of the report. (Trust fund balances are net of taxes)

Plant Owner (% Ownership)	Total
NEDA (70%)	454,453,798
CIPCO (20%)	74,883,106
Corn Belt (10%)	38,957,599
<b>Total</b>	<b>568,294,503</b>

3. On February 21, 2020, NEDA submitted an exemption request based upon a site-specific decommissioning cost estimate using the SAFSTOR decommissioning alternative. License termination funding assurance for NEDA is demonstrated through the cost estimate, year end 2019 fund balance, and cash flow provided in the exemption request. Attachment 1 provides a license termination Decommissioning Funding Plan, SAFSTOR Alternative for CIPCO and Corn Belt based on the cost estimate provided in the February 21, 2020 NEDA exemption request.

4. Assumptions used regarding escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other factors used in funding projections.

Plant Owner (% Ownership)			<i>Real Rate of Return</i>
NextEra (see note (c)) (70%)			2%
CIPCO (see note (d)) (20%)			4%
Corn Belt (see note (e)) (10%)			4%

**Basis for Allowance:**

(c) 10 CFR 50.75 allows licensees to assume up to a 2% real rate of return unless the licensee's rate-setting authority has specifically authorized a higher rate.

**Duane Arnold Energy Center  
NextEra Energy Duane Arnold, LLC (NextEra),  
Central Iowa Power Cooperative (CIPCO),  
Corn Belt Power Cooperative (Corn Belt)  
Decommissioning Funding Status Report**

- (d) Central Iowa Power Cooperative (CIPCO) is a public corporation incorporated under Chapter 499 Iowa Code (2009). CIPCO has the authority and is required to fix, establish, and collect adequate rates and other charges for electrical energy or services sold or furnished by it. CIPCO is accordingly authorized to establish its own rates and other charges through which it can recover its cost of service. CIPCO is governed by a 13 member Board of Directors that are elected by the CIPCO members. The Board of Directors is the rate making authority for CIPCO. CIPCO rates are not regulated by any state or federal authority. In a Board Resolution dated October 27, 2009, the CIPCO Board of Directors resolved that the rates and other charges for electrical energy services and the decommissioning fund be established assuming a real rate of return on the decommissioning fund of four percent.
- (e) Corn Belt Power Cooperative is a public corporation incorporated under Chapter 499 Iowa Code (2009). Corn Belt has the authority and is required to fix, establish, and collect adequate rates and other charges for electrical energy or services sold or furnished by it. Corn Belt is governed by an 11 member Board of Directors who are elected by its members. The Corn Belt Board of Directors is accordingly authorized to establish its own rates and other charges through which it can recover its cost of service and is the rate making authority for the Cooperative. The Cooperative's rates are not regulated by any state or federal authority. In a Board Resolution dated May 2, 2014, the Corn Belt Board of Directors resolved that the rates and other charges for electrical energy services and the decommissioning fund be established assuming a real rate of return on the decommissioning fund of four percent.
5. Any contracts upon which the licensee is relying pursuant to 10 CFR 50.75(e)(1)(v). None
6. Any modifications to a licensee's method of providing financial assurance occurring since the last submitted report. None
7. Any material changes to trust agreements. None

**Attachment 1  
Duane Arnold Energy Center  
Decommissioning Funding Plan  
2020 Shutdown, SAFSTOR Alternative  
(Thousands of Dollars)**

**Basis Year 2018**

**Fund Balance as of 12/31/19: (Thousands of Dollars)**

<b>CIPCO</b>	<b>74,883</b>	<b>20% ownership</b>
<b>Corn Belt</b>	<b>38,958</b>	<b>10% ownership</b>
<b>Total Trust Fund Balance</b>	<b>113,841</b>	

<b>2019 Escalation</b>	<b>1.8%</b>
<b>Annual Earnings - CIPCO</b>	<b>4.0%</b>
<b>Annual Earnings - Corn Belt</b>	<b>4.0%</b>

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Year</b>	<b>2018 Cost at 100%</b>	<b>Total Cost at 100% Escalated at 1.8% to 2019 Dollars</b>	<b>CIPCO Decommissioning Trust Fund Balance escalated at 4% minus 20% of expenses</b>	<b>Corn Belt Decommissioning Trust Fund Balance escalated at 4% minus 10% of expenses</b>
2019			74,883	38,958
2020 <sup>(1)</sup>	\$40,281	\$41,006	69,677	36,415
2021	\$43,735	\$44,522	63,560	33,420
2022	\$15,949	\$16,236	62,855	33,133
2023	\$5,110	\$5,202	64,329	33,938
2024	\$14,895	\$15,163	63,870	33,779
2025	\$5,604	\$5,705	65,283	34,560
2026	\$2,201	\$2,240	67,447	35,718
2027	\$1,827	\$1,860	69,772	36,961
2028	\$1,827	\$1,860	72,191	38,253
2029	\$1,827	\$1,860	74,707	39,598
2030	\$1,884	\$1,918	77,312	40,990
2031	\$1,770	\$1,802	80,044	42,449
2032	\$1,770	\$1,802	82,885	43,967
2033	\$1,770	\$1,802	85,840	45,545
2034	\$1,770	\$1,802	88,913	47,187
2035	\$1,770	\$1,802	92,110	48,894
2036	\$1,770	\$1,802	95,434	50,670
2037	\$1,770	\$1,802	98,891	52,517
2038	\$1,770	\$1,802	102,486	54,437
2039	\$1,770	\$1,802	106,225	56,434
2040	\$2,411	\$2,455	109,983	58,446
2041	\$1,770	\$1,802	114,022	60,604
2042	\$1,770	\$1,802	118,223	62,848
2043	\$1,770	\$1,802	122,591	65,182
2044	\$1,770	\$1,802	127,135	67,609
2045	\$1,770	\$1,802	131,860	70,133
2046	\$1,770	\$1,802	136,774	72,758
2047	\$1,770	\$1,802	141,884	75,488
2048	\$1,770	\$1,802	147,199	78,328
2049	\$1,770	\$1,802	152,727	81,281
2050	\$1,770	\$1,802	158,476	84,352
2051	\$1,770	\$1,802	164,454	87,546
2052	\$1,770	\$1,802	170,672	90,867
2053	\$1,770	\$1,802	177,139	94,322
2054	\$2,055	\$2,092	183,806	97,885
2055	\$2,126	\$2,164	190,725	101,584
2056	\$1,770	\$1,802	197,994	105,468
2057	\$1,770	\$1,802	205,553	109,506
2058	\$1,770	\$1,802	213,415	113,706
2059	\$2,159	\$2,198	221,512	118,035
2060	\$3,077	\$3,133	229,746	122,443
2061	\$2,634	\$2,681	238,400	127,072
2062	\$2,634	\$2,681	247,399	131,887
2063	\$2,634	\$2,681	256,759	136,895
2064	\$2,634	\$2,681	266,493	142,102
2065	\$2,634	\$2,681	276,617	147,518
2066	\$2,634	\$2,681	287,145	153,151
2067	\$2,634	\$2,681	298,095	159,009
2068	\$2,634	\$2,681	309,483	165,101
2069	\$2,634	\$2,681	321,326	171,437

2070	\$2,634	\$2,681	333,643	178,026
2071	\$2,634	\$2,681	346,452	184,879
2072	\$2,634	\$2,681	359,774	192,006
2073	\$15,440	\$15,718	371,021	198,115
2074	\$32,608	\$33,195	379,223	202,720
2075	\$78,197	\$79,604	378,471	202,868
2076	\$94,001	\$95,693	374,472	201,414
2077	\$118,359	\$120,489	365,353	197,421
2078	\$101,052	\$102,871	359,392	195,031
2079	\$57,385	\$58,418	362,085	196,991
2080	4,828	\$4,915	375,585	204,379
<b>Total</b>	<b>724,688</b>	<b>737,733</b>		

Calculations:

(1) The 2019 costs of \$4,099,000 have been added to the 2020 costs.

Column D = (Column D (Previous year's fund balance) x (1+0.04)) - (Column B x 0.20) (20% of current year's decommissioning expenditures)

Column E = (Column E (Previous year's fund balance) x (1+0.04)) - (Column B x 0.10) (10% of current year's decommissioning expenditures)