

Detroit
Edison

Wayne H. Jens
Vice President
Nuclear Operations

Fermi-2
6400 North Dixie Highway
Newport, Michigan 48166
(313) 586-4150

December 4, 1984
EF2-72026

Mr. Jerome Saltzman,
Assistant Director
State and Licensee Relations
Office of State Programs
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Saltzman:

Reference: Fermi 2
NRC Docket No. 50-341

Subject: Price-Anderson Act
Guarantee of Retrospective Premiums

Enclosed for your review is a copy of Detroit Edison's cash flow statement to meet the requirements of 10 CFR 140.21. The statement was prepared in accordance with Regulatory Guide 9.4 and outlines the Company's financial obligation, as detailed under the Secondary Financial Protection of the Price-Anderson Act.

We will await the results of your review and should you have any questions, please contact Mr. Keener Earle at (313) 586-4211.

Sincerely,

Wayne H. Jens

cc: Mr. P. M. Byron
Mr. M. D. Lynch

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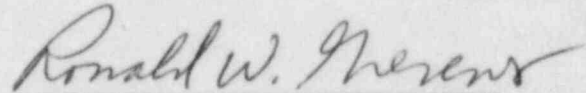
Mr. Jerome Saltzman
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EF2-72026
Page 2

bcc: Approval Control
F. E. Agosti
L. P. Bregni
W. F. Colbert
J. P. Cooper
O. K. Earle
R. W. Gresens
W. R. Holland
W. H. Jens
J. W. Johnson, Jr.
R. S. Lenart
L. L. Loomans
P. A. Marquardt
T. D. Phillips
M. S. Rager
L. J. Simpkin
G. M. Trahey
R. A. Vance
NRR Chron File
Secretary's Office (2412 WCB)
O. K. Earle (Bethesda Office)

CERTIFICATE

I, Ronald W. Gresens, Controller and Chief Accounting Officer of The Detroit Edison Company ("Company"), do hereby certify that the 1983 Actual financial data shown on the Company's 1984 Internal Cash Flow Projection is derived from the Company's consolidated financial statements for the year ended December 31, 1983 and that the 1984 Projection is the latest projection of the Company for the year ended December 31, 1984. The financial data is that of the Company only and does not include that of Wolverine Power Supply Cooperative, Inc. ("Cooperative"), a joint owner of Fermi-2. Under the ownership agreement, for Fermi-2, the percentage ownership interests of the Company and the Cooperative in Fermi-2 will change over time with the Company's interest increasing and the Cooperative's interest decreasing. The current ownership interests for the Company and the Cooperative are 80% and 20%, respectively.

Dated: November 28, 1984



Ronald W. Gresens, Controller
The Detroit Edison Company

THE DETROIT EDISON COMPANY

1984 Internal Cash Flow Projection
For Fermi-2 Nuclear Power Station
(Thousands of Dollars)

| | <u>1983</u> <u>Actual</u> | <u>1984</u> <u>Projection</u> |
|---|------------------------------|----------------------------------|
| Net Income After Taxes | \$ 364,622 | \$ 397,864 |
| Less: Dividends | (306,073) | (332,328) |
| Retained Earnings | <u>\$ 58,549</u> | <u>\$ 65,536</u> |
| Adjustments: | | |
| Depreciation | \$ 171,940 | \$ 190,640 |
| Amortization of Property Losses | 10,449 | 12,231 |
| Deferred Income Taxes and Investment Tax Credits | 135,603 | 130,971 |
| Allowance for Funds Used During Construction | (287,152) | (293,819) |
| Total Adjustments | <u>\$ 30,840</u> | <u>\$ 40,023</u> |
| Internal Cash Flow | <u>\$ 89,389</u> | <u>\$ 105,559</u> |
| Average Quarterly Cash Flow | <u>\$ 22,347</u> | <u>\$ 26,390</u> |
| Percentage Ownership in All Operating Nuclear Units | | 0 (a) |
| Maximum Total Contingent Liability | | 0 (a) |

(a) Fermi-2 is Detroit Edison's only nuclear unit and as of November 28, 1984 is not operating. The estimated earliest commercial operation date for Fermi-2 is June 1985.