

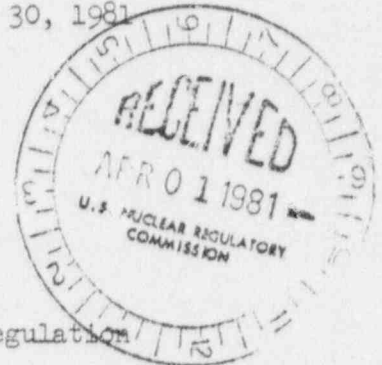


OHIO EDISON COMPANY

76 SOUTH MAIN STREET, AKRON, OHIO 44308 • 216-384-5840

LYNN FIRESTONE
SENIOR VICE PRESIDENT

March 30, 1981



U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Attention: Mr. Jerome Saltzman, Assistant Director
State and Licensing Relations
Office of State Programs, Nuclear Reactor Regulation

Subject: Docket No. 50-334 - Beaver Valley Power Station Unit No. 1

Gentlemen:

Pursuant to our election of alternative No. 5, regarding the Price-Anderson Act retrospective premium system guarantee requirements, and the applicable requirement for annual submittals pertaining to the requirements, you will find enclosed:

1. A copy of our 1980 Annual Report to Stockholders which includes financial statements certified by our independent public accountants;
2. A copy of our earnings statement for the quarter ended December 31, 1980;
3. A one-year internal cash flow projection for 1981, and the actual cash flow for 1980. This statement indicated that \$3.5 million, our portion of the \$10 million retrospective premiums for the unit in question, would be available for the payment of such premiums.

With respect to item number 4 of Alternative No. 5, please be advised that the cash flow projection indicates that no capital expenditure curtailment would have to take place in order to make the retrospective premium available for payment.

Because Ohio Edison is currently paying an indemnity fee which is greater than \$1,000, it is our understanding that payment of the \$1,000 minimum annual indemnity fee is not necessary, as the guarantee of payment of deferred premiums for its operating reactors.

Very truly yours,

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OHIO EDISON COMPANY
Income Statement For 3 Months Ended December 31, 1980
(Dollars in Thousands)

Operating Revenues	\$ 233,565
Operation and Maintenance Expenses	\$ 157,983
Provision for Depreciation	19,543
Taxes - General	18,504
- Federal Income	7,530
- State Income	225
- Federal and State Income Taxes Deferred - Net	5,131
- Investment Tax Credit - Net	(4,886)
Operating Income	<u>\$ 29,535</u>
Other Income and Deductions:	
Allowance for Other Funds Used During Construction	\$ 12,754
Income Taxes - Credit	10,089
Miscellaneous, Less Applicable Income Taxes - Net	4,398
Total	<u>\$ 27,241</u>
Total Income	<u>\$ 56,776</u>
Interest and Other Charges:	
Interest on Long-Term Debt	\$ 40,940
Amortization of Debt Discount, Prem. and Exp. - Net	163
Other Interest Expense	3,100
- Credit	(17,592)
Net Income (Before Preferred Stock Dividend Requirements)	<u>\$ 30,165</u>
Preferred Stock Dividend Requirements	<u>\$ 8,393</u>
Net Income for Common Stock	<u><u>\$ 21,772</u></u>
Shares of Common Stock Outstanding - Average During Period	68,145,327

OHIO EDISON COMPANY

1981 Internal Cash Flow Projection
For Beaver Valley Power Station Unit No. 1
(Dollars in Thousands)

	Prior Year Actual Total	Projection Year Total
Net Income After Taxes	\$ 100,645	\$ 145,678
Less: Dividends Paid	118,137	125,167
Retained Earnings	\$ (17,492)	\$ 20,511
Adjustments:		
Depreciation and Amortization	\$ 72,435	\$ 80,717
Deferred Income Taxes and Investment Tax Credits	\$ 14,027	\$ 32,504
Allowance For Funds Used During Construction	(51,962)	(60,854)
Total Adjustments	\$ 34,500	\$ 52,367
Internal Cash Flow	\$ 17,008	\$ 72,878
Average Quarterly Cash Flow	\$ 4,252	\$ 18,220
Percentage Ownership in Nuclear Unit		35%
Maximum Total Contingent Liability		\$3,500