



**Consumers
Power**

**POWERING
MICHIGAN'S PROGRESS**

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August 22, 1990

Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT -
DECOMMISSIONING FUNDING REPORT PAGE OMISSION

By letter dated July 26, 1990, Consumers Power Company submitted the Palisades Plant Decommissioning Funding Report in accordance with 10CFR50.33(k) and 50.75. During the processing of that report, two pages were inadvertently omitted from the submitted version. The missing pages are pages 25 and 26 of Attachment A to Exhibit E of the report. They are the last two pages of Attachment A which is the "Consumers Power Company 1990 Report on the Adequacy of the Existing Annual Provision for Nuclear Plant Decommissioning". This letter transmits the missing pages. Please contact us if there are any questions. This subject has been discussed with the Palisades Plant Project Manager.

J Daniel Eddy
Plant Licensing Engineer

CC Administrator, Region III, USNRC
NRC Resident Inspector - Palisades

Attachment

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ATTACHMENT

Consumers Power Company
Palisades Plant
Docket 50-255

DECOMMISSIONING FUNDING REPORT
MISSING PAGES

August 22, 1990

2 Pages

OC0890-0395A-NL02

8. ADMINISTRATIVE AND INCIDENTAL EXPENSES OF THE FUNDS

Each of the Trust Agreements, dated as of January 1, 1987, between Consumers Power Company and National Bank of Detroit states as follows in Article 6:

"All taxes of any kind that may be assessed or levied against or in respect of each Trust, including income taxes borne by the Company, if any, associated with income and transactions of each Trust, and all brokerage commissions incurred by each Trust shall be paid from the Assets of such Trust. All other reasonable expenses of administration, such as (but not limited to) the expenses incurred by the Trustee in connection with the administration of the Trusts, including fees and expenses of agents or attorneys employed by the Trustee (whether or not arising out of a judicial or administrative proceeding and whether or not incurred while it is acting as Trustee), such compensation to the Trustee as may be agreed upon from time to time between the Trustee and the Company on a basis no less favorable to the Company than that which the Trustee generally affords to like customers for like services, and all other proper charges and disbursements of the Trustee, shall be paid from the Assets."

Table 8.1 shows the annual trustee fees that have been incurred and taxes paid by each trust since January 1, 1987, the date the trusts were first established.

The trust funds are currently invested in Municipal Bonds and the interest income is not subject to Federal Income Tax. However, the out-of-state interest income of the trust funds is subject to the Michigan Single Business Tax. Also, any gains or losses on the sale of municipal bonds are subject to both Federal Income Tax and the Michigan Single Business Tax.

Table 8.1. Annual trustee fees and taxes incurred by each trust.

	Trustee Fees	Taxes Paid
Big Rock Section 468A Trust		
1987	565.49	
1988	3,245.62	
1989	6,347.06	1,665.00
Big Rock Non-Section 468A Trust		
1987	724.00	
1988	6,293.80	
1989	9,167.56	
Palisades Section 468A Trust		
1987	912.49	
1988	6,462.58	
1989	12,248.78	4,382.00
Palisades Non-Section 468A Trust		
1987	1,510.72	
1988	8,106.76	
1989	10,157.83	