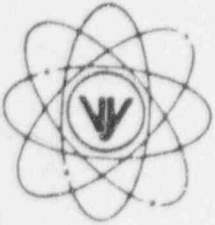


# VERMONT YANKEE NUCLEAR POWER CORPORATION



Ferry Road, Brattleboro, VT 05301-7002

BVY # 96-149  
November 22, 1996

(802) 257-5271

United States Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Washington, DC 20555

References: (a) License No. DPR-28 (Docket No. 50-271)  
(b) 10CFR, Section 140.21

Subject: Vermont Yankee 10CFR 140.21 Submittal:  
Licensee Guarantees of Payment of Deferred Premiums

In accordance with the requirements of 10CFR 140.21(e), enclosed herewith are the annual cashflow statements for Vermont Yankee and each of Vermont Yankee's nine sponsor companies for the year 1995. This information is submitted as evidence that Vermont Yankee maintains an approved guarantee of payment should a \$10 million retrospective premium be assessed under the Price-Anderson Act.

Under the Power Contracts between Vermont Yankee and its nine sponsor companies, Vermont Yankee would bill retrospective premium assessments to its sponsors as part of the monthly Power Contract Billing. As such, the "Cost of Purchased Power" as expressed in the enclosed sponsor financial information has been adjusted to reflect the effect of including the maximum annual retrospective premium obligation for each sponsor company. Purchased power costs are paid for by our nine sponsor companies out of operating revenues rather than net income or sponsor financing and, as such, we suggest that each sponsor shown on the enclosed table has operating revenues which are more than adequate to pay all purchased power costs including the pro-rated minimum premium assessment.

Should you have any questions or require further information regarding this matter, please contact this office.

Very truly yours,

Bruce W. Wiggett  
Vice President, Finance and Treasurer

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Enclosure

cc: USNRC Region I Administrator  
USNRC Resident Inspector - VYNPC  
USNRC Project Manager

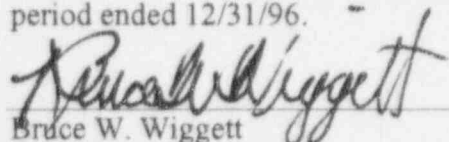
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VERMONT YANKEE NUCLEAR POWER CORPORATION  
1996 ESTIMATED CASHFLOW

(dollars in 000's)

	Sept 30, 1996 actual (9 mos)	Dec 31, 1996 estimate (3 mos)	TOTAL estimate (12 mos)
<b>Cashflow from Operating Activities:</b>			
Net Income	5,035	1,685	6,720
Depreciation and Amortization	10,963	4,093	15,056
Fuel Amortization	11,575	4,673	16,248
Decommissioning Expense	9,522	3,227	12,749
Nuclear Fuel Disposal Fee Interest	3,531	1,700	5,231
Disposal Fee Defeasance Fund Earnings	(2,929)	(1,743)	(4,672)
Income Tax Deferred & ITC	(7,917)	(2,639)	(10,555)
Interest and Taxes Payable	1,066	0	1,066
Other Sources/Uses	12,361	0	12,361
Pro-Forma Power Cost Assessment Under Power Contracts for Retrospective Premiums Payable by Sponsors per 10 CFR, Section 140.21	0	10,000	10,000
<b>Sub-Total from Operating Activities</b>	<b>43,207</b>	<b>20,996</b>	<b>64,204</b>
<b>Cash Flows from Investing Activities:</b>			
Electric Plant Additions(incl'd removal costs)	(12,140)	(5,251)	(17,391)
Nuclear Fuel Additions	(21,427)	0	(21,427)
Payments to Decommissioning Fund	(9,679)	(3,226)	(12,905)
Payments to DOE Defeasance Fund	(8,000)	0	(8,000)
Other	0	0	0
Pro-Forma Retrospective Premium	0	(10,000)	(10,000)
<b>Sub-Total from Investing Activities</b>	<b>(51,245)</b>	<b>(18,478)</b>	<b>(69,723)</b>
<b>Cashflow from External Financing:</b>			
Payments of Long-Term Obligations	(19,857)	0	(19,857)
Borrowing under Long-Term Agreements	19,857	0	19,857
Changes in Short-Term Borrowing	0	0	0
Common Stock Dividends Paid	(4,309)	(1,820)	(6,129)
Other Financing Costs	0	0	0
<b>Sub-Total from Financing Activities</b>	<b>(4,309)</b>	<b>(1,820)</b>	<b>(6,129)</b>
<b>Net Change in Cash &amp; Equivalents</b>	<b>(12,347)</b>	<b>699</b>	<b>(11,649)</b>
Cash and Cash Equivalents at beginning of period	14,002	1,654	14,002
Cash and Cash Equivalents at end of period	1,654	2,353	2,353

I hereby certify that I am Vice President, Finance and Treasurer of Vermont Yankee Nuclear Power Corporation and that this statement fairly represents the estimated cashflow of the Company for the period ended 12/31/96.



Bruce W. Wiggett

Vice President, Finance and Treasurer

**VERMONT YANKEE NUCLEAR POWER CORPORATION**  
**1996 OPERATIONAL AND CASH FLOW - VERMONT YANKEE SPONSORS (ADJUSTED)**  
(DOLLARS IN THOUSANDS)

	CENTRAL VT PUBLIC SERVICE CORPORATION	GREEN MOUNTAIN POWER CORP.	NEW ENGLAND POWER COMPANY	CONNECTICUT LIGHT & POWER COMPANY	CENTRAL MAINE POWER COMPANY	PUBLIC SERVICE CO OF NEW HAMPSHIRE	WESTERN MASS ELECTRIC CO.	MONTAUP ELECTRIC COMPANY	CAMBRIDGE ELECTRIC LIGHT COMPANY
<b>OPERATIONAL INFORMATION</b>									
OPERATING REVENUES	288,312	178,412			895,101			343,832	118,909
OPERATING EXPENSES									
OPERATIONS:									
COST OF PURCHASED POWER *	157,091	97,897			94,202			128,287	65,632
OTHER OPERATIONS	72,558	25,596			123,144			141,590	33,242
FUEL	0	0			354,903			0	0
OTHER OPERATING EXPENSES (MAINT, TAXES, DEPREC)	40,223	41,040			233,649			40,442	13,656
TOTAL OPERATING EXPENSES	269,872	164,533			805,898			310,319	112,530
OTHER INCOME AND DEDUCTIONS (INC INTEREST EXPENSE)	(3,396)	(3,814)			(32,938)			(17,425)	(3,369)
NET INCOME	15,044	10,065			56,265			16,088	3,010
<b>INTERNAL FUNDS INFORMATION</b>									
NET INCOME	15,044	10,065	(10,716)	(37,669)	56,265	69,226	(2,583)	16,088	3,010
DEPRECIATION AND AMORTIZATION	18,144	16,276	105,000	274,302	47,563	101,179	50,520	20,904	4,344
DEFERRED INCOME TAXES AND ITC - NET	2,393	1,305	10,000	(51,881)	(3,038)	78,494	(4,978)	4,699	64
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	(214)	(606)	0	(2,365)	(1,187)	(1,174)	(725)	(854)	(28)
DEFERRED RETURN ASSOCIATED W/MILLSTONE 3 PHASE IN				(215)		0	0	0	0
DIVIDENDS	(11,719)	(11,251)	0	(153,305)	(38,623)	(65,250)	(21,089)	(18,555)	(3,017)
OTHER INTERNAL SOURCES - NET	1,849	(5,921)	25,000	83,047	41,750	(46,257)	1,279	2,342	(1,848)
TOTAL INTERNAL FUNDS/CASH FLOW	25,497	9,868	129,284	111,914	102,730	136,218	22,424	24,624	2,525
OTHER SOURCES - NET	0	(25,396)	0	0	0	0	0	0	(67)
EXTERNAL FINANCING - NET	1,250	13,890	(55,000)	0	(42,746)	0	0	0	2,600
TOTAL FUNDS FROM ALL SOURCES	26,747	(1,638)	74,284	111,914	59,984	136,218	22,424	24,624	5,058
<b>AVERAGE QUARTERLY CASH FLOW:</b>									
INTERNAL FUNDS	6,374	2,467	32,321	27,979	25,683	34,055	5,606	6,156	631
ALL SOURCES	6,687	(410)	18,571	27,979	14,996	34,055	5,606	6,156	1,265
<b>PERCENTAGE OF NUCLEAR OPERATING PLANTS OWNED:</b>									
VERMONT YANKEE	35.00%	20.00%	20.00%	9.50%	4.00%	4.00%	2.50%	2.50%	2.50%
OTHER OPERATING PLANTS	7.50%	0.00%	87.16%	290.10%	56.00%	19.80%	69.70%	19.90%	10.50%
TOTAL PERCENTAGE	42.50%	20.00%	107.16%	299.60%	60.00%	23.80%	72.20%	22.40%	13.00%
MAXIMUM PREMIUM ASSESSMENT	4,250	2,000	10,716	29,960	6,000	2,380	7,220	2,240	1,300

\* UNDER VERMONT YANKEE'S POWER CONTRACTS WITH ITS SPONSOR COMPANIES, VERMONT YANKEE WOULD BILL SPONSORS THE RETROSPECTIVE PREMIUM ASSESSMENT AS PART OF THE MONTHLY POWER CONTRACT BILLINGS. AS SUCH THE \*COST OF PURCHASED POWER\* HAS BEEN ADJUSTED TO REFLECT THE EFFECT OF INCLUDING THE MAXIMUM ANNUAL PREMIUM ASSESSMENT FOR EACH SPONSOR AS SHOWN ABOVE.