



Annual Report 2015



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Preface

Together with the Swedish Radiation Safety Authority (SSM) and the National Debt Office, the Nuclear Waste Fund plays an important role in ensuring that sufficient financial resources will be available for disposal of the spent nuclear fuel and decommissioning and dismantling of the nuclear power plants.

Since the start in 1996, the Nuclear Waste Fund has achieved a good return on the managed capital. The foremost reason for this is that the trend in bond rates has been sharply falling, at the same time as the Fund has invested in bonds with a relatively long remaining maturity. Falling interest rates mean that the value of such a bond portfolio increases, which results in a higher return due to revaluation gains on the bond holdings.

Market rates have now reached such a low level that a continued fall in interest rates cannot reasonably be expected. Instead, bond rates can be expected to rise. This would lead to revaluation losses on the bond holdings and further downward pressure on the Fund's return. The nominal return during 2015 was -0.5 percent, which is 6.6 percentage points lower than the average during the period 1996 – 2015. Over the past five years, the average return has been 4.6 percent, which can be regarded as a good result.

The changed market situation has made it increasingly urgent that the Fund be allowed to invest in more asset classes than at present. One possibility in the short term is to permit investments in other types of bonds than is now permitted, in particular corporate bonds and foreign bonds. It is the judgement of the Nuclear Waste Fund that this could be done with a very moderate increase in the total risk level in the

investments and in the financing system as a whole. Such a change can be accomplished by a change in the Financing Ordinance, which is the province of the Government and does not require the approval of the Riksdag.

During 2013, SSM, in consultation with the Nuclear Waste Fund and the National Debt Office, submitted a report to the Government with proposals for changes in the financing system based on a holistic view of the system. The Ministry of the Environment has referred the proposal for consideration and comment. It is urgent that all actors in the system should be notified as soon as possible of what rules and criteria will govern these activities in the future, not least in view of decisions on early shutdown of certain reactors and continued discussion concerning early decommissioning of others.

It is particularly urgent for the Nuclear Waste Fund to know what future investment rules can be expected. The Fund has repeatedly brought it to the Government's attention that the Fund's expected return will in all probability be low for the next few years due to the low interest rate level.

Within the bounds of the current legislation, the Nuclear Waste Fund took steps during 2014 to reduce the total risk in the financing system. In keeping with this decision, the average maturity in the Fund's fixed-interest investments was extended. Even though the long-term purpose of this extension was to reduce the total risk in the financing system, the short-term consequence was that the Fund was able to take advantage of the falling market rates during the year, resulting in a very good return.

Stockholm, February 2016

Daniel Barr
Chairman

Presentation of results

Regulatory framework

The activities of the Nuclear Waste Fund are governed by the provisions of:

- the Act (2006:647) on Financial Measures for the Management of Residual Products from Nuclear Activities (the Financing Act) and the Act (1988:1597) on the Financing of the Management of Certain Radioactive Waste etc. (the Studsvik Act),
- the Ordinance (2008:715) on Financial Measures for the Management of Waste Products from Nuclear Activities (the Financing Ordinance) and the Ordinance (1988:1598) on the Financing of the Management of Certain Radioactive Waste etc. (the Studsvik Ordinance), and
- the Ordinance (2007:1055) with Terms of Reference for the Nuclear Waste Fund

Tasks

According to the above acts and ordinances, the main task of the Nuclear Waste Fund is to

- manage Fund assets
- receive fee payments
- arrange disbursements on request from the Swedish Radiation Safety Authority (SSM)
- keep SSM informed of the size of the funds that have been set aside for the costs of each reactor owner and every other licensee.

According to the Ordinance with Terms of Reference for the Nuclear Waste Fund, Kammarkollegiet performs administrative services for the Fund under a contract between the Fund and the Agency.

Under the contract, Kammarkollegiet is also responsible for capital management within the framework determined by the Board of Governors.

The Fund has no employed staff.

Performances and costs

The Nuclear Waste Fund's most important performance is the return that is earned on the Fund's capital. This result is presented in the section headed "Return" below.

The Government has approved compensation from the Nuclear Waste Fund (budget) for the Fund's management costs.

The following table shows the Government-approved budget and the outcome for the past three years.

Table 1: Fund management costs

(SEK thousand)	2015	2014	2013
Government-approved budget	11,420	11,470	11,070
Outcome	11,419	11,217	10,920
- of which remuneration to Kammarkollegiet	10,620	10,620	10,170

Total fund management costs amounted to 0.019 percent of the market value of the managed capital at the end of 2015, consisting of 0.012 percentage points for asset management and 0.007 percentage points for administration.

Capital management

Goal

The Financing Ordinance (Section 19) states that the assets in the Nuclear Waste Fund shall be managed to ensure a good return and satisfactory liquidity. No more specific goals have been set by the state.

In its investment policy, the Board of the Nuclear Waste Fund has formulated its long-term goal for real return in the following manner:

"The goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital.

"By 'real return' is meant the nominal return less inflation, measured as the percentage change of the consumer price index during the measurement period."

Investment restrictions

The Financing Ordinance (Section 19) also states that the Nuclear Waste Fund's assets shall be deposited in an interest-bearing account at the National Debt Office, in treasury bills issued by the state or in covered bonds.

This means that investments are restricted to the following options:

- Sight deposits in accounts at the National Debt Office, with nominal return based on the repo rate.
- Short-term deposits at a fixed interest rate at the National Debt Office with an investment period that can vary between one month and one year.
- Investments on the market in treasury bills, fixed-income bonds or index-linked bonds issued by the National Debt Office.
- Investments on the market in debt instruments issued in accordance with the Covered Bonds Issuance Act (2003:1223).

Covered bonds are mortgage-backed bonds issued by housing finance institutions that are secured by a specially identified pool of assets consisting as a rule of mortgages which the institution has taken in as collateral for its own lending.

The Studsvik Act (Section 3) states that the fees under that Act shall be transferred to the Nuclear Waste Fund and that the rules in the Financing Act shall be applied to their management.

Investment policy

The Board of Governors has established an investment policy for the Nuclear Waste Fund. The investment policy must be reviewed at least once a year.

The purpose of the policy is to provide rules for the investment of the Fund's assets. The policy sets the goal for rate of return while defining the division of responsibilities between the Fund's Board of Governors and Kammarkollegiet. The policy stipulates how different risks are controlled and limited and how the results of fund management are to be reported.

Active management

The Nuclear Waste Fund's assets are managed actively. This means that the investments deviate from the mix of securities that constitute the index for the purpose of achieving a higher return than that achieved by passive management (index management). Passive management entails that the investments mirror the components of the index as closely as possible.

The basis for active management is the standard portfolio, which conforms to the Board of Governors' decision regarding the distribution between index-linked and fixed-income investments. Active man-

agement is exercised by virtue of the fact that Kammarkollegiet is allowed to deviate from the standard portfolio within certain limits. Further, active management is exercised by Kammarkollegiet's decisions regarding the distribution between a) investments for which the National Debt Office is responsible and b) covered bonds within the risk limits set by the Board of Governors, and regarding the duration of the investments within the risk limits set by the Board of Governors. Finally, active management is exercised by the purchase and sale of individual securities and by repurchase transactions (repos).

Repurchase transactions (repos)

According to the investment strategy, the Nuclear Waste Fund may participate in the market for repurchase transactions (repos) for treasury bills and bonds (including index-linked bonds). A repo entails that the Fund sells treasury bills or bonds to a counterparty under an agreement to repurchase equivalent treasury bills or bonds at a later date at a certain agreed-upon price. Similarly, in the case of a reverse repo, the Fund purchases securities under an agreement on future resale at an agreed-upon price.

The purpose of repos is to achieve a higher return. According to the investment strategy, it is permitted to sell one or more securities under a repurchase agreement and deposit the proceeds in a sight deposit account in the National Debt Office or invest them on the repo market, provided that the reverse repo relates to a security that is permitted for investments.

Repo trading made a positive contribution to the Fund's return in 2015 as well.

Return

The nominal and real returns achieved during the past five years are shown in the following table.

Table 2: Nominal and real return, inflation (%)

Year	Nominal return ^{b)}	Inflation ^{b)}	Real return
2011	9.37	2.30	7.07
2012	4.60	-0.10	4.70
2013	-0.57	0.10	-0.67
2014	10.69	-0.30	10.99
2015	-0.52	0.10	-0.62
Average per year^{III)}	4.61	0.42	4.19

The nominal returns achieved for the standard portfolio in relation to the comparison index during the past five years are shown in the following table.

Table 3: Nominal and active return, comparison index (%)

Year	Nominal return ¹⁾	Comparison index ²⁾	Active return ³⁾
2011	9.37	9.70	-0.33
2012	4.60	2.50	2.10
2013	-0.57	-1.36	0.79
2014	10.69	10.72	-0.03
2015	-0.52	0.39	-0.91
Average per year⁴⁾	4.61	4.27	0.34

¹⁾ The nominal return consists of the sum of realized and unrealized value changes in the investments plus interest received (including inflation compensation on index-linked investments).

²⁾ The percentage change in the consumer price index reported by SCB for the past 12 months is used as a measure of the rate of inflation.

³⁾ Calculated as the geometric mean of the annual values.

⁴⁾ 30% OMRX REAL and 70% OMRX BOND from 1 Jan. 2011 until 31 Dec. 2013.

30% OMRX REAL and 70% OMRX TBOND from 1 Jan. 2014.

^{v)} Return above comparison index.

As is evident from Table 2, the nominal return in 2015 amounted to -0.52 percent. Inflation was 0.10 percent. The real return was thereby -0.62 percent. As an annual average, the real return over the past five-year period amounted to 4.19 percent.

As is evident from Table 3, the active return in 2015 amounted to 0.91 percent and during the past five-year period to an average of 0.34 percent per annum.

The goal set by the Board for active return was an average of 0.25 percent per annum during rolling five-year periods up until 2013. Starting in 2014, the goal for active return is an average of 0.50 percent per annum during rolling five-year periods. The average goal for active return during the five-year period 2011 – 2015 is thereby 0.35 percent.

The goal for active return during the five-year period has thus been met except for 0.01 percentage point.

Liquidity planning

The Financing Ordinance (Section 19) states that the Nuclear Waste Fund shall be managed to ensure satisfactory liquidity.

Due to the restrictions that apply to the investment

activities, the overall liquidity risk in the investments is very low. Treasury bills and fixed-income treasury bonds normally have very good liquidity on the fixed-income market. Covered bonds have lower liquidity, but under normal market conditions their liquidity is nearly as good as that of fixed-income treasury bonds. The market for index-linked bonds is less liquid, however, and it therefore takes longer to cash them in.

Liquidity planning is done so that the Fund’s cash on hand is always sufficient to meet planned disbursements.

Summary assessment

The low interest rate level in 2015 impacted the Nuclear Waste Fund’s return. Furthermore, rising market rates have led to revaluation losses on the bond holdings. A bond is valued by discounting all future cash flows generated by a bond (coupon rates and principal payments) to their present value using the current market rate as the discount rate. Higher market rates thus lower the market value of a bond.

The nominal return during 2015 was 0.91 percentage point lower than the comparison index. The negative active return in 2015 is mainly due to the fact that the Fund had an overweight in covered mortgage bonds. The interest rate differential between covered mortgage bonds and treasury bonds has increased during the year, and the higher return in mortgage bonds has not compensated for the negative effect of this differential.

The goal for active return during the past five-year period has virtually been achieved.

All in all, the Board judges that the management result for the five-year period is good, particularly considering the investment restrictions imposed on the Fund.

As mentioned previously, the goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital. The real return (i.e. the nominal return less inflation) was 4.19 percent per annum on average during the past five-year period.

Payments to the Fund

According to its terms of reference, the Fund shall receive the fees that are paid under the Financing Act and the Studsvik Act. The fees for reactor owners are

calculated in relation to the energy that is delivered and are determined annually by the Government based on a recommendation by SSM.¹ The recommended fee is based on Svensk Kärnbränslehantering AB's and SSM's own cost calculations. A fixed amount in kronor is set for the nuclear power plant in Barsebäck, which is no longer in operation. SSM has also set a fixed fee for five other fee-liable licensees. Fees paid in from other fee-liable licensees in accordance with Table 6 below correspond to the set fixed fees. The variable fees were as follows (öre/kWh):

Table 4: Fees

(öre/kWh)	2015	2014	2013
Forsmarks Kraftgrupp AB	3.9	2.1	2.1
OKG AB (Oskarshamn)	4.1	2.0	2.0
Ringhals AB	4.2	2.4	2.4
Studsvik Act	0.3	0.3	0.3

The following table shows how much energy was delivered.

Table 5: Electricity delivered

TWh (=1,000,000,000 kWh)	2015	2014	2013
Forsmarks Kraftgrupp AB	21.1	25.3	25.2
OKG AB (Oskarshamn)	12.1	12.3	11.7
Ringhals AB	21.1	24.6	26.7
Total	54.3	62.2	63.6

The Fund has received the following amounts.

Table 6: Fees paid in

(SEK thousand)	2015	2014	2013
Acc. to Financing Act	3,303,743	2,264,429	2,283,069
Forsmarks Kraftgrupp AB	823,978	531,824	530,162
OKG AB (Oskarshamn)	498,001	245,771	234,307
Ringhals AB	885,181	590,250	640,739
Barsebäck Kraft AB	1,042,000	842,000	842,000
Chalmers TH AB	78	78	14
Westinghouse Electric AB	3,687	3,687	3,490
Vattenfall AB (Ågesta)	49,354	49,354	31,281
Ranstad Mineral AB	81	81	183
Studsvik Nuclear AB	1,383	1,383	893
Acc. to Studsvik Act	163,021	186,622	195,356
Total	3,466,764	2,451,051	2,478,425

Disbursements from the Fund

The Nuclear Waste Fund disburses money from the Fund. But it is SSM that examines and decides how and to what extent Fund assets may be used to pay the costs reactor owners and other fee-liable licensees are expected to incur during a given future time period.²

SSM also examines to what extent Fund assets should be used to reimburse a municipality for information costs under the Financing Act. Such reimbursement may not exceed SEK 10 million per municipality and 12-month period for municipalities where a facility for final disposal of spent nuclear fuel is planned or being built.

SSM also examines questions regarding to what extent Fund assets should be used for support to non-profit organizations under the Financing Act. Such support may be provided in an amount not in excess of SEK 2.5 million per organization and calendar year and in a total amount not in excess of SEK 3.5 million per calendar year.

The Government decides on disbursement of money from the Fund to state authorities to cover certain costs for research and development, supervision, case management, asset management etc. as stipulated in the Financing Act.

Disbursements have been made from the Fund in the following amounts.

Table 7: Disbursements

(SEK thousand)	2015	2014	2013
Forsmarks Kraftgrupp AB	428,405	345,686	439,472
OKG AB (Oskarshamn)	312,270	252,242	319,345
Ringhals AB	443,904	351,403	451,195
Barsebäck Kraft AB	232,274	168,226	221,570
Vattenfall AB (Ågesta)	4,308	3,871	2,091
Westinghouse	4,200	0	0
Acc. to Studsvik Act	229,171	150,369	125,118
State authorities	63,577	52,249	61,667
Municipalities	6,121	11,637	12,701
Non-profit organizations	3,470	3,324	3,49
Total	1,727,700	1,339,008	1,636,652

More detailed information on disbursements is provided in Note 7 to the Income Statement.

² Under the Ordinance (2008:715) on Financial Measures for the Management of Waste Products from Nuclear Activities.

Change in the Fund

The fair value (market value) of the Nuclear Waste Fund increased in 2015 by SEK 1,384,166 thousand to SEK 59,284,240 thousand.

The change consisted of the following components.

Table 8: Change in the Fund

(SEK thousand)	2015	2014	2013
Fees paid in	3,466,764	2,451,051	2,478,425
Financial income	1,723,788	1,684,175	1,388,319
Financial expenses	-867	-668	-31,203
Unrealized change in value ³	-2,065,934	3,778,890	-1,639,010
Disbursement of reimbursements/subsidies	-1,727,700	-1,339,008	-1,636,652
Operating expenses	-11,419	-11,217	-10,920
Total	1,384,166	6,563,224	548,960

Distribution among fee-liable licensees

According to the Fund's terms of reference, the annual accounts shall be prepared in such a manner that they shows how large a proportion of the Fund's assets accrues to each reactor owner and every other fee-liable licensee.

The Fund has decided to use the same method as that employed for mutual funds to keep track of each reactor owner's and other fee-liable licensee's share in the Fund. In brief, this method entails the following:

- A nominal share value was calculated at the start and each fee-liable licensee was allotted the number of shares that corresponded to the fee-liable licensee's balance at the time the new management rules were adopted.
- The market value (balance) of the Fund is determined daily. The market value of the Fund's assets is divided by the number of outstanding shares to obtain the current share value.
- Fee payments and disbursements relating to a fee-liable licensee are made in the form of "purchases/redemptions" of shares at the current share value. When a fee payment is made, the fee-liable licensee's number of shares increases, and when a disbursement is made it decreases.
- The market value of each fee-liable licensee's stake

³ Unrealized change in value is included in financial expenses and income in the Income Statement.

in the Fund is calculated by multiplying the current number of shares held by the reactor owner by the current share value. The distribution of the Fund among the fee-liable licensees is calculated by dividing the number of shares held by a given reactor owner by the total number of outstanding shares.

- The rate of return for a given period is calculated by measuring the change in the share value during the period.

The distribution of the fair value (market value) of the Fund among the fee-liable licensees at the end of each year was as follows.

Table 9: Fair value of the Fund per fee-liable licensee

(SEK thousand)	2015	2014	2013
Acc. to Financing Act	58,064,147	56,394,012	50,005,575
Forsmarks			
Kraftgrupp AB	17,018,517	16,608,973	14,855,404
OKG AB (Oskarshamn)	12,115,332	11,967,716	10,839,909
Ringhals AB	18,589,948	18,259,842	16,298,448
Barsebäck Kraft AB	10,065,444	9,322,162	7,847,863
Chalmers TH AB	219	144	60
Westinghouse Electric AB	20,093	20,775	15,471
Vattenfall AB (Ågesta)	245,441	206,635	142,707
Ranstad Mineral AB	2,074	2,006	1,743
Studsvik Nuclear AB	7,079	5,757	3,969
Acc. to Studsvik Act	1,200,114	1,481,410	1,334,761
Undistributed ⁴	19,978	24,652	25,175
Total	59,284,240	57,900,074	51,365,512

The undistributed amount consists mainly of certain accrued revenue and costs for the fourth quarter of each year and the balance in the Fund's interest-bearing account for payments and disbursements.

During 2015, shortcomings were discovered in procedures for share redemption in conjunction with 28 disbursements during the period 2013 – 2015. As a result, the disbursements had not been charged to the right shareholder. The problem has been corrected and the procedures have been changed to avoid similar problems in the future.

Basis for calculating the fee

According to the Financing Ordinance (Section 46), the Fund shall furnish information annually to SSM concerning what fees have been received for the latest

⁴ The item includes adjustment of difference between market value and fair value as well as undistributed assets and liabilities at closing of accounts. See Note 13

calendar year, the Fund balance and the expected return on the Fund assets. The Fund has provided this information to SSM.

Guarantees

According to the Financing Act and the Financing Ordinance, the holder of a licence to own or operate a nuclear facility that gives or has given rise to residual products shall also provide guarantees. The reactor owner shall provide acceptable guarantees to the Nuclear Waste Fund corresponding to the financing and supplementary amounts determined by the Government. Other fee-liable licensees shall provide equivalent guarantees for the financing amount determined by SSM.

The financing and supplementary amounts determined by the Government and SSM for the reactor owners and other licensees are presented below.

The financing amount is intended to compensate for the current deficit in the Nuclear Waste Fund, assuming that no further nuclear waste fees are paid in. This deficit is calculated as the difference between the expected basic and extra costs and the funds that have been set aside for these costs at the time of the calculation.

The supplementary amount constitutes a guarantee for deficits that can arise as a result of unplanned events. The supplementary amount thereby takes into account possible additional basic costs, allowing for a suitable uncertainty interval around the expected outcome for the costs. This type of guarantee is determined by the Government and is pledged only by reactor owners.

The Government determines the size of the guarantees annually on the basis of a recommendation by SSM. The Government further decides which types of guarantees are acceptable, based on a pronouncement by the National Debt Office.

According to the Financing Ordinance, the guarantees shall be managed by the National Debt Office.

The Government has decided on the following financing and supplementary amounts for the reactor owners for 2015 – 2017⁵.

Table 10: Guarantee amounts per reactor owner

(SEK thousand)	Financing amount	Supplementary amount
Forsmarks Kraftgrupp AB	5,929,000	2,732,000
OKG AB	5,831,000	2,178,000
Ringhals AB	6,720,000	3,012,000
Total	18,480,000	7,922,000

All reactor owners have presented proposals for guarantees. The National Debt Office submitted a statement of opinion to the Government concerning the proposed guarantees, and the Government decided in 2015 to approve the proposals. The reactor owners then pledged guarantees in accordance with the financing and supplementary amounts decided on by the Government for the period 2015–2017.

SSM has decided on the following financing amounts for other fee-liable licensees for the period 2014–2016⁶. The period for Barsebäck Kraft AB is 2015–2017.

Table 11: Guarantee amounts per licensee

(SEK thousand)	Financing amounts	Guarantees
Chalmers University of Technology	1,622	1,622
Ranstad Mineral AB	237	237
Studsvik Nuclear AB	27,562	15,853
Vattenfall AB (Ågesta)	144,338	58,667
Westinghouse Electric Sweden AB	70,216	70,216
Barsebäck Kraft AB	3,049,000	3,049,000
Total	3,292,975	3,195,595

All five other licensees and Barsebäck Kraft AB have submitted proposals for guarantees to the National Debt Office. Three of the proposed guarantees have been approved by the National Debt Office and pledged by the licensees.⁷ A fourth guarantee has been approved by the Government and pledged by the licensee.⁸ The National Debt Office decided not to approve one of the proposed guarantees⁹. This decision has been appealed, and the Government has not yet made a decision in the matter. The National Debt Office opted to refer judgement on one of the proposed guarantees to the Government.¹⁰ The Government has not yet made a decision in this matter.

⁶ Decision by SSM on 19/6 2014 and 15/1 2015

⁷ Chalmers Tekniska högskola AB, Ranstad Mineral AB and Westinghouse Electric Sweden AB.

⁸ Barsebäck Kraft AB.

⁹ 8/12 2015, dnr 2015/777, Studsvik Nuclear AB

¹⁰ Vattenfall AB (Ågesta)

⁵ Government decision I:15, 18/12 2014, M2014/2227/Ke

The National Debt Office holds guarantees in accordance with decisions for the period 2011–2013 for the two licensees that have not been approved. These guarantees are lower than those decided on for the period 2014–2016, as is evident from Table 11.

Investigation proposals

In October 2011, the Government commissioned SSM to conduct, in consultation with the National Debt Office, a review of the Financing Ordinance. The review was supposed to cover questions relating to calculation of fees and the need for risk provisions.

In December 2011, the Government further commissioned SSM to conduct, in consultation with the National Debt Office, a review of the Financing Act, including relevant parts of the Financing Ordinance. The review was supposed to cover questions relating to guarantees as well as a broadening of the Nuclear Waste Fund's investment rules, particularly with respect to effects on the risk incurred by the state, fee levels and the need for guarantees.

During 2012 and 2013, the Nuclear Waste Fund has participated actively in SSM's investigation via its representation in the project's steering group and working group.

The investigation was concluded with a report to the Government in early June 2013. The report was referred for consideration and comment together with a memorandum on regulatory responsibility in the financing system prepared by the Ministry of the Environment. The Government has not yet arrived at a standpoint regarding the proposals in the report and the memorandum.

In a communication to the Government in June 2015, the Nuclear Waste Fund brought the attention of the Government to the fact that the Fund's expected return will in all probability be low for the next few years as a consequence of the low interest rate level. The Fund contended that the changed market situation had made it more urgent that the Fund be permitted to invest in more asset classes than at present.

In a communication to the Government in January 2016, the Nuclear Waste Fund submitted proposals for changes in the Financing Ordinance. The proposal entailed that the Nuclear Waste Fund be allowed to invest the Fund's assets in other interest-bearing financial instruments than those issued by the National

Debt Office or issued in accordance with the Covered Bonds Issuance Act (2003:1223). It should also be possible to invest in mutual funds or foreign funds that have limited their investment policy to investments permitted for the Nuclear Waste Fund.

Income statement

(SEK thousand)	Note	2015	2014
Operating expenses			
Costs for personnel	1	-279	-324
Other running costs	2	-11,139	-10,893
Total		-11,419	-11,217
Result of operations		-11,419	-11,217
Transfers			
Other funds obtained for financing of subsidies	3	3,466,764	2,451,051
Financial income	4	1,723,322	5,463,065
Financial expenses	5	-2,066,801	-668
Provision to reserves for transfer purposes	6	-1,384,166	-6,563,224
Subsidies paid	7	-1,727,700	-1,339,008
Balance		11,419	11,217
Change in capital for the year		0	0

Balance sheet

(SEK thousand)	Note	31/12 2015	31/12 2014
ASSETS			
Long-term investments			
Other securities held as non-current assets	8	55,453,472	54,028,264
Total		55,453,472	54,028,264
Receivables			
Receivables from other government agencies		3	1
Other receivables	9	0	3,050
Total		3	3,051
Accruals and deferrals			
Prepaid expenses	10	28	9,806
Accrued income	11	1,734,963	1,329,544
Total		1,734,991	1,339,350
Cash and bank balances			
Balance in interest-bearing account at National Debt Office		29,234	32,917
Other balances at National Debt Office	12	2,195,889	2,510,079
Cash and bank balances		27	2
Total		2,225,150	2,542,998
Total assets		59,413,616	57,913,663
CAPITAL AND LIABILITIES			
Reserves			
Nuclear Waste Fund	13	59,284,240	57,900,074
Total		59,284,240	57,900,074
Liabilities etc.			
Liabilities to other government agencies	14	1,237	0
Trade payables	15	3	9,779
Other liabilities	16	125,401	0
Total		126,641	9,779
Accruals and deferrals			
Accrued expenses	17	2,735	3,810
Total		2,735	3,810
Total capital and liabilities		59,413,616	57,913,663

Cash flow statement

(SEK thousand)	Note	2015	2014
Operations			
Expenses		-11 419	-11 217
Increase in current receivables		-2	6
Increase in current liabilities		0	-42
Cash flow to operations		-11 421	-11 254
Investments			
Investments in financial assets		-14 710 039	-20 264 580
Total investment expenditures		-14 710 039	-20 264 580
Financing of investments			
Sale of non-current assets		10,849,137	12,425,095
Return (excl. unrealized gains and losses)		2,192,875	2,131,921
Total funds provided for financing of investments		13,042,013	14,557,015
Change in current receivables and liabilities	18		28,315
10,449			
Cash flow to investments		-1,639,712	-5,697,116
Transfer activities			
Subsidies paid		-1,727,700	-1,339,008
Change in current receivables from fee-liable licensee		-405,778	-35,953
Disbursements in transfer activities		-2,133,479	-1,374,961
Financing of transfer activities			
Other funds obtained for financing of subsidies		3,466,764	2,451,051
Total funds provided for financing of transfer activities		3,466,764	2,451,051
Cash flow from transfer activities		1,333,285	1,076,090
Change in cash and cash equivalents		317,847	-4,632,280
Specification of change in cash and cash equivalents			
Cash and cash equivalents at start of year		2,542,998	7,175,277
Increase in cash and bank balances		26	-11
Decrease in balance with National Debt Office		-317,873	-4,632,269
Total change in cash and cash equivalents		-317,847	-4,623,280
Cash and cash equivalents at year-end		2,225,150	2,542,998

Additional disclosures and notes

Amounts in thousands of kronor unless otherwise stated. Summation differences may occur due to rounding-off.

Additional disclosures

Accounting policies

The authority's accounts comply with generally accepted accounting principles and the annual accounts have been prepared in accordance with the Ordinance (2000:605) on Annual Accounts and Budgets as well as the Swedish National Financial Management Authority's guidelines (ESV 1998:7) on accounting for funds and provisions in government agencies.

In the case of deposits in interest-bearing accounts, accrued interest is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet.

In the case of fixed-income coupon investments, accrued interest is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet.

Index-linked investments are revalued annually as described below.

- In the case of index-linked coupon investments, accrued interest including inflation compensation on the coupon rate is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet. Accrued inflation compensation on invested capital is recognized as interest income in the Income Statement and as revaluation of the carrying amount in the Balance Sheet.

Net accounting is applied for repurchase transactions (repos), given that there is a contractual right to offset the transactions and the intention and the intention is to settle the repos simultaneously.

Valuation principles

In view of the long time horizon in the investment strategy, all investments with a maturity longer than one year are recognized as non-current assets. The securities held as non-current assets are regarded as a unit (portfolio) and measured collectively when tested for impairment pursuant to Chap. 5, Sec. 5 of the Ordinance on Annual Accounts and Budgets. As from 2015, financial instruments that are primarily held to generate return or increases in value shall, according to Chap. 5 Sec. 13 of the Ordinance on Annual Accounts and Budgets, be measured at fair value, which affects the items "Other securities held as non-current assets", "Other accrued revenue", "Nuclear Waste Fund" and "Other liabilities" in the Balance Sheet, as well as "Financial income" and "Provision to reserves for transfer purposes" in the Income Statement. Accordingly, the comparison figures for 2014 have been adjusted as follows (amounts in SEK thousand):

• "Financial income" and "Provision to reserves for transfer purposes"	+ 3,778,890
• "Other securities held as non-current assets"	+ 5,332,555
• "Other receivables"	+ 3,050
• "Other accrued revenue"	- 595,910
• "Nuclear Waste Fund"	+ 4,743,378
• "Other liabilities"	- 3,683

Remuneration and other benefits
Board members and other Board assignments

(SEK thousand)	Remuneration
Daniel Barr, Chairman	
- No other Board assignments	68
Lena Johansson, Vice Chairman	
- Svenska ICC Service AB	
- National Veterinary Institute (SVA)	29
Sara Bergström	
- Vinnova's programme council for financial market research	24
Malin Björkmo (from 1 Jan. 2016)	
- Handelsbanken Fonder AB	
- Björkum Advisors AB	
- Eggum Invest AB	-
Malin Dahlroth (from 1 Jan. 2016)	
- Sydkraft AB	
- Sydkraft Thermal Power AB	
- Sydkraft Nuclear Power AB	
- Sydkraft Hydropower AB	
- Sydkraft Försäkring AB	
- Kalmar Energi Holding AB	-
Göran Finnveden (until 31 Dec. 2015)	
- No other Board assignments	21
Johan Gyllenhoff	
- Försäkringsbolaget Vattenfall Insurance	
- Vattenfall Reinsurance S.A	24
Thomas Hahn	
- Sveaskog AB	21
Christer Malmgren (until 31 Dec. 2015)	
- No other Board assignments	24
Total fees	211

Notes

(SEK thousand)

	2015	2014
Note 1		
Costs for personnel		
Fees	-210	-231
Other personnel costs	-69	-93
Total personnel costs	-279	-324
Note 2		
Other operating expenses		
Services, intrastate	-10,998	-10,759
Other operating expenses	-141	-134
Total operating expenses	-11,139	-10,893
Note 3		
Other funds obtained for financing of subsidies		
Fee acc. to Financing Act		
Forsmarks Kraftgrupp AB	823,978	531,824
OKG AB (Oskarshamn)	498,001	245,771
Ringhals AB	885,181	590,250
Barsebäck Kraft AB	1,042,000	842,000
Chalmers University of Technology	78	78
Westinghouse Electric Sweden AB	3,687	3,687
Vattenfall AB (Ågesta)	49,354	49,354
Ranstad Mineral AB	81	81
Studsvik Nuclear AB	1,383	1,383
Total fee acc. to Financing Act	3,303,743	2,264,429
Fee acc. to Studsvik Act	163,021	186,622
Total other funds obtained etc.	3,466,764	2,451,051

Fees are paid by the reactor owners in relation to the energy delivered. Fee per reactor owner and energy delivered is shown by Tables 4 and 5 in the presentation of results. Other fee-liable licensees pay a fixed fee determined by SSM.

Note 4		
Financial income		
<i>Interest income on investments etc.</i>		
Interest-bearing account for payments and disbursements	-130	119
Sight deposit account	-6,121	11,823
Fixed-income investments	1,268,723	1,265,019
Index-linked investments	-132,310	-193,511
Repo transactions	29,013	27,515
SEB corporate account	0	2
Total	1,159,175	1,110,966

Cont'd. Note 4	2015	2014
Capital gains	564,147	573,210
Unrealized change in value	0	3,778,890
Total financial income	1,723,322	5,463,065
<hr/>		
Note 5	Financial expenses	
Interest expenses	0	-1
National Debt office, account charges	-37	-38
SE-Banken, custody account charge	-517	-397
Total interest expenses	-554	-437
Capital losses	-314	-231
Unrealized change in value	-2,065,934	0
Total financial expenses	-2,066,801	-668
<hr/>		
Note 6	Provision to reserves for transfer purposes	
Costs for personnel	-279	-324
Other operating expenses	-11,139	-10,893
Other funds obtained for financing of subsidies	3,466,764	2,451,051
Financial income	1,723,322	5,463,065
Financial expenses	-2,066,801	-668
Subsidies paid	-1,727,700	-1,339,008
Total provision to reserves	1,384,166	6,563,224
Provision to Nuclear Waste Fund	-1,384,166	-6,563,224
Balance	0	0
<hr/>		
Comparison figures for 2014 are adjusted by SEK 3,778,890 thousand, which corresponds to the unrealized change in value on securities.		
<hr/>		
Note 7	Subsidies paid	
Reimbursement to reactor owners etc.		
Forsmarks Kraftgrupp AB	-428,405	-345,686
OKG AB (Oskarshamn)	-312,270	-252,242
Ringhals AB	-443,904	-351,403
Barsebäck Kraft AB	-232,274	-168,226
Vattenfall AB (Ågesta)	-4,308	-3,871
Westinghouse	-4,200	0
Total acc. to Financing Act	-1,425,361	-1,121,428
Acc. to Studsvik Act	-229,171	-150,369
Total reimbursement to reactor owners etc.	-1,654,532	-1,271,797
 Others subsidies paid		
<i>Support to NGOs</i>		
Swedish Environmental Movement's		
Nuclear Waste Secretariat	-925	-925
Swedish Renewable Energies Association	-150	-150
Swedish NGO Office for Nuclear Waste Review	-2,395	-2,249
Total	-3,470	-3,324

Cont'd. Note 7	2015	2014
<i>Reimbursement to municipalities</i>		
Oskarshamn Municipality	-2,577	-2,658
Östhammar Municipality	-5,349	-6,814
Regional Council in Uppsala County	-1,350	-1,560
Regional Council in Kalmar County	-503	-895
Total	-9,779	-11,927
<i>Reimbursement to other government agencies</i>		
Uppsala County Administrative Board	-256	-320
Swedish Radiation Safety Authority	-58,399	-44,727
National Debt Office	-846	-2,400
Government Offices/Swedish National Council for Nuclear Waste	-4,274	-4,919
Total	-63,775	-52,366
<i>Reversal</i>		
Regional Council in Uppsala County	272	289
County Administrative Board in Uppsala County	198	117
Östhammar Municipality	3,386	0
Total	3,856	406
Total other subsidies paid	-73,168	-67,211
Total subsidies paid	-1,727,700	-1,339,008

Note 8 **Other securities held as non-current assets**

Fixed-income investments	Coupon rate	Market rate	Nominal value	Fair value⁵
Treasury bonds				
SO1059	1.00	1.25	1,538,000	1,501,201
SO1057	1.50	0.82	1,540,000	1,623,096
SO1056	2.25	1.76	370,000	400,585
SO1058	2.50	0.99	428,000	492,510
SO1053	3.50	2.09	3,005,000	3,855,776
SO1051	3.75	-0.45	1,020,000	1,104,349
SO1052	4.25	-0.15	140,000	164,520
Total treasury bonds			8,041,000	9,142,035
Covered bonds				
CAIO 2006	1.81	2.49	100,000	94,278
CAIO1582	2.50	0.74	860,000	921,364
CAIO1580	3.00	0.12	100,000	108,713
CAIO1581	3.00	0.42	1,110,000	1,195,522
CAIO1583	4.25	1.07	2,787,000	3,234,661
CAIO1586	4.50	1.83	3,662,000	4,320,446
CAIO1579	6.00	-0.11	410,000	459,885

Cont'd. covered bonds

Fixed-income investments	Coupon rate	Market rate	Nominal value	Fair value⁵
Landshypotek 240829	2.20	2.28	300,000	300,337
Landshypotek 180427	2.63	0.29	930,000	996,643
Landshypotek 171130	2.80	0.16	870,000	915,974
Landshypotek 231113	3.20	2.11	1,100,000	1,190,517
Landshypotek 390330	3.50	3.47	100,000	103,087
Landshypotek Bank 200617	0.63	1.19	200,000	195,798
LF Hypotek 514	1.75	1.61	307,000	310,968
LF Hypotek 515	2.25	1.91	450,000	462,392
LF Hypotek 511	2.50	0.24	150,000	160,343
LF Hypotek 358	3.10	2.11	400,000	429,995
LF Hypotek 507	4.50	-0.10	310,000	338,394
NBO 5531	1.00	1.70	775,000	748,610
NBO5529	2.00	0.22	760,000	801,371
NBO5530	2.25	0.65	260,000	277,326
NBO5521	3.25	1.07	3,065,000	3,408,015
NBO5703	3.46	2.57	150,000	163,453
NBO571	3.00	0.22	320,000	346,999
SEB572	3.00	0.65	200,000	219,251
SEB311020	3.38	3.06	300,000	313,639
SEB578	4.25	2.07	117,000	135,898
SEB594	4.50	3.18	193,000	237,536
SPIO 360922	3.13	3.34	396,000	386,744
SPIO187	3.75	0.31	250,000	275,865
SPIO188	3.75	0.65	200,000	225,175
SPIO180	5.70	1.03	3,310,000	4,086,791
Covered bonds 200617	2.00	1.14	170,000	178,145
Covered bonds 260901	2.30	2.63	500,000	488,606
Covered bonds 311027	3.15	3.11	875,000	884,076
Covered bonds 231113	3.20	2.09	1,000,000	1,083,788
Covered bonds 190918	4.00	0.77	140,000	158,088
Total covered bonds			27,127,000	30,158,693
Index-linked investments				
SO3108	0.25	-0.71	2,200,000	2,365,012
SO3107	0.50	-0.95	1,562,000	1,658,768
SO3104	3.50	-0.19	2,810,000	5,119,170
SO3102	4.00	-1.00	2,198,000	3,541,795
Inflation Linked Bond 3110	0.13	-1.21	932,000	978,775
Inflation Linked Bond 3111	0.13	0.10	393,000	399,113
Inflation Linked Bond 3109	1.00	-0.50	1,815,000	2,090,112
Total index-linked investments			11,910,000	16,152,744

Cont'd. Note 8

Total other securities held as non-current assets 31/12 2015	47,078,000	55,453,472
- Of which accrued interest		558,330
- Of which unrealized change in value		2,808,952
<i>Total other securities held as non-current assets 31/12 2014</i>	<i>44,416,000</i>	<i>54,028,264</i>
- Of which accrued interest		595,910
- Of which unrealized change in value		4,736,645

The fair value includes interest accrued up to the accounting date. Index-linked investments include inflation compensation.

Note 9	Other receivables	31/12 2015	31/12 2014
	Receivable repos	0	33,761,241
	Liability repos	0	-33,764,924
	Unrealized change in value repos	0	6,733
	Total prepaid expenses	0	3,050

Comparison figures for 2014 are adjusted by SEK 6,733 thousand, which corresponds to the unrealized change in value on repos.

Note 10	Prepaid expenses		
	Sitevision	28	28
	Östhammar Municipality	0	5,349
	Oskarshamn Municipality	0	2,577
	Regional Council in Kalmar County	0	503
	Regional Council in Uppsala County	0	1,350
	Total prepaid expenses	28	9,806

Note 11	Other accrued revenue		
	<i>Accrued fees from fee-liable licensees</i>		
	Forsmarks Kraftgrupp AB	186,636	151,389
	OKG AB (Oskarshamn)	135,906	78,479
	Ringhals AB	270,352	148,707
	Barsebäck Kraft AB	1,042,000	842,000
	Acc. to Studsvik Act	43,612	51,987
	Vattenfall AB (Ågesta)	49,354	49,354
	Studsvik Nuclear AB	1,383	1,383
	Westinghouse Electric AB	3,687	3,687
	Ranstad Mineral AB	81	81
	Chalmers TH AB	78	78
	Total	1,733,089	1,327,146

The fees are paid by the fee-liable licensees quarterly in arrears, within one month of the end of the quarter.

The accrued fees pertain to the fourth quarter of the year in question.

Cont'd. Note 11	31/12 2015	31/12 2014
<i>Accrued interest income on investments</i>		
Repos	1,886	2,398
National Debt Office	-12	0
Total	1,874	2,398
Total other accrued revenue	1,734,963	1,329,544

Comparison figures for 2014 are adjusted by SEK -595,910 thousand, which corresponds to accrued interest income on fixed-income and index-linked investments.

Note 12	Other balances at National Debt Office		
	National Debt Office sight deposit account	2,195,889	2,326,359
	National Debt Office sight deposit account repos	0	183,720
	Total other balances at National Debt Office	2,195,889	2,510,079

Note 13	Nuclear Waste Fund		
	Fair value at year-end	59,284,240	57,900,074

2015
Number of shares

Of which acc. to Financing Act

Forsmarks Kraftgrupp AB

Value of Fund shares	51,160,790.72	16,831,880	16,457,584
Accrued fees		186,636	151,389

OKG AB (Oskarshamn)

Value of Fund shares	36,411,672.48	11,979,426	11,889,238
Accrued fees		135,906	78,479

Ringhals AB

Value of Fund shares	55,682,726.56	18,319,596	18,111,135
Accrued fees		270,352	148,707

Barsebäck Kraft AB

Value of Fund shares	27,426,912.89	9,023,444	8,480,162
Accrued fees		1,042,000	842,000

Chalmers TH AB

Value of Fund shares	429.57	141	66
Accrued fees		78	78

Westinghouse Electric AB

Value of Fund shares	49,867.15	16,406	17,088
Accrued fees		3,687	3,687

Vattenfall AB (Ågesta)

Value of Fund shares	596,010.01	196,087	157,281
Accrued fees		49,354	49,354

Ranstad Mineral AB

Value of Fund shares	6,057.00	1,993	1,925
Accrued fees		81	81

Studsvik Nuclear AB

Value of Fund shares	17,314.12	5,696	4,374
Accrued fees		1,383	1,383

Total acc. to Financing Act	171,351,780.50	58,064,147	56,394,012
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Cont'd. Note 13	<i>2015</i>		
	<i>Number of shares</i>	31/12 2015	31/12 2014
Of which acc. to Studsvik Act			
Value of Fund shares	3,515,209.64	1,156,503	1,429,423
Accrued fees		43,612	51,987
Total Acc. to Studsvik Act	3,515,209.64	1,200,114	1,481,410
Total market value		59,264,261	57,875,422
Adjustment of difference between market value and fair value		-5,286	4,323
Undistributed assets and liabilities at closing of accounts		25,265	20,329
Total fair value	174,866,990.14	59,284,240	57,900,074

The value of Fund shares is based on the market value of the Fund's non-current assets, sight deposits and accrued interest income on such investments. Accrued fees will be invested in new shares when payments are remitted to the Fund. The undistributed amount consists mainly of certain accrued revenue and costs for the fourth quarter of each year and the balance in the Fund's interest-bearing account for payments and disbursements. Share value at 31 December 2015 (SEK thousand): 329.00 is measured in accordance with the market valuation principle (Handels NAV, Net Asset Value).

The fair value for 31 Dec. 2015 includes accumulated unrealized change in value of long-term investments including repos in the amount of SEK 2,677,444 thousand. The comparison value for 31 Dec. 2014 includes accumulated unrealized change in value of long-term investments including repos in the amount of SEK 4,743,378 thousand.

Note 14	Liabilities to other government agencies	31/12 2015	31/12 2014
	National Audit Office	39	0
	Swedish National Tax Board	38	0
	Swedish National Council for Nuclear Waste	1,160	0
	Total liabilities to other government agencies	1,237	0

Note 15	Trade payables		
	Östhammar Municipality	0	5,349
	Oskarshamn Municipality	0	2,577
	Regional Council in Uppsala County	0	1,350
	Regional Council in Kalmar County	0	503
	Other trade payables	3	0
	Total trade payables	3	9,779

Note 16	Other liabilities		
	Receivable repos	-5,190,142	0
	Liability repos	5,184,035	0
	Unrealized change in value repos	131,508	0
	Total other liabilities	125,401	0

	31/12 2015	31/12 2014
Note 17		
Accrued expenses		
Government Offices/Swedish National Council for Nuclear Waste	0	1,068
National Audit Office	80	50
Kammarkollegiet	2,655	2,655
National Tax Board (social security contributions)	0	34
Others accrued expenses	0	4
Total accrued expenses	2,735	3,810

Cash Flow Statement

Note 18 Changes in current receivables and liabilities (investing activities)

Pertains to change in current receivables and liabilities on repos and change of interest accrued during the year on securities held.

Signatures

The Nuclear Waste Fund's 2015 annual accounts were adopted at a Board meeting on 17 February 2016.

We certify that the annual accounts give a true and fair view of the results of operations and of costs, revenue and the financial position of the authority.

Daniel Barr
Chairman

Lena Johansson
Vice Chairman

Sara Bergström

Malin Björkmo

Johan Gyllenhoff

Thomas Hahn

Malin Dahlroth

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