The way energy works.™

Nine Mile Point Nuclear Station

Annual Performance Assessment Meeting

April 28, 2005

Constellation Energy®

Overview

- Constellation Energy
- Nuclear Operations
- Nuclear Security
- NMP Road to Excellence
- 2004 Performance Highlights
- 2005 Initiatives
  - Equipment Reliability
- Community Support

Introductions

- Mike Heffley, Sr. Vice President & CNO
- John Hosmer, Vice President, Engineering
- Jim Spina, Site Vice President
- Tim O'Connor, Plant General Manager

CGG Nuclear Operations

Mike Heffley
Sr. VP and CNO

- John Hosmer, VP – Nuclear Technical Services
- Eric Sopkin, Manager - Quality Performance
- George Vanderheyden, VP - CCNPP
- Jack Kramer, General Manager – Fleet Production Operations
- Jim Spina, VP - NMP
- Shawn Hughes, Manager – Project Management
- Maria Korsnick, VP - Ginna
- Gary Detter, Manager – Security & Emergency Preparedness

Fleet Benefits

- Addition of R.E. Ginna Nuclear Power Plant near Rochester, NY in 2004
- Sharing knowledge and resources – formation of Peer Teams to work on specific areas such as outage improvements and Preventative Maintenance templates
- Improved practices and standardization
- Financial strength to support continuous improvements
- Committed to long and successful future for Nine Mile Point

Nuclear Security

- All 2004 NRC Industry Security Orders Implemented
- Constellation Energy nuclear industry leadership
  - Nuclear Energy Institute's Security Working Group
  - Nuclear Security Coordination Council

NMP Road to Excellence

Our Road to Excellence

NINE MILE POINT NUCLEAR STATION

Vision: Nine Mile Point Nuclear Station is a top-quartile performer with safe, event-free operations.

Guided by our strategic themes:

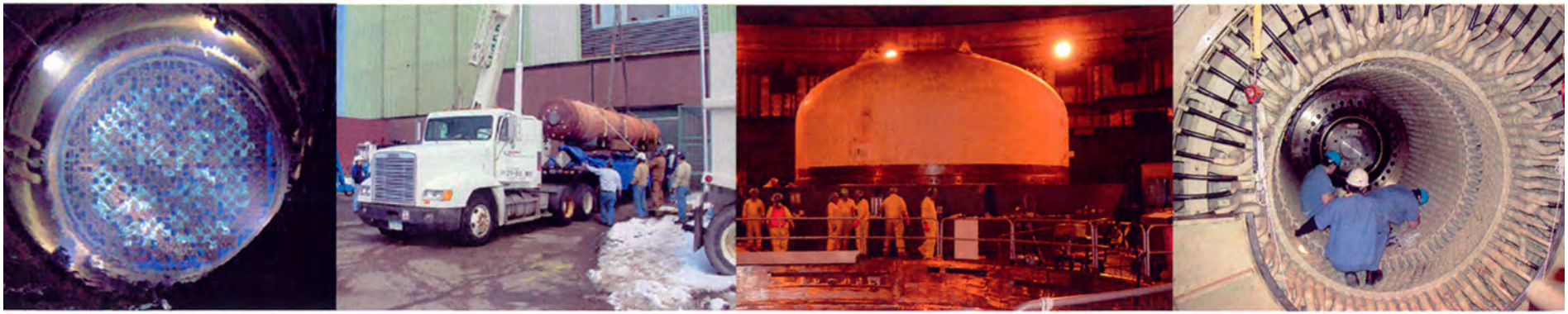
- Achieve Operational Excellence
- Improve Generation Reliability
- Improve Business Operations
- Develop People to Support Operational Excellence
- Establish Asset Management Strategy

2004 Highlights

- Three records broken in 2004:
  - Unit 1 achieved its best ever capacity factor of 92.6%
  - Unit 1 achieved highest net generation
  - Unit 2 achieved best post-outage run (currently at 368 days)
- NMP INPO Index Improvement

2004 Highlights

- Unit 2 Refuel Outage
  - Completed work to improve the plant's long-term efficiency and reliability.
  - Completed rewind of main generator, replacement of 19 control rod drive mechanisms, feedwater pump motor replacement and implemented equipment changes to reduce the possibility of automatic plant shutdowns.



2004 Highlights

- Achieved Industry Best Performance for Contaminated Square Footage
  - Typical Boiling Water Reactors have 5% or less contaminated floor space
  - Nine Mile Point achieved 1.9% and continues to reduce this number

2004 Highlights

- Recognized by the Institute of Nuclear Power Operations for employee engagement in safety
  - Nine Mile Point has employee-led Grass Roots Safety Committee that takes responsibility for implementing improvements in the industrial safety program and promoting a safe working environment.
- Our employees completed 3 million man hours of work without a lost time injury
- We have achieved top quartile performance as measured by the Industrial Safety Accident Rate.

Continuous Improvement Focus Areas

- Corrective Action Program
- Human Performance
- Equipment Reliability
- Work Management

Equipment Reliability

- In 2004 we invested $47 million in equipment reliability.
  - Developed System Performance Notebooks for 27 top-tier systems – detailed look at the system operability and any required upgrades/repairs.
  - Resolved several long-standing issues at both units.
- In 2005 we will invest $37 million in equipment reliability.
  - Developed four-year strategic plan for equipment reliability.

Equipment Reliability

Upgrades & Repairs in 2005 Refuel Outage

- Emergency AC Power: Replaced offsite power transformers to improve the reliability of our emergency AC power system.
- Drywell Dose Reduction: Performed a chemical decontamination and achieved reduction in dose by a factor of 10. In addition, a series of permanent drywell shielding structures were put in place to support dose reduction through the life of the plant.
- Replaced three low pressure turbine rotors.
- Replaced several control valves - turbine oil cooler temperature, (TBCLC), CRD flow control, shutdown cooling isolation and feedwater heater level

Community Support

Constellation Energy and the employees at Nine Mile Point continue to support the Central New York community through financial contributions and volunteer hours.

In 2004 provided more than $350,000 to valuable community organizations and events.

Conclusion

- Challenging and successful year
- Guided by our strategic themes we improved performance of our plants
- Will focus on continuous improvement