

**Constellation Energy**

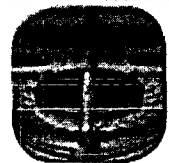
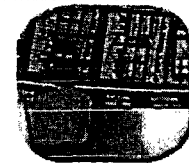
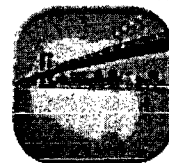
# NRC Drop-in Visit

August 31, 2006

Mayo Shattuck, CEO, Constellation Energy  
Michael Wallace, President, Constellation Generation Group

*CH*

The way energy **works.**





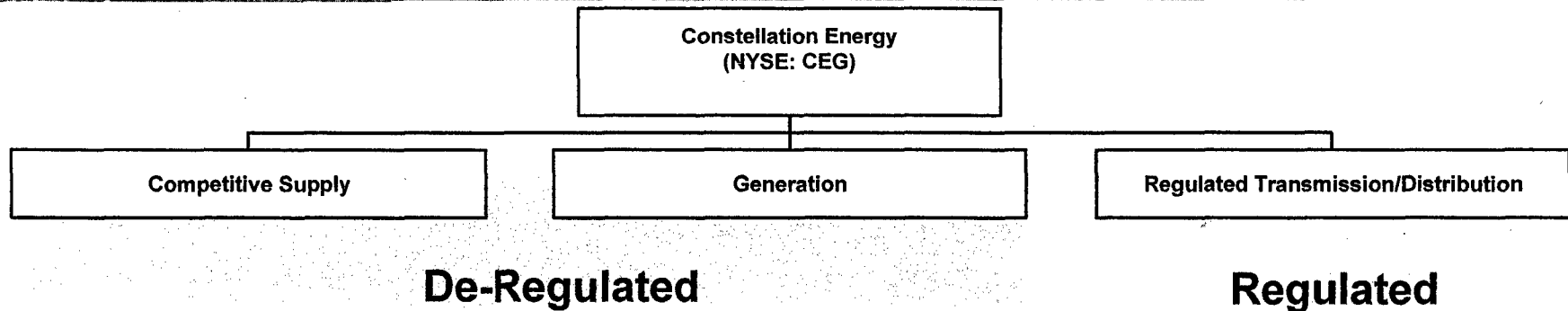
## Agenda

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- CEG/CGG Overview
  - Constellation nuclear plants
  - Regulatory and Licensing issues (existing plants)
- New Nuclear
  - UniStar Nuclear
  - Regulatory and Licensing issues (new plants)



# Constellation Energy: An Overview

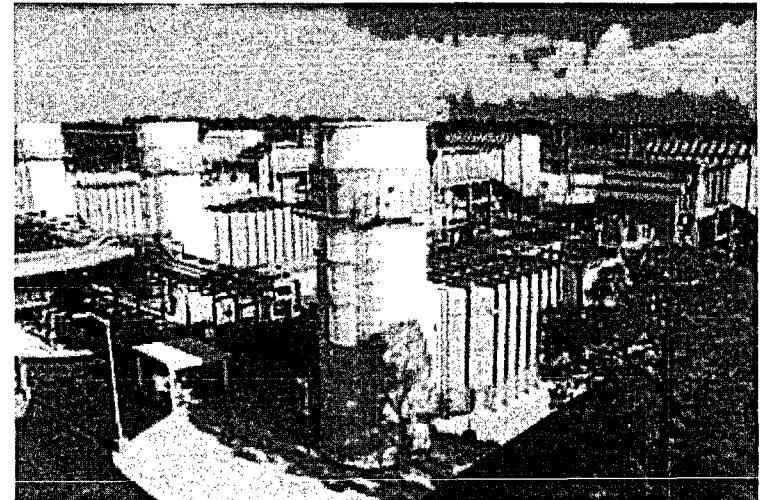


- **Innovative customer-centric business model focused on competitive energy marketplace**
- **Largest Wholesale Competitive Supplier of electricity in the U.S.**
- **Largest competitive supplier of electricity to large commercial and industrial customers in the U.S.**
- **Parent company of Baltimore Gas and Electric (BGE) - oldest gas utility in the U.S. (~186 years)**
- **8<sup>th</sup> largest nuclear power plant owner in the U.S. (3<sup>rd</sup> largest post-FPL merger)**



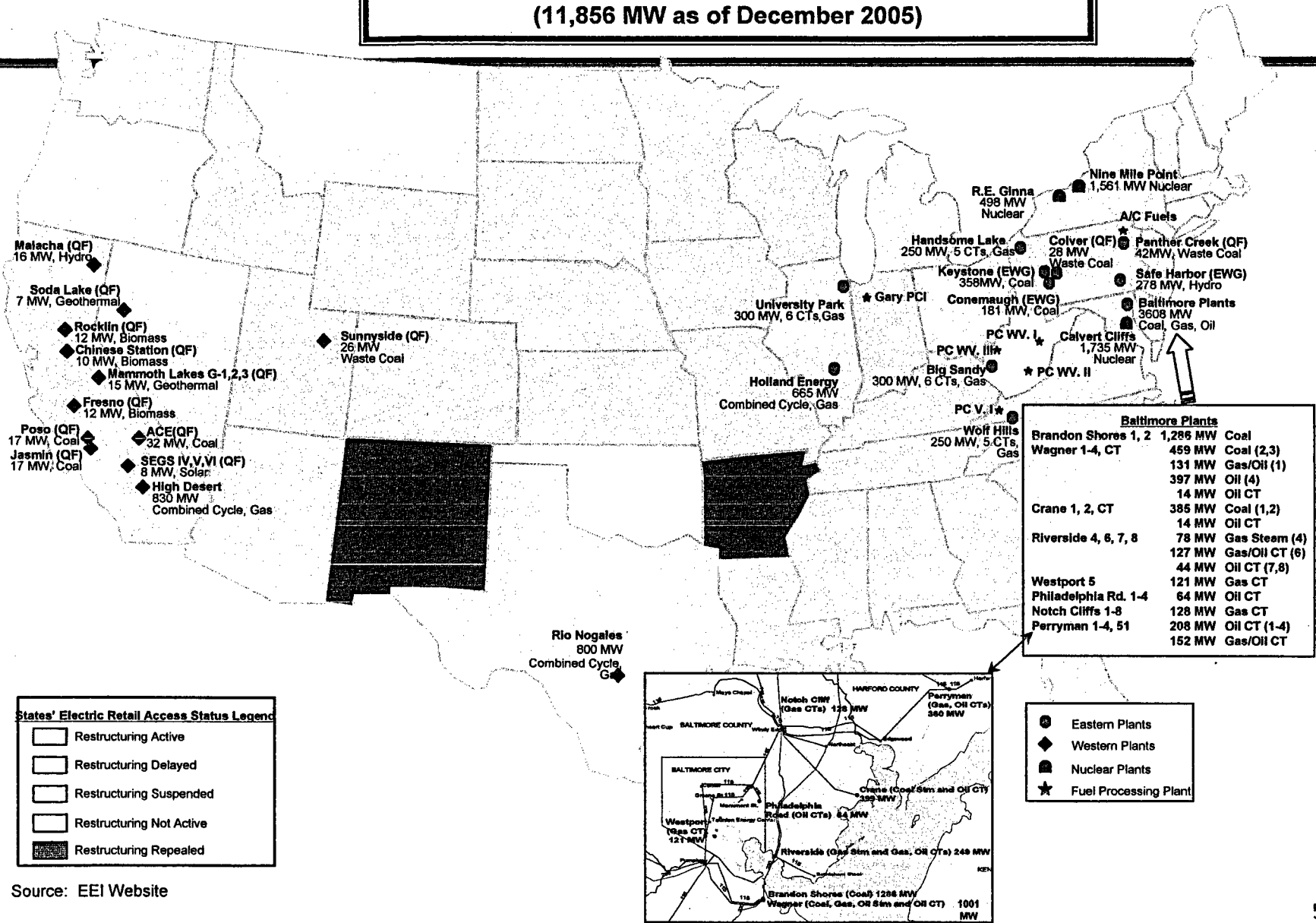
## Constellation Generation

- Diverse fuel mix totaling 11,856 megawatts
  - Nuclear, coal, oil, natural gas, waste coal, geothermal, biomass, solar, hydro, and municipal solid waste
- Expertise:
  - Nuclear power plants, natural gas steam plants, combustion turbines and QF/IPP facilities
- Strong at managing partnerships and operating partnership plants
- Fuel processing and management capabilities





Constellation Generation Group Asset Portfolio (11,856 MW as of December 2005)



Source: EEI Website



## Calvert Cliffs

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- ROP
  - Currently in Licensee Response Band
  - White Finding for 1A DG pending
- Component Design Basis Inspection
  - Completed 7/06 - 8/06
  - No findings
- Containment sump modification
  - U2 Spring '07; U1 Spring '08
  - Changed from active to passive design



## Calvert Cliffs

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- INPO
  - Rating
  - Index
    - Unit 1: 93.8%
    - Unit 2: 94.4%
  - Plant Evaluation scheduled Oct. '06
  - Technical Training Programs Accreditation Board scheduled Feb. '07



## Calvert Cliffs

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- Business Plan
  - Capacity Factor
    - Unit 1: 75.3%
    - Unit 2: 99.2%
  - Forced Loss Rate: 0.15%
  - RFO duration (Unit 1): 49 days
  - OSHA Recordable Rate: 0.19
  - Site staffing study implementation: target 821





## Nine Mile Point

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- ROP
  - Currently in Licensee Response Band
- Triennial Fire Inspection
  - Completed 6/06
  - No findings
- Component Design Basis Inspection
  - Scheduled 9/06 - 10/06
- License renewal on-track for Oct. '06 issuance
- Will need dry fuel storage project by 2011



## Nine Mile Point

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- INPO
  - Rating
  - Index
    - Unit 1: 84.9
    - Unit 2: 98.7
  - Plant Evaluation scheduled Oct.-Nov. '06
  - Technical Training Programs Accreditation Board scheduled Feb. '07



## Nine Mile Point

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- Business Plan
  - Capacity Factor
    - Unit 1: 97.2%
    - Unit 2: 83.3%
  - Forced Loss Rate: 1.41%
  - RFO duration (Unit 2): 25 days
  - OSHA Recordable Rate: 0.0
  - Site staffing study implementation: target 917
  - Successful negotiation of new 5 year contract with IBEW



## Ginna

- ROP
  - Currently in Licensee Response Band
- Triennial Fire Inspection
  - Completed 6/06
  - One finding of low significance (Green)
- Extended power uprate approved 7/06
- Containment sump modification
  - Extension request to Spring '08 submitted
  - Changed from active to passive design
- Will need dry fuel storage project by 2010



# Ginna

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- INPO
  - Rating
  - Index
    - 99.7
  - Operations & Engineering Programs Accreditation scheduled 1<sup>st</sup> quarter '07



# Ginna

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- Business Plan
  - Capacity Factor: 99.38%
  - Forced Loss Rate: 0%
  - RFO: scheduled start October 8
  - OSHA Recordable Rate: 0.36
  - Site staffing study implementation: at 426



# Regulatory Stability is Needed

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- Security
  - Focus on solid implementation of existing Orders
  - Leverage off DHS incident response
  - Focus on State relationships as 9/11 incumbents leave office
- Other areas
  - PWR Sump
  - Digital I&C



## New Nuclear: UniStar

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- **Constellation Energy and AREVA have formed UniStar Nuclear**
  - Deployment of at least 4 U.S. EPR's
  - Teamed with Bechtel as the architect, engineer and constructor of the fleet
- **Objective: Deploy a fleet of at least four identical U.S. EPRs through project companies**
  - Standardization of fleet yields efficiencies in project cost, licensing, and operations
  - Projects jointly developed with Constellation Energy
  - Constellation Energy and its partners will form “UniStar Nuclear Operating Company” to act as licensee and operator for the fleet
  - AREVA is Prime Contractor for project companies
  - Bechtel is AREVA's Constructor / Architect Engineer





## Regulatory Stability for New Nuclear is Critical

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- Keys to Success
  - Design Centered Approach
    - Facilitates maximum standardization
    - Allows effective utilization of resources
  - Minimize new rules and ensure timely
    - Provides regulatory certainty
    - Reduces burden on NRC staff
    - Minimizes COL application rework
  - Use of policy guidance with NRC Sr. Mgmt. oversight
    - Provides clear and expeditious review process