



10 CFR 50.80
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10 CFR 72.50

January 22, 2009

U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

ATTENTION: Document Control Desk

SUBJECT: **Calvert Cliffs Nuclear Power Plant**
Unit Nos. 1 & 2; Docket Nos. 50-317 & 50-318
Calvert Cliffs Independent Spent Fuel Storage Installation
Docket No. 72-8
Nine Mile Point Nuclear Station
Unit Nos. 1 & 2; Docket Nos. 50-220 & 50-410
R. E. Ginna Nuclear Power Plant
Docket Nos. 50-244

Application for an Order Approving License Transfers and Conforming License
Amendment Request

Pursuant to Section 184 of the Atomic Energy Act, as amended, and 10 CFR 50.80 and 72.50, Constellation Energy Nuclear Group, LLC (CENG) (on behalf of its subsidiary licensees Calvert Cliffs Nuclear Power Plant, Inc., Nine Mile Point Nuclear Station, LLC, and R. E. Ginna Nuclear Power Plant, LLC) and EDF Development Inc. (EDF Development) are submitting an application seeking the U.S. Nuclear Regulatory Commission's (NRC) consent to certain transfers of the following NRC licenses: (1) Calvert Cliffs Nuclear Power Plant, Unit Nos. 1 and 2, Operating Licenses DPR-53 and DPR-69; (2) Calvert Cliffs Independent Spent Fuel Storage Installation Facility, Materials License No. SNM-2505; (3) Nine Mile Point Nuclear Station, Unit Nos. 1 and 2, Operating Licenses DPR-63 and NPF-69; and (4) R. E. Ginna Nuclear Power Plant, Operating License DPR-18 (the Licenses). The license transfers would result from a proposed corporate restructuring that would be implemented in order to facilitate an investment by EDF Development whereby it would acquire a 49.99% ownership interest in CENG.

Pursuant to the proposed restructuring, CENG may continue in its current corporate form as a Maryland limited liability company, or may be involved in a reorganization (through merger or other transactions) whereby a new successor legal entity will emerge as a Maryland or Delaware limited liability company with the name of Constellation Energy Nuclear Group, LLC. In any event, CENG will emerge from the planned restructuring and proposed transaction as a successor "CENG" with the corporate governance structure described in the enclosed Application. In addition, the proposed restructuring would involve the

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elimination of Constellation Nuclear Power Plants, Inc. (the intermediate holding company over Nine Mile Point Nuclear Station, LLC, and R. E. Ginna Nuclear Power Plant, LLC) and the restructuring of Calvert Cliffs Nuclear Power Plant, Inc. into a limited liability company, thus making all licensed entities limited liability companies. In addition, we request NRC approval of the proposed conforming license amendments pursuant to 10 CFR 50.90 and 10 CFR 72.56 to reflect the transfer action and the name change of Calvert Cliffs Nuclear Power Plant, Inc. to Calvert Cliffs Nuclear Power Plant, LLC so that these amendments can be implemented upon the closing of the proposed transaction. The license amendment request is presented in Attachment (9). Attachment (10) contains the marked-up license pages.

Attachments (1) through (10) provide the basis for this request and required documentation.

On December 17, 2008, Constellation Energy Group, Inc. (CEG) and EDF Development announced a definitive investment agreement under which EDF Development will acquire a 49.99% ownership interest in CENG, which is the parent of the owners and operators of the licensed facilities that provides personnel and operational support to these licensed entities. EDF Development is a U.S. corporation organized under the laws of the State of Delaware and a wholly-owned subsidiary of E.D.F. International S.A. (EDFI), a société anonyme organized under the laws of France. Following the proposed transaction, CEG will hold a 50.01% ownership interest in CENG and will remain the controlling parent company of the licensee subsidiaries of CENG that are the licensed operators of the CENG nuclear facilities (the CENG Companies). No adverse change is proposed in the organization or alignment of the CENG Companies as a result of the proposed transaction and proposed restructuring. See Attachment (4) for Pre- and Post-Transaction Simplified Organizational Charts.

The information contained in this Application demonstrates that EDF Development's acquisition of a partial ownership interest in CENG will not result in CENG or the CENG Companies being owned, controlled, or dominated by an alien, foreign corporation, or foreign government within the meaning of Sections 103d or 104d of the Atomic Energy Act and the licensee eligibility requirements of 10 CFR 50.38. The governance structure established for the post-closing CENG is designed to assure continued U.S. control by CEG over CENG with respect to matters related to nuclear safety, security, and reliability.

Further, the proposed transaction and restructuring will not affect the qualifications of CENG and its subsidiaries to own and operate their licensed facilities in accordance with the existing Licenses. The proposed transaction and restructuring will not result in any change in the role of CENG's subsidiaries as the licensed operators of the facilities and will not result in any adverse changes to their financial qualifications, decommissioning funding assurance, or technical qualifications. No physical changes will be made to the facilities, and there will be no adverse changes in day-to-day operations as a result of the proposed transaction. The proposed transaction will neither have any adverse impact on the public health and safety, nor be inimical to the common defense and security.

Accordingly, we respectfully request that the NRC consent to the proposed license transfers associated with the proposed transaction and restructuring in accordance with 10 CFR 50.80 and 72.50, together with the approval of the proposed conforming license amendments in accordance with 10 CFR 50.90 and 10 CFR 72.56.

This request includes a proprietary, separately bound addendum, labeled Attachment (5A), which contains confidential commercial and financial information. We request that Attachment (5A) be withheld from public disclosure pursuant to 10 CFR 9.17(a)(4) and the policy reflected in 10 CFR 2.390, as described in the Affidavit of Michael J. Wallace, which is provided in Attachment (6). A non-proprietary version of Attachment (5A) suitable for public disclosure is provided as Attachment (5).

We anticipate that the closing will occur within seven months from the date of the definitive investment agreement (December 17, 2008), subject to receipt of all required regulatory approvals. We also expect that NRC's approval will be the final regulatory approval received prior to closing. We request review of this Application on a schedule that will permit the NRC to provide its consent pursuant to 10 CFR 50.80 and 72.50 as promptly as possible. We are prepared to work closely with the NRC staff to expedite the NRC's review of the Application, and request approval, if possible, by July 1, 2009. We further request that any such consent become immediately effective upon issuance and that it permit the proposed transaction to be implemented at any time within the customary one year of the date of approval of this Application. We request that the Calvert Cliffs Nuclear Power Plant, Inc. license amendments be implemented within 30 days of the closure of the transaction. We will keep the NRC informed of any significant developments that may have a material impact on the transaction or schedule.

This letter contains regulatory commitments as noted in Attachment (8).

Should you have any questions or require additional information regarding this Application, please contact Louis Larragoite at 410-495-5245 or Louis.S.Larragoite@constellation.com. Service of any comments, hearing requests, intervention petitions, or other filings should be made to: Daniel F. Stenger, Hogan & Hartson LLP, 555 Thirteenth Street, NW, Washington, DC 20004, tel: 202.637.5691, email: DFStenger@hhlaw.com (counsel for CENG); and John E. Matthews, Morgan, Lewis, & Bockius, 1111 Pennsylvania Ave., NW, Washington, DC 20004, tel. 202.739.5524, email: jmatthews@morganlewis.com (counsel for EDF Development).

- Attachments:
- (1) Application for an Order Approving License Transfers and Conforming License Amendment Request
 - (2) CEG 8-K Amended and Restated Investor Agreement
 - (3) CEG 8-K Second Amended and Restated Operating Agreement
 - (4) Pre- and Post-Transaction Simplified Organizational Charts
 - (5) Projected Income Statements for Licensees (Non-Proprietary Version)
 - (5A) Projected Income Statements for Licensees (Proprietary Version)
 - (6) 10 CFR 2.390 Affidavit of Michael J. Wallace
 - (7) General Corporate Information Regarding CEG and EDF Companies
 - (8) List of Regulatory Commitments
 - (9) License Amendment Request for Calvert Cliffs Nuclear Power Plant, Units 1 and 2, and the Associated Independent Spent Fuel Storage Installation
 - (10) Markup of Licenses for Calvert Cliffs Nuclear Power Plant, Units 1 and 2 and the Associated Independent Spent Fuel Storage Installation

MJW/EMT/bjd

cc: **With Attachment 5A**
D. V. Pickett, NRC
R. V. Guzman, NRC
M. F. Weber, NMSS

Without Attachment 5A
S. J. Collins, NRC
Resident Inspector, NRC (Calvert Cliffs)
Resident Inspector, NRC (Ginna)
Resident Inspector, NRC (Nine Mile Point)
S. Gray, Maryland DNR
J. P. Spath, NYSERDA
P. Eddy, New York State Department of Public Service

ATTACHMENT (1)

**APPLICATION FOR AN ORDER APPROVING LICENSE TRANSFERS
AND CONFORMING LICENSE AMENDMENT REQUEST**

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I. INTRODUCTION

Constellation Energy Nuclear Group, LLC (CENG) (on behalf of its subsidiary licensees Calvert Cliffs Nuclear Power Plant, Inc., Nine Mile Point Nuclear Station, LLC, and R. E. Ginna Nuclear Power Plant, LLC) and EDF Development Inc. (EDF Development) are submitting an application seeking U.S. Nuclear Regulatory Commission (NRC) consent pursuant to 10 CFR 50.80 and 72.50 to certain license transfers related to the following NRC licenses: (1) Calvert Cliffs Nuclear Power Plant, Unit Nos. 1 and 2, Operating Licenses DPR-53 and DPR-69; (2) Calvert Cliffs Independent Spent Fuel Storage Installation Facility, Materials License No. SNM-2505; (3) Nine Mile Point Nuclear Station, Unit Nos. 1 and 2, Operating Licenses DPR-63 and NPF-69; and (4) R. E. Ginna Nuclear Power Plant, Operating License DPR-18. The license transfers would result from a proposed corporate restructuring that would be implemented in order to facilitate an investment by EDF Development whereby it would acquire a 49.99% ownership interest in CENG.

Pursuant to the proposed restructuring, CENG may continue in its current corporate form as a Maryland limited liability company, or may be involved in a reorganization (through merger or other transactions) whereby a new legal entity will emerge as a Maryland or Delaware limited liability company named Constellation Energy Nuclear Group, LLC. In any event, CENG will emerge from the planned restructuring and proposed transaction as a successor "CENG" with the corporate governance structure described below. In addition, the proposed restructuring would involve the elimination of Constellation Nuclear Power Plants, Inc. (the intermediate holding company over Nine Mile Point Nuclear Station, LLC, and R. E. Ginna Nuclear Power Plant, LLC) and the restructuring of Calvert Cliffs Nuclear Power Plant, Inc. into a limited liability company, thus making all three licensed entities limited liability companies. We further request NRC approval of the proposed conforming license amendments pursuant to 10 CFR 50.90 and 10 CFR 72.56 to reflect the transfer action and the name change of Calvert Cliffs Nuclear Power Plant, Inc. to Calvert Cliffs Nuclear Power Plant, LLC. The license amendment request safety analysis is presented in Attachment (9). Attachment (10) contains the marked-up license pages.

The proposed transaction arises from a definitive investment agreement¹ by and among Constellation Energy Group, Inc. (CEG), CENG, EDF Development, and E.D.F. International S.A. (EDFI) (the parent company of EDF Development), for the acquisition by EDF Development of a 49.99% ownership interest in CENG, which manages the nuclear generation and operation business of CEG. Following the proposed transaction, Constellation Energy Group, Inc. will continue to own 50.01% of CENG. As demonstrated in this Application, the proposed transaction will not result in CENG and the CENG nuclear subsidiaries (the CENG Companies) being owned, controlled, or dominated by an alien, foreign corporation or foreign government within the meaning of Sections 103d or 104d of the Atomic Energy Act of 1954. Similarly, the proposed transaction does not pose a challenge to the license eligibility requirements of 10 CFR 50.38. The governance structure established for the post-closing CENG is designed to assure continued U.S. control by CEG over CENG with respect to matters related to nuclear safety, security, and reliability. Further, the proposed change in corporate ownership of CENG and the related restructuring actions will not affect the organization, management or day-to-day operation of CENG's fleet of nuclear generating plants and associated Independent Spent Fuel Storage Installation (ISFSI) facility. See Attachment (4) for Pre- and Post-Transaction Simplified Organizational Charts. The proposed transaction and restructuring will not result in any change in the role of the CENG Companies as the licensed operators of their

¹ The transaction details and agreements are available in CEG Form 8-K dated December 18, 2008 which is available at <http://ir.constellation.com/sec.cfm>

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respective licensed facilities and will not result in any adverse changes to their financial qualifications, decommissioning funding assurance, or technical qualifications.²

Constellation Energy Nuclear Group, LLC's wholly-owned subsidiary, Calvert Cliffs Nuclear Power Plant, Inc. (CCNPP), is the sole owner and licensed operator for Calvert Cliffs Nuclear Power Plant, Units 1 and 2, and the associated Independent Spent Fuel Storage Installation (ISFSI), pursuant to licenses issued by the NRC. Calvert Cliffs Nuclear Power Plant, located on the Chesapeake Bay approximately 40 miles south of Annapolis, Maryland, is composed of two units: Unit 1 is an 873 megawatt electric (MWe) (net) (2,700 MWt) nuclear power plant and Unit 2 is an 862 megawatt electric (MWe) (net) (2,700 MWt) nuclear power plant. Each unit consists of a Combustion Engineering two-loop pressurized water reactor, other associated plant equipment, and related site facilities.

The Nine Mile Point Nuclear Station (NMPNS), Units 1 and 2, located on Lake Ontario, approximately 6 miles northeast of Oswego, New York, is composed of two units: Unit 1 is a 638 megawatt electric (MWe) (net) (1,850 MWt) nuclear power plant and Unit 2 is a 1148 megawatt electric (MWe) (net) (3,467 MWt) nuclear power plant, each consisting of a General Electric boiling water reactor, other associated plant equipment, and related site facilities. Nine Mile Point Nuclear Station, LLC is the owner and operator of NMP Unit 1, and also an owner and the licensed operator for NMP Unit 2. Two owners currently each own an undivided ownership interest in NMP Unit 2 and entitlements to generating output, in the following percentages:

Nine Mile Point Nuclear Station, LLC	82 %
Long Island Power Authority	18 %

These same entities pay corresponding shares of the costs of operating NMP Unit 2, but Nine Mile Point Nuclear Station, LLC retains control over the operation of the facility and is the named operator licensee.

R. E. Ginna Nuclear Power Plant (Ginna), located in Ontario, New York, approximately 20 miles northeast of Rochester, is a single unit, 581 megawatt electric (MWe) (net) (1,775 MWt) nuclear power plant, consisting of a Westinghouse two-loop pressurized water reactor, other associated plant equipment, and related site facilities. R. E. Ginna Nuclear Power Plant, LLC is CENG's wholly-owned indirect subsidiary and is the sole owner and licensed operator for Ginna, pursuant to a license issued by the NRC.

The information contained in this Application demonstrates that the proposed transaction will be consistent with the requirements set forth in the Atomic Energy Act, NRC regulations, and the relevant NRC licenses, and will neither have any adverse impact on public health and safety nor be inimical to the common defense and security. We respectfully request NRC consent to the license transfers for the Licenses that will result from the proposed transaction and restructuring, together with approval of the conforming license amendments for Calvert Cliffs Nuclear Power Plant.

² As a result of this transaction, CENG and UniStar Nuclear Operating Services, LLC will amend their applications for combined operating licenses for Calvert Cliffs Nuclear Power Plant Unit 3 and Nine Mile Point Nuclear Power Plant Unit 3 to reflect the new ownership arrangement. The planned ownership of these license applicants may change, but without impacting the ownership arrangements for the existing licenses held by the CENG Companies. Therefore, no separate 10 CFR 50.80 review will be required in this proceeding for these changes.

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II. STATEMENT OF PURPOSE AND NATURE OF THE TRANSACTION

A. Summary Description of the Transaction

On December 17, 2008, CEG, a Maryland corporation, and CENG, a wholly owned subsidiary of CEG, entered into a definitive investment agreement and related agreements with EDFI, and its wholly-owned subsidiary EDF Development, under which EDF Development will acquire a partial ownership interest in CENG. The principal transactions include:

- The acquisition by EDF Development of a 49.99% ownership interest in CENG for a purchase price of \$4.5 billion, subject to certain adjustments and the receipt of necessary regulatory approvals and satisfaction of other closing conditions (see Attachment 3).
- EDF Development made an immediate \$1 billion cash investment in CEG through the purchase of newly issued CEG Series B non-convertible cumulative preferred stock, which will be surrendered to CEG upon closing of the transaction and credited against the \$4.5 billion purchase price for EDF Development's interest in CENG. This security is non-voting and does not confer any control rights on EDF Development.³
- The provision of additional liquidity support through a two-year asset put option pursuant to which CEG could, at its option, sell to EDF Development certain non-nuclear generation assets of CEG having an aggregate value of up to \$2 billion.
- Électricité de France S.A. (EDF SA) has provided CEG a \$600 million interim backstop liquidity facility. This facility will remain available until receipt of all regulatory approvals (including approval of the Federal Energy Regulatory Commission) and satisfaction of all other closing conditions relating to the transfer of \$600 million worth of the non-nuclear generation assets that could be sold under the put option, or within 6 months, whichever is shorter.

The definitive investment agreement, which has been approved by both companies' Boards of Directors, is subject to federal and state regulatory approvals. At present, the transaction is structured such that EDF Development would acquire a voting interest of 49.99% in the existing entity (CENG) that holds CEG's nuclear generation and operation business. Constellation Energy Nuclear Group, LLC may continue in its current corporate form as a Maryland limited liability company, or may be involved in reorganization (through merger or other transactions) whereby a new successor legal entity will emerge as a Maryland or Delaware limited liability company named Constellation Energy Nuclear Group, LLC. In any event, CENG will emerge from the planned restructuring and proposed transaction as successor "CENG" with the corporate governance structure described in this Application.

In addition to EDF Development's investment and participation in CENG, prior to the closing of the transaction, EDF Development has the right to appoint an observer on CEG's Board of Directors, and, upon closing of the transaction, EDFI will have the right to nominate one director for appointment to CEG's board. Constellation Energy Group's board is currently composed of eleven outside directors and one inside director, and acts independently of the CENG Board of

³ Section 5 of the "Articles Supplementary Series B Preferred Stock of Constellation Energy Group, Inc.," dated December 17, 2008 (Articles Supplementary), governs the rights of the holders of this preferred stock, which are limited to appointing a Board observer and certain limited consent rights. The Articles Supplementary are provided as Exhibit 3.1 to the CEG Form 8-K dated December 18, 2008 which is available at <http://ir.constellation.com/sec.cfm>.

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Directors. The director nominated by EDFI following the closing will not have any veto or approval rights (see Attachment 2). As part of the proposed transaction, the parties executed an Amended and Restated Investor Agreement on December 17, 2008, under which EDFI has agreed, subject to limited exceptions, not to acquire and hold more than 9.9% of the outstanding shares of CEG common stock, and to exercise its voting rights as recommended by the CEG Board of Directors except regarding certain extraordinary actions. These limitations on EDFI's ownership of CEG stock and voting rights are documented in Sections 2.1 and 3.3 of the Amended and Restated Investor Agreement (Attachment 2).

As explained below, following the closing, CENG and EDF Development each will appoint five members to a new CENG Board of Directors, with a casting (or deciding) vote on matters related to safety, security and reliability reserved exclusively to the Chairman of CENG (see Attachment 3). In the event of a deadlock of the CENG Board of Directors, the Chairman will have the casting vote on, for example, any matter that, in view of U.S. laws and regulations, requires or makes it reasonably necessary to assure U.S. control; any matter related to nuclear safety, security, or reliability; the staffing of key CENG executive officer positions; and any other issue reasonably determined by the Chief Nuclear Officer, on behalf of the Chairman, in his prudent exercise of discretion to be an exigent nuclear safety, security, or reliability issue.

The Chairman of the CENG Board of Directors will be appointed by CEG from among its appointed directors and is required to be a U.S. citizen.⁴ The Vice-Chairman of CENG will be appointed by EDF Development, and will not have any casting vote authority. The Chief Executive Officer (CEO) and the Chief Nuclear Officer (CNO) of CENG will be appointed by the CENG Board of Directors, subject to the casting vote of the Chairman. The CEO (who is authorized to act on behalf of the Chairman in his absence, other than with respect to having a casting vote) and CNO also are required to be U.S. citizens. The current CNO, Henry B. Barron, is expected to be CNO following closing of the proposed transaction.

The proposed change in ownership of CENG and the proposed restructuring actions will not affect the management and operation of the CENG Companies that own and operate CENG's fleet of nuclear generating plants and associated ISFSI facility. The day-to-day responsibility for the management and operations of those facilities will continue to reside with the respective CENG subsidiary licensed by the NRC. No adverse change is proposed in the organization or alignment of the CENG Companies as a result of the proposed transaction or restructuring. As described below and shown in Attachment (7), the individual CENG Companies will continue to be managed by the same Boards of Directors and executive officers as they are currently. Figures showing the current corporate alignment and the alignment after the consummation of the proposed transaction are provided in Attachment (4).

B. Nature of the Transaction Making it Desirable

Through its proposed acquisition of an ownership interest in CENG, EDFI – through its wholly-owned U.S. subsidiary, EDF Development – intends to expand its existing relationship with CEG

⁴ The Parties anticipate that Michael J. Wallace, CEG's Vice Chairman and the Chairman of the UniStar Nuclear Energy joint venture, will be the initial Chairman of the CENG Board of Directors. Mr. Wallace is recognized as an industry expert on infrastructure security and is a Member of the National Infrastructure Advisory Council, a committee organized under the auspices of the U.S. Department of Homeland Security and established in accordance with the provisions of the Federal Advisory Committee Act.

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and further demonstrate its commitment to developing alternative sources of energy in the United States. The proposed transaction is designed to achieve substantial strategic and financial benefits for the customers, employees, and shareholders of CEG as well as EDF SA. The investment by EDF Development in CENG and the related liquidity investments described above are intended to provide CEG with additional financial strength, which, in turn, should benefit CENG. Constellation Energy Group, Inc. and its subsidiaries, including the CENG Companies, should benefit from the experience and stability of EDF Development, which is an indirect wholly-owned subsidiary of the French utility EDF SA, the largest and most experienced nuclear generation company in the world.

The combined nuclear experience of CENG and EDF Development should benefit the CENG nuclear generation fleet. EDF SA's experience at operations and scale in sourcing material and services in the nuclear sector will provide significant value to CENG. The proposed transaction creates an opportunity for CEG to utilize EDF SA's expertise as a global leader in the nuclear energy industry to the benefit of CEG's stockholders, employees, and customers. Constellation Energy Group, Inc., together with EDF Development, will be better suited to undertake the infrastructure investments CEG and its subsidiaries face in the coming years. The proposed acquisition of a partial ownership interest in CENG, structured to be fully compliant with the NRC's requirements for foreign ownership of U.S. nuclear power facilities, advances EDF SA's goal of supporting the nuclear renaissance in the United States. As a demonstration of its commitment, EDF Development will invest \$20 million in a new visitor and environmental center at the Calvert Cliffs site, consistent with the companies' focus on breaking ground on potential new nuclear units at Calvert Cliffs and Nine Mile Point as soon as the regulatory processes allow.

III. GENERAL CORPORATE INFORMATION REGARDING APPLICANTS

Detailed information regarding the business and management of CEG and its subsidiaries is provided in the 2007 Annual Report for CEG filed with the Securities and Exchange Commission, which is available at <http://www.constellation.com/vcmfiles/Constellation/investors/2007AR/index.html>.

Constellation Energy Group, Inc., through its subsidiaries, is a major generator of electric power and a leading supplier of competitive electricity, with a current power generation portfolio of approximately 9,000 megawatts. The CENG Companies own and operate CEG's fleet of nuclear generating plants. Constellation Energy Nuclear Group, LLC additionally performs a headquarters function for all of CEG's nuclear generation assets. The output of CEG's plants is sold by CEG's commodities business, Constellation Energy Commodities Group, Inc., to many of the nation's leading distribution utilities, energy companies, and cooperatives.

Électricité de France S.A. (EDF SA), directly and through its subsidiaries, is a major electricity producer based in France, is the largest nuclear plant owner in the world and is the most experienced nuclear operator in the world. Also, EDF SA is the largest utility in France, where nuclear power provides nearly 80% of the country's electricity.

Although EDF SA initially had the legal status of an EPIC (a Public Industrial and Commercial Establishment), a 2004 law transformed EDF SA into a Société Anonyme, a French limited company governed by a Board of Directors. Under that law, the French State will hold at least 70% of the capital and voting rights of EDF SA. The business and affairs of EDF are managed by its Board of Directors, which is made up of 18 members appointed for 5 years:

- 6 members elected by General Shareholders' Meeting;

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- 6 government representatives; and
- 6 employee representatives.

E.D.F. International S.A. (EDFI) is a wholly-owned subsidiary of EDF SA and is a holding company that, through its subsidiaries, produces, transmits, and distributes electricity. The business and affairs of EDFI are managed by its Board of Directors.

EDF Development is a Delaware corporation and a direct wholly-owned subsidiary of EDFI. The business and affairs of EDF Development are managed by its Board of Directors.

The general corporate information required by 10 CFR 50.33(d)(3) regarding the CENG Companies and their parent companies is provided in Attachment (7). Unless otherwise indicated, the directors and principal executive officers of the corporate entities identified are citizens of the United States.

IV. FOREIGN OWNERSHIP OR CONTROL

In its *Standard Review Plan Regarding Foreign Ownership, Control, or Domination of Applicants for Reactor Licenses* (SRP),⁵ the NRC published guidance for evaluating foreign ownership and control issues under Sections 103d and 104d of the Atomic Energy Act in connection with applications for licenses for new facilities as well as applications for approval of license transfers. As noted in the SRP, Sections 103d and 104d of the Atomic Energy Act preclude the issuance of a reactor license to an entity that the NRC knows or has reason to believe is owned, controlled, or dominated by an alien, a foreign corporation, or foreign government. This restriction is also codified in 10 CFR 50.38. As the NRC states in the SRP, however, “the foreign control prohibition should be given an orientation toward safeguarding the national defense and security.”⁶ Thus the NRC’s focus is on mitigating the effects of foreign ownership through implementation of a “negation action plan” to ensure that any foreign interest is effectively denied control or domination over the applicant. In this regard, the SRP states that where an applicant “is partially owned by a foreign entity, for example, partial ownership of 50% or greater, [it] may still be eligible for a license if certain conditions are imposed, such as requiring that officers and employees of the applicant responsible for special nuclear material must be U.S. citizens.”⁷

Consistent with the NRC’s guidance in the SRP, the proposed transaction will not result in CENG and the CENG Companies being controlled or dominated by a foreign interest within the meaning of

⁵ 64 Fed. Reg. 52355 (Sept. 28, 1999).

⁶ 64 Fed. Reg. 52358.

⁷ 64 Fed. Reg. 52358.

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Sections 103d or 104d of the Atomic Energy Act and the licensee eligibility requirements of 10-CFR 50.38.⁸

As a result of the proposed transaction, EDF Development will acquire a 49.99% ownership interest in CENG, which owns and manages CEG's nuclear generation and operation business. In addition, upon closing of the proposed transaction, EDFI will have the right to nominate a single director for appointment to the CEG Board of Directors; and prior to closing, EDF Development is entitled to have an observer seat on the CEG Board. In return for its cash infusion in CEG, EDF Development has also acquired \$1 billion of non-voting, non-convertible preferred stock in CEG, which will be surrendered at closing. Under the Amended and Restated Investor Agreement (Attachment 2), subject to certain exceptions, EDFI may purchase and hold additional common stock in CEG only up to a 9.9% interest (see discussion below).

In structuring the proposed transaction, the Applicants were careful to establish ownership and governance arrangements for CENG that would comply with the NRC's foreign ownership and control restrictions for nuclear generating facilities and adhere to the guidance of the SRP. The governance structure is consistent with the structure approved by the NRC in connection with the ownership by AmerGen Energy Company, LLC of the Three Mile Island Unit 1, Clinton and Oyster Creek nuclear generating facilities (where AmerGen was 50% owned by British Energy plc, a U.K. company, and 50% owned by PECO Energy (now, Exelon), a U.S. company).⁹

In this regard, we have established a negotiation action plan consisting of significant measures to ensure that at all times prior to, during, and after consummation of the transaction, CENG will retain control over CENG with respect to all matters relating to safety, security, and reliability of its nuclear fleet.¹⁰ The post-closing CENG will be operated under the terms of a Second Amended and Restated Operating Agreement (Operating Agreement) (Attachment 3). Under the Operating Agreement, a ten member Board of Directors will manage CENG. Constellation Energy Group, Inc. and EDF Development each

⁸ Constellation Energy Group, Inc. is a publicly traded company, and is currently traded on the New York Stock Exchange and widely held. Section 13 of the Securities and Exchange Act of 1934, as amended, 15 U.S.C. § 78m(d), requires that a person or entity that owns or controls more than 5% of the stock of a company must file notice with the Securities and Exchange Commission. Based upon its review of the relevant filings with the Securities and Exchange Commission, we have identified that EDFI controls approximately 8.52% of the voting stock of CEG acquired through open market purchases consistent with the parties' investor agreement (as described later in this section). In addition, as of November 14, 2008 Barclays Global Investors, NA, a U.S. company that is owned by Barclays plc, a United Kingdom company (Barclays), controlled approximately 6.75% of the voting stock of CEG and AXA Financial, Inc., a U.S. subsidiary of AXA, a French company, controlled approximately 5.13% of CEG's voting stock. We are not aware of any other alien, foreign corporation, or foreign government that holds more than 5% of the voting securities of CEG.

⁹ See *GPU Nuclear, Inc.* (Three Mile Island, Unit 1), Order Approving Transfer of License and Conforming Amendments, 64 Fed. Reg. 19202 (Apr. 19, 1999); *Illinois Power Company* (Clinton Power Station), Order Approving Transfer of License and Conforming Amendments, 64 Fed. Reg. 67598 (Dec. 2, 1999); *GPU Nuclear, Inc.* (Oyster Creek Nuclear Generating Station), Order Approving Transfer of License and Conforming Amendments, 65 Fed. Reg. 37417 (June 14, 2000).

¹⁰ It should also be noted that France is a long-time close ally of the United States. France is a member of the European Atomic Energy Community (EURATOM) and a signatory to the Treaty on the Nonproliferation of Nuclear Weapons.

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will appoint five directors, with CEG at all times appointing the Chairman from among its appointees.¹¹ All CEG appointees must be U.S. citizens. The Chairman will hold a casting vote in the event of deadlock on matters related to safety, security and reliability of CENG's nuclear facilities. The casting vote shall constitute an action of the Board. The Chairman, and anyone who acts for him, must be a U.S. citizen.

Specifically, in the event of a deadlock of the CENG Board of Directors,¹² the Chairman shall have a casting (deciding) vote on the following matters:

- Any matter that, in view of U.S. laws or regulations, requires or makes it reasonably necessary to assure U.S. control;
- Any matter relating to nuclear safety, security or reliability, including, but not limited to, the following matters:
 - implementation or compliance with any NRC generic letter, bulletin, order, confirmatory order, or similar requirement issued by the NRC;
 - prevention or mitigation of a nuclear event or incident or the unauthorized release of radioactive material;
 - placement of the plant in a safe condition following any nuclear event or incident;
 - compliance with the Atomic Energy Act, the Energy Reorganization Act, or any NRC regulation;
 - the obtaining of or compliance with a specific license issued by the NRC and its technical specifications; and
 - compliance with a specific Final Safety Analysis Report, or other licensing basis document;
- Any decision relating to U.S. regulatory strategy or the relationship with the NRC;
- The adoption of any charter, any change in the authority or composition, or any matter relating to compensation, of the Nuclear Advisory Committee;
- Settlement of certain claims in connection with a dispute involving a U.S. or Canadian governmental authority;

¹¹ Under the quorum provisions of Section 7.2(g) of the Operating Agreement, action may be taken by a majority of directors present, provided that at least one director appointed by each of CEG and EDF Development votes in favor of the action, and excepting matters decided by the Chairman's casting vote. Thus it is possible that foreign directors could outnumber the U.S. directors. Nevertheless, the foreign directors could not exercise control, because the CEG appointed U.S. directors could block the action (since at least one vote from a CEG director would be required), and matters for which the Chairman has a casting vote under Section 7.3(c) are excluded from the actions that can be taken by quorum.

¹² Under Section 7.2(j) of the Operating Agreement, certain fundamental business decisions and actions (e.g., related to the annual budget, entry into contracts or settlement of claims above specified amounts) require unanimous approval of the CENG Board of Directors. For these special matters, all of the directors appointed by a member must vote in the same manner (i.e., as a block), either for or against. For example, if a major event were to occur at any of the facilities, the site management, in consultation with the CNO, would take the necessary action to timely place the facility in a safe condition without Board interaction. Should a major capital improvement be considered prior to restoration of the facility, this would likely trigger a Board decision related to the capital improvement, pursuant to Section 7.2 of the Operating Agreement.

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- Any other issue reasonably determined by the Chairman in his prudent exercise of discretion to be an exigent nuclear safety, security or reliability issue; and
- Staffing of key executive officer positions of CENG.

The Chairman, CEO, and CNO of CENG, all of whom must be U.S. citizens, are responsible for ensuring that the business and activities of CENG and the CENG Companies with respect to their licensed facilities are at all times conducted in a manner consistent with the protection of the public health and safety and common defense and security of the United States.¹³ The CNO will continue to have both the responsibilities and authorities to direct any actions as necessary to assure compliance with regulatory requirements or provide for the protection of public health and safety. However, in representing the interests of the member companies, the CENG Board of Directors has fiduciary responsibilities relating to the review and approval of operating and capital expenses. In the event that a CENG Board action is needed to support an action that in the judgment of the CNO is necessary to assure compliance with regulatory requirements or provide for the protection of public health and safety and the CENG Board is deadlocked, then the CENG Board Chairman has a casting vote regarding implementation of the action. Similarly, the CENG Companies, as the NRC licensed operators, will continue to have responsibility for the day-to-day operation of the facilities in accordance with their NRC licenses. In short, the listing of matters on which the Chairman of CENG will have a casting vote does not affect the authority and responsibilities of the CNO or the management of the CENG Companies. It is intended only to make clear the specific board-level decisions which are reserved for the casting vote process because they must be subject to ultimate control by a U.S. citizen appointed by CEG.

Constellation Energy Nuclear Group, LLC will establish a Nuclear Advisory Committee (NAC) composed of U.S. citizens who are not officers, directors, or employees of CENG, CEG, or EDF Development. The NAC will serve CENG in a non-voting advisory capacity and will have the ability and freedom to report to and provide transparency to the NRC and other U.S. governmental authorities regarding foreign ownership and control of nuclear operations. The NAC shall be appointed by the CENG Board of Directors, but initially the NAC will be composed of the individuals who serve on the Advisory Committee constituted in July 2007 in connection with the creation of the UniStar Nuclear Energy, LLC joint venture.¹⁴ Those members are:

- General John A. Gordon, Chairman – United States Air Force, Ret., formerly the Homeland Security Adviser to President George W. Bush
- John J. Hamre – currently the President and Chief Executive Officer of the Center for Strategic and International Studies and formerly Under Secretary of Defense
- Dr. Richard A. Meserve - former Chairman of the NRC, and currently the President of the Carnegie Institution
- Robert I. Hanfling – formerly a member of the Secretary of Energy Advisory Board
- James K. Asselstine - former NRC Commissioner

¹³ The CNO will report directly to the CEO of CENG. The same person may fill both positions. We will review the Quality Assurance Topical Report to determine whether any changes are necessary to implement planned changes in reporting relationships and accountabilities of the CNO, the CEO, or other executive officers of CENG. We will make appropriate revisions and update the Quality Assurance Topical Report within 6 months following closure of the transaction.

¹⁴ Pursuant to the UniStar Nuclear Energy, LLC Operating Agreement, by and among CEG, EDF Development and UniStar Nuclear Energy, LLC (July 20, 2007).

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At least annually, the NAC will prepare a report and supporting documentation to be delivered to the CENG Board of Directors, advising CENG as to whether additional measures should be taken to ensure that CENG is in compliance with U.S. laws and regulations regarding foreign domination or control of nuclear operations and that a decision of a foreign government could not adversely affect or interfere with the reliable and safe operation of any nuclear assets of CENG, its subsidiaries or affiliates. The NAC will also advise on and recommend appropriate additional policies to assure CENG's continued compliance with provisions of U.S. law and regulations regarding (i) nuclear security plans, including physical security and cyber security; (ii) screening of nuclear personnel; (iii) the protection of critical nuclear infrastructure; and (iv) U.S. export requirements.

The above measures assure continued U.S. control of CENG by the U.S. citizens appointed by CEG, with respect to all matters related to nuclear safety, security and reliability, and ensure that EDF Development's acquisition of a partial ownership interest in CENG will not result in any foreign ownership, domination, or control of the Licenses within the meaning of the Atomic Energy Act. For the reasons that follow, this conclusion is not altered by the fact that EDFI will have the right to nominate one director for appointment to the CEG Board following the closing and holds other equity interests in CEG, i.e., the \$1 billion of Series B non-convertible preferred stock acquired by EDF Development and EDFI's ownership of approximately 8.52% of CEG's outstanding common stock.

First, the preferred shares are non-voting and do not have any rights that would constitute control. The preferred shares will be surrendered at closing, with the \$1 billion amount credited against the purchase price for EDF Development's interest in CENG, and therefore, these shares will cease to be outstanding at the time that EDF Development acquires a 49.99% interest in CENG. Prior to closing, EDF Development has the right to appoint an observer to the CEG Board, but this observer has no voting rights.

Second, EDFI's additional ownership of approximately 8.52% of CEG's outstanding common stock does not confer any control. EDFI would have the right to nominate only a single director for appointment to CEG's Board of Directors (the EDFI director will have less than 9 percent of the votes on board decisions), and neither that director nor EDFI would have any special veto or approval rights. Thus, EDFI will not be able to exercise control over CEG.

EDF Development's direct 49.99% ownership interest in CENG, combined with its parent's (EDFI's) additional ownership of CEG common stock, may effectively mean that EDF Development holds, directly and indirectly, slightly greater than a 50% ownership interest in CENG. However, as discussed above, the NRC's SRP recognizes that "partial [foreign] ownership of 50% or greater" may still meet the NRC's license eligibility requirements of 10 CFR 50.38 when, as here, an adequate negation action plan is in place.¹⁵ In this regard, the governance structure described above ensures that the responsibility for matters related to safety, security and reliability remains in the control of U.S. citizens appointed by CEG. It should also be noted that the boards of directors of CEG and CENG act and function independently.¹⁶ In fact, 11 of the current 12 directors on the CEG board are independent directors. Furthermore, under the Amended and Restated Investor Agreement (Attachment 2), the parties have agreed that EDFI, subject

¹⁵ 64 Fed. Reg. 52358.

¹⁶ See, e.g., Section 7.1(b) of the Operating Agreement (Attachment 3), specifying that the members (EDF Development and CEG) have no power to participate in the management of CENG other than the right to appoint directors, the right to nominate or designate officers as expressly set forth in the Operating Agreement, and the right to vote on membership-related matters (such as amending the Operating Agreement, transferring membership interests, admitting a new member and amending CENG's Articles of Organization), and any matters requiring approval of members under applicable law.

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to certain exceptions,¹⁷ will not acquire and hold more than 9.9% of the issued and outstanding shares of CEG stock. The parties have further agreed that EDFI would vote its shares as recommended by the CEG Board of Directors, except regarding the following extraordinary actions: (a) any merger, acquisition, consolidation, share exchange, amalgamation or similar business combination of CEG, or sale of all or substantially all of the assets, or a majority of the outstanding shares of CEG stock; (b) any split-off, spin-off, recapitalization or any extraordinary transaction involving the capital stock of CEG; (c) any amendment to the Articles of Incorporation or Bylaws of CEG; (d) any issuance of shares of capital stock; or (e) any other extraordinary transaction for which shareholder approval is required under the Maryland General Corporation Law. As noted above, the limitation on EDFI's voting rights is documented in Section 3.3 of the Amended and Restated Investor Agreement (Attachment 2).

It should also be noted that the present transaction contains additional protections against foreign control that go beyond those approved by the NRC for AmerGen. These additional protections include the following:

- CENG will be advised by an independent NAC, which will provide additional oversight in order to assure that there is no foreign ownership, control or domination of CENG.
- EDF Development is acquiring a 49.99% interest in CENG as opposed to the 50% interest British Energy held in AmerGen (see Attachment 3).
- The Operating Agreement for CENG in Section 7.3(c) expands the Chairman's casting vote authority beyond the AmerGen model to include issues pertaining to reliability, in addition to safety and security (see Attachment 3).
- Greater specificity is provided in Section 7.3(c) of the Operating Agreement with respect to a determination by the Chairman of the Board of Directors of CENG to exercise his casting vote (see Attachment 3).

In summary, the above information demonstrates that EDF Development's acquisition of a partial ownership interest in CENG will not result in CENG or the CENG Companies being owned, controlled, or dominated by an alien, foreign corporation, or foreign government within the meaning of Sections 103d or 104d of the Atomic Energy Act, or the licensee eligibility requirements of 10 CFR 50.38.

V. PROPOSED RESTRUCTURING

We currently anticipate that certain additional corporate restructuring actions will be undertaken as part of the proposed transaction. First, we anticipate that upon closing of the proposed transaction, we would eliminate Constellation Nuclear Power Plants, Inc., currently a wholly-owned direct subsidiary of CENG and the direct parent company of R. E. Ginna Nuclear Power Plant, LLC and Nine Mile Point Nuclear Station, LLC. Constellation Nuclear Power Plants, Inc. exists solely for non-operational purposes for the two licensee entities located in New York State. We expect to eliminate Constellation Nuclear Power

¹⁷ The exceptions are specified in Section 2.2(b) of the Amended and Restated Investor Agreement (Attachment 2), and future business conditions may make it necessary or desirable for EDF to temporarily or indefinitely acquire and/or hold more than 9.9% of CEG's outstanding common stock. For example, EDF might acquire another company that holds CEG's outstanding common stock, which it would then need to divest in an orderly fashion. In the event of a proposed increase in EDFI's common stock ownership to a level greater than 9.9% of CEG's outstanding common stock, or a material change in the Amended and Restated Investor Agreement, the Applicants will notify the NRC.

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Plants, Inc. for non-operational reasons. We do not believe that NRC consent pursuant to 10 CFR 50.80 is required with respect to the elimination of Constellation Nuclear Power Plants, Inc., because this change does not involve any direct or indirect transfer of control to a new legal entity. Rather, the ability of Constellation Nuclear Power Plants, Inc. to indirectly control the licenses would be eliminated. Nevertheless, to the extent the NRC deems consent to be required pursuant to 10 CFR 50.80 for this action, we request that the NRC grant such consent.

Second, we anticipate that upon closing we would change the corporate structure of Calvert Cliffs Nuclear Power Plant, Inc. from a Maryland corporation to a limited liability company formed under Delaware law. As part of this change, Calvert Cliffs Nuclear Power Plant, Inc. would be renamed Calvert Cliffs Nuclear Power Plant, LLC. Calvert Cliffs Nuclear Power Plant, Inc. is a wholly-owned direct subsidiary of CENG, and the owner and licensed operator of Calvert Cliffs Nuclear Power Plant and the associated Independent Spent Fuel Storage Installation. The corporate change is desired for non-operational purposes.

This internal reorganization will not adversely affect the technical qualifications, financial qualifications, or decommissioning funding assurance provided by the licensee. There would be no change in the management structure or governance of the licensee as a result of the reorganization, or any changes to the technical staff or day-to-day operations of the licensed facilities. As shown in Attachment (7), Calvert Cliffs Nuclear Power Plant, LLC will continue to be managed by a board of directors composed of the same directors that currently serve on the Calvert Cliffs Nuclear Power Plant, Inc. board. Similarly, the principal executive officers of the current Calvert Cliffs Nuclear Power Plant, Inc., as shown in Attachment (7), would continue to hold the same positions in Calvert Cliffs Nuclear Power Plant, LLC.

The financial qualifications of Calvert Cliffs Nuclear Power Plant, LLC and its decommissioning funding assurance are described more fully below. We have additionally confirmed that converting Calvert Cliffs Nuclear Power Plant, Inc. from a corporation to a limited liability company does not affect any existing financial assurance instruments for decommissioning funding. As discussed below, certain additional financial assurance mechanisms will be adopted by CEG and EDF Development as part of the proposed transaction, and these will apply to Calvert Cliffs Nuclear Power Plant, LLC following the closing of the transaction.

Accordingly, pursuant to 10 CFR 50.80 and 72.50, we request NRC consent for a transfer of the licenses for Calvert Cliffs Nuclear Power Plant, Inc. to Calvert Cliffs Nuclear Power Plant, LLC, together with approval of the proposed conforming license amendments, to reflect the transfer action and name change of the licensee. We have confirmed that no other changes in the applicable licenses are required other than the name change.

VI. TECHNICAL QUALIFICATIONS

The technical qualifications of the CENG Companies to carry out their responsibilities under the Licenses are not affected by the proposed transaction. Both before and after the acquisition by EDF Development of an ownership interest in CENG and the proposed restructuring actions, essentially the same nuclear organization and staff will be responsible for the operation and maintenance of Calvert Cliffs Nuclear Power Plant (CCNPP) and its associated Independent Spent Fuel Storage Installation (ISFSI), Nine Mile Point Nuclear Station (NMPNS), and R. E. Ginna Nuclear Power Plant (Ginna). Neither does the proposed transaction or restructuring require any change in the staffing and qualifications of personnel who operate the plants. It is anticipated that the plant personnel who currently are CEG employees may be seconded to CENG for an interim period. Once appropriate human resources and corporate functions

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are established, these plant personnel are expected to become CENG employees or seconded to CENG by another CEG entity. In addition, while specific individuals may join or leave the nuclear staff, the technical and administrative abilities will remain essentially unchanged. No material changes in the management or organization of any of the nuclear generating stations are expected to be made as part of the proposed transaction. Other than the license amendments to reflect the name change of Calvert Cliffs Nuclear Power Plant Inc., no conforming changes will be required to the facility operating licenses or the site-specific ISFSI license as a result of the proposed transaction. The proposed elimination of Constellation Nuclear Power Plant, Inc. and the conversion of Calvert Cliffs Nuclear Power Plant, Inc. into a limited liability company will not affect the technical qualifications of the licensees.

The overall technical resources available to the CENG organization will be enhanced as a result of EDF Development's acquisition of an ownership interest in CENG. EDF Development will make significant nuclear operational experience available to the CENG organization. The EDF Group serves more than 38 million customers around the world, including more than 28 million in France. In France, EDF SA operates 58 nuclear power reactor units at 19 sites, making it the largest and most experienced nuclear operator in the world.

VII. FINANCIAL QUALIFICATIONS

A. Ongoing Operating and Maintenance Costs

Historical financial information regarding CEG and its subsidiaries is provided in the 2007 Annual Report for CEG filed with the Securities and Exchange Commission and available at <http://www.constellation.com/vcmfiles/Constellation/investors/2007AR/index.html>. The information contained in the report supports the conclusion that CEG and the CENG Companies possess, or have reasonable assurance of obtaining, the funds necessary to cover the operating costs of CCNPP (including its ISFSI), Ginna, NMP Unit 1, and a pro rata share of the estimated operating costs of NMP Unit 2 associated with a total 82% undivided ownership interest in NMP Unit 2. This conclusion is for the period of the Licenses in accordance with 10 CFR 50.33(f)(2), and NUREG-1577 (Revision 1), *Standard Review Plan on Power Reactor Licensee Financial Qualifications and Decommissioning Funding Assurance*. Financial qualifications information related to the Part 72 license for the Calvert Cliffs ISFSI was last submitted by the licensee on May 17, 2006, per the requirements of 10 CFR 72.80(b). Such information provides reasonable assurance that the ISFSI will be operated and maintained safely for the duration of its license.

The NRC has previously found that CCNPP, NMPNS, and Ginna have the financial qualifications necessary to maintain and operate their shares of their respective facilities for the periods of the operating licenses, as well as the ISFSI license held by CCNPP. The information contained in Attachment (5A) was generally derived from estimates contained in the CENG 2009 business plan. Some information, such as interest expense, was not available from that plan and needed to be determined independently. Attachment (5A) is provided in a proprietary, separate attachment, because it contains confidential commercial and financial information. Constellation Energy Nuclear Group, LLC requests that Attachment (5A) be withheld from public disclosure pursuant to 10 CFR 9.17(a)(4) and the policy reflected in 10 CFR 2.390, as described in the Affidavit of Michael J. Wallace, which is provided in Attachment (6). A non-proprietary version of Attachment (5A) suitable for public disclosure is provided as Attachment (5) to the transmittal letter. This proprietary financial information contained in Attachment (5A), in aggregate, demonstrates that CCNPP, NMPNS, and Ginna will remain financially qualified to hold their respective licenses.

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The projected income and cash flow statements, in aggregate, show that the anticipated revenues from sales of energy and capacity from CCNPP, NMPNS, and Ginna provide reasonable assurance of an adequate source of funds to meet anticipated expenses for these plants. The projected income and cash flow statements for CCNPP also demonstrate its financial qualifications to maintain its ISFSI. Calvert Cliffs Nuclear Power Plant, Inc. currently receives a fixed stream of revenue, as well as variable revenue to cover fuel and variable operating and maintenance expenses, from a power purchase agreement with its affiliate CE Commodities Group, Inc., which extends through December 31, 2009. The revenues under this current agreement are not affected by changes in the market price of energy. Revenues following that period have been estimated using the company's 2009 business plan. Hedges are based on current assumptions..

Nine Mile Point Nuclear Station, LLC and R. E. Ginna Nuclear Power Plant, LLC each receive revenue from both power purchase agreements and sales of energy at market (that are affected by market prices), which have been previously described to and reviewed by the NRC. To the extent that aspects of these agreements affect the enclosed projected income statements, further information is provided in notes to the projections.

The pro forma financial statements (Attachment 5A), indicate strong levels of CENG consolidated positive cashflow and net income over the next five years and beyond. CENG's strong consolidated net income and positive cashflow demonstrate that CENG and the CENG Companies will continue to possess the requisite financial qualifications in accordance with NRC requirements. Moreover, CEG and EDF SA collectively have nearly \$110 billion of annual revenues and possess \$300 billion of assets. In addition, both CEG and EDF SA currently maintain investment-grade credit ratings and both enterprises are experienced nuclear plant operators.

To provide additional financial assurance, CEG and EDF Development will also provide CENG with appropriate working capital funding arrangements to meet anticipated or unanticipated financial requirements approved by CEG and EDF Development. Article IV of the CENG Operating Agreement (Attachment 3), provides appropriate financial flexibility, including provisions for additional capital contributions and capital advances or loans from CEG and EDF Development, if needed, and provides for the exploration of alternative sources of financing. These arrangements will enable CENG to provide working capital support to advance any needed and approved daily or weekly funds to the operating subsidiaries to allow these subsidiaries to fund their short-term obligations.

Consistent with CENG's current financial assurance mechanisms, as well as prior NRC Orders approving license transfers, CEG and EDF Development will also deploy an additional credit support measure involving one or more support agreements available to each operating subsidiary. The respective amounts of funding available under the support agreements will be sufficient to fund the estimated approved and fixed operating and maintenance expenses at each site for a period of time of at least six months, as set forth in NUREG - 1577 (Revision 1), *Standard Review Plan on Power Reactor Licensee Financial Qualifications and Decommissioning Funding Assurance*. (The estimate of fixed operating and maintenance expenses at each site for a period of six months is shown in Attachment 5A.) The aggregate amount of funding provided by CEG and EDF Development pursuant to the support agreements will be consistent with the amounts currently provided by CEG to the CENG Companies under the existing Intercompany Credit Agreements. The support agreements will be available to be

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drawn upon if the aggregate and approved financial requirements of the CENG Companies exceed the short-term funding capacity provided by the working capital funding arrangement discussed above, and thus will provide additional assurance of the financial qualifications of CENG and the CENG Companies.

We will submit the form of the new support agreements to the NRC for review by February 27, 2009. Upon execution of the support agreements at closing, the existing agreements will be terminated. Accordingly, we request that the NRC provide approval for the termination of the existing Intercompany Credit Agreements in its Order approving the proposed transaction.

The proposed elimination of Constellation Nuclear Power Plants, Inc. and the transformation of Calvert Cliffs Nuclear Power Plant, Inc. into a limited liability company will not affect the financial qualifications of the licensees. As discussed above, the additional financial assurance mechanisms that will be adopted by CEG and EDF Development as part of the proposed transaction will apply to Calvert Cliffs Nuclear Power Plant, LLC following the closing of the transaction.

In summary, the pro forma financial statements provided in Attachment (5A) demonstrate that CENG and the CENG Companies will remain financially qualified to own and operate the licensed facilities. The additional financial assurance mechanisms provided by CEG and EDF Development to CENG and the CENG Companies, as described above, will provide the same level of additional financial assurance and credit support as the existing mechanisms currently deployed by CEG, CENG, and the CENG Companies.

B. Decommissioning Funding

Information regarding the status of decommissioning funding for CCNPP, NMPNS, and Ginna as of December 31, 2006 was reported to the NRC in accordance with 10 CFR 50.75(f)(1), in Reference (1), dated March 30, 2007. The proposed transaction will not affect the decommissioning funding arrangements previously reported. The licensees will continue to maintain their existing decommissioning trust funds segregated from their assets and outside their administrative control in accordance with the requirements of 10 CFR 50.75(e)(1). The trustee for all of the decommissioning funds will remain the Bank of New York Mellon. As required by 10 CFR 50.75(f)(1), we will provide an updated status report by March 31, 2009.

Calvert Cliffs Nuclear Power Plant, Inc. currently provides decommissioning funding assurance for CCNPP by means of an external sinking fund which is funded with additional company contributions from a non-bypassable charge, as defined in 10 CFR 50.2, collected by CEG's regulated utility affiliate, Baltimore Gas and Electric Company. Pursuant to a recent settlement agreement with the Maryland Public Service Commission, these arrangements will continue through December 31, 2016, and we project continuing to make contributions to the nuclear decommissioning trust for CCNPP. Calvert Cliffs Nuclear Power Plant, Inc. thus intends to continue to provide decommissioning funding assurance for CCNPP in accordance with 10 CFR 50.75(e)(1)(ii)(B). Calvert Cliffs Nuclear Power Plant, Inc. also provides decommissioning funding assurance for the Calvert Cliffs ISFSI through an external sinking fund in accordance with 10 CFR 72.30(c)(5).

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Nine Mile Point Nuclear Station, LLC currently provides decommissioning funding assurance for NMP Unit 1 and its share of NMP Unit 2 through existing prepaid decommissioning trust fund assets, in accordance with 10 CFR 50.75(e)(1)(i).

R. E. Ginna Nuclear Power Plant, LLC provides decommissioning funding assurance for Ginna through its existing prepaid decommissioning trust fund assets in accordance with 10 CFR 50.75(e)(1)(i).

The proposed conversion of Calvert Cliffs Nuclear Power Plant, Inc. into a limited liability company does not affect any existing financial assurance instruments for decommissioning funding.

As is demonstrated above, in accordance with 10 CFR 50.75, there continues to be reasonable assurance that the Applicants will have the funds necessary to cover the estimated decommissioning costs of CCNPP, Ginna, and NMP Unit 1, and the relevant share of the decommissioning costs of NMP Unit 2 at the end of licensed operation. In addition, decommissioning funding assurance for the ISFSI will be maintained consistent with the requirements of 10 CFR 72.30(c).

VIII. ANTITRUST INFORMATION

This Application post-dates the issuance of the plants' operating licenses, and therefore no antitrust review is required or authorized. Based upon the Commission's decision in *Kansas Gas and Electric Co., et al.* (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (1999), the Atomic Energy Act does not require or authorize antitrust reviews of post-operating license transfer applications. See also 10 CFR 50.80(b); Final Rule, Antitrust Review Authority: Clarification, 65 Fed. Reg. 44,649 (July 19, 2000).

IX. RESTRICTED DATA AND CLASSIFIED NATIONAL SECURITY INFORMATION

The proposed transaction does not involve any Restricted Data or other Classified National Security Information, nor does it result in any change in access to any Restricted Data or Classified National Security Information. The CENG Companies' existing restrictions on access to Restricted Data and Classified National Security Information are unaffected by the proposed transaction. In compliance with Section 145a of the Atomic Energy Act and 10 CFR 50.37, the CENG Companies agree that restricted or classified defense information will not be provided to any individual until the Office of Personnel Management investigates and reports to the NRC on the character, associations, and loyalty of such individual, and the NRC determines that permitting such person to have access to Restricted Data or Classified National Security Information will not endanger the common defense and security of the United States.

X. ENVIRONMENTAL CONSIDERATIONS

The proposed transaction is exempt from environmental review because it falls within the categorical exclusion contained in 10 CFR 51.22(c)(21), for which neither an Environmental Assessment nor an Environmental Impact Statement is required. Moreover, the proposed transaction will not directly affect the actual operation of the plants in any substantive way. The proposed transaction does not involve an increase in the amounts, or a change in the types, of any radiological effluents that may be allowed to be released off-site, and it does not involve an increase in the amounts, or a change in the types, of non-

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radiological effluents that may be released off-site. Further, there is no increase in the individual or cumulative operational radiation exposure, and the proposed transaction has no environmental impact.

XI. PRICE-ANDERSON INDEMNITY AND NUCLEAR INSURANCE

The proposed transaction does not affect the existing Price-Anderson indemnity agreement for CCNPP, NMPNS, and Ginna, and does not affect the required nuclear property damage insurance pursuant to 10 CFR 50.54(w) and nuclear energy liability insurance pursuant to Section 170 of the Atomic Energy Act and 10 CFR Part 140. Constellation Energy Nuclear Group, LLC will maintain all required nuclear property damage insurance and nuclear energy liability insurance for the CENG Companies. In addition, CENG's annual reporting in compliance with 10 CFR 140.21(e) provides reasonable assurance regarding its ongoing ability to pay its share of any annual retrospective premium. Also, CENG's financial information submitted with this application provides assurance of the ability to pay deferred premiums in accordance with 10 CFR 140.21(f).

XII. EFFECTIVE DATES

The proposed acquisition of a 49.99% ownership interest in CENG by EDF Development requires regulatory approvals of various federal and state regulatory authorities, in addition to the NRC. The parties to the proposed transaction anticipate closing within seven months of the execution of the definitive investment agreement (December 17, 2008). We respectfully request that the NRC review this Application on a schedule that will permit the NRC to issue its consent related to the proposed transaction and restructuring, together with the issuance of the conforming license amendments, as promptly as possible. We are prepared to work closely with the NRC staff to help expedite the review of the Application, and request approval, if possible, by July 1, 2009. We further request that any consent be immediately effective upon issuance and that it permit the proposed transaction to be implemented at any time within the customary one year of the date of approval of this Application. We request that the Calvert Cliffs Nuclear Power Plant, Inc. license amendments be implemented within 30 days of the closure of the transaction. We will keep the NRC informed of any significant developments that have a material impact on the transaction or schedule.

XIII. CONCLUSION

Based upon the foregoing information, we respectfully request that the NRC issue an Order consenting to the license transfers, as necessary, related to Facility Operating Licenses Nos. DPR-53, DPR-69, DPR-63, NPF-69, and DPR-18, and ISFSI Materials License No. SNM-2505, including the proposed changes to CENG, elimination of Constellation Nuclear Power Plants, Inc., and the conversion of Calvert Cliffs Nuclear Power Plant, Inc. into a limited liability company. We further request the approval of the proposed conforming license amendments for Calvert Cliffs Nuclear Power Plant (Attachments 9 and 10), to reflect the transfer action and the name change to Calvert Cliffs Nuclear Power Plant, LLC.

REFERENCE

- (1) Letter from Mr. J. M. Heffley (CEGG) to Document Control Desk (NRC), dated March 30, 2007, Biennial Report, Status of Decommissioning Funding per 10 CFR 50.75(f)(1), ADAMS Accession Number ML071080262

ATTACHMENT (2)

CEG 8-K AMENDED AND RESTATED INVESTOR AGREEMENT

AMENDED AND RESTATED INVESTOR AGREEMENT

THIS AMENDED AND RESTATED INVESTOR AGREEMENT (this "Agreement") is made and entered into on the 17th day of December, 2008, and amends and restates the Investor Agreement, dated as of July 20, 2007, by and between Électricité de France International, SA, a French société anonyme ("EDFI"), and Constellation Energy Group, Inc., a Maryland corporation ("Constellation");

WITNESSETH:

WHEREAS, in connection with previous joint venture discussions and as a condition to such discussions, an affiliate of EDFI and Constellation entered into a non-disclosure agreement, dated as of February 26, 2007 (the "Nondisclosure Agreement");

WHEREAS, in connection with such discussions, EDFI and Constellation, through their respective affiliates, entered into a joint venture to participate in the development, ownership and operation of new nuclear projects in the United States and Canada and related activities (the "UniStar Joint Venture") and are concurrently herewith executing a transaction document pursuant to which, upon consummation thereof, EDFI and Constellation will form a new joint venture to own and operate the existing nuclear-powered generation facilities of Constellation (the "Nuclear Joint Venture");

WHEREAS, in connection with the UniStar Joint Venture, EDFI has acquired beneficial ownership of 16,964,095 outstanding shares of Constellation common stock, without par value (the "Constellation Stock") and EDFI and Constellation entered into that certain Investor Agreement, dated as of July 20, 2007 (the "Original Agreement");

WHEREAS, under the terms of the Nuclear Joint Venture, an affiliate of EDFI is agreeing to acquire, upon the terms and subject to the conditions contained in the transaction documents related to the Nuclear Joint Venture, 50% of the membership interests (the "Designated Interest") in Constellation Energy Nuclear Group, LLC ("CENG"); and

WHEREAS, in connection with the execution of the transaction documents related to the Nuclear Joint Venture, EDFI and Constellation have agreed to amend and restate the Original Agreement in its entirety on the terms set forth herein.

NOW, THEREFORE, for and in consideration of the rights and obligations contained herein, and for other good and valuable consideration, the adequacy of which is hereby acknowledged, it is covenanted and agreed as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1 Representations of Constellation. Constellation hereby represents and warrants to EDFI as follows:

(a) Constellation has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement by Constellation have been duly and validly authorized by all necessary corporate action of Constellation, and no other corporate proceedings on the part of Constellation are necessary to authorize this Agreement or the performance by Constellation of its obligations hereunder.

(b) This Agreement has been duly and validly executed and delivered by Constellation and, assuming the due authorization, execution and delivery hereof by EDFI, constitutes a legal, valid and binding obligation of Constellation enforceable against Constellation in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

(c) The execution, delivery and performance of this Agreement by Constellation do not and will not conflict with or violate (i) the articles of incorporation or bylaws of Constellation, or (ii) any law, ordinance, rule, or regulation applicable to Constellation.

Section 1.2 Representations of EDFI. EDFI hereby represents and warrants to Constellation as follows:

(a) EDFI has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance of this Agreement by EDFI have been duly and validly authorized by all necessary corporate action of EDFI, and no other corporate proceedings on the part of EDFI are necessary to authorize this Agreement or the performance by EDFI of its obligations hereunder.

(b) This Agreement has been duly and validly executed and delivered by EDFI and, assuming the due authorization, execution and delivery hereof by Constellation, constitutes a legal, valid and binding obligation of EDFI enforceable against EDFI in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

(c) The execution, delivery and performance of this Agreement by EDFI do not and will not conflict with or violate (i) the governing documents of EDFI, or (ii) any law, ordinance, rule, or regulation applicable to EDFI.

(d) EDFI, each of its subsidiaries and, to the best of its knowledge, each of its controlled affiliates (EDFI, its subsidiaries and controlled affiliates, collectively, the “EDFI Group”), as of the date hereof, are the beneficial owners (determined as hereinafter provided) of 16,964,095 shares of Constellation Stock (which number does not include any investments made or managed by outside asset managers with EDFI funds relating to contingent nuclear liabilities, whether such investments have previously been made or are made in the future (any such investments whenever made are hereinafter referred to as, “Permitted EDFI Investments”). EDFI has no control over the funds used by the asset managers to make Permitted EDFI Investments. For purposes of this Agreement, “controlled affiliate” shall mean any entity for which EDFI Group would have the ability to direct the acquisition, disposition or voting of Constellation Stock.

ARTICLE II

ACQUISITIONS AND DISPOSITIONS OF CONSTELLATION STOCK

Section 2.1 Acquisition of Constellation Stock. Until the expiration of the Term (as that term is defined herein) of the Agreement, EDFI or any member of the EDFI Group shall be permitted to acquire and hold shares of Constellation Stock in the aggregate, of no more than 9.9% of the issued and outstanding shares of Constellation Stock; provided, that (i) all such purchases made under this Section 2.1 shall be done in such a manner as is consistent with then current professional practices for the acquisition of shares of public companies, and (ii) if after the date of the execution of this Agreement EDFI acquires a subsidiary or controlled affiliate which owns Constellation Stock, EDFI shall have sixty days to divest such Constellation Stock (and during such sixty-day period (i) such Constellation Stock shall not be included in any calculations under this Section 2.1 and (ii) such sales shall not be subject to the limitations set forth in Section 2.3).

Section 2.2 Standstill.

(a) Except as otherwise provided herein, until the expiration of the Term of this Agreement, without the prior written consent of Constellation, EDFI shall not, and shall cause each member of the EDFI Group not to, singly or as part of a group, directly or indirectly:

(i) acquire or propose to acquire (other than as a result of a stock split, stock dividend or other recapitalization of Constellation) beneficial ownership of any equity securities of Constellation (“Equity Securities”) or any rights to directly or indirectly acquire any Equity Securities, except as contemplated by Section 2.1;

-
- (ii) participate in any solicitation of proxies or become a participant in any election contest with respect to Constellation;
 - (iii) seek, or offer or make any proposal to Constellation, its representatives or any shareholder of Constellation, or otherwise make any public announcement with respect to, (1) any merger of Constellation, consolidation or sale of all or substantially all of the assets of Constellation, or a majority of the outstanding shares of Constellation Stock, or any other form of business combination involving Constellation, (2) any form of restructuring, recapitalization, liquidation or similar transaction involving Constellation, or (3) any proposal or other statement inconsistent with the terms of this Section 2.2, except as specifically contemplated by the terms of this Agreement or the agreements governing the UniStar Joint Venture or the Nuclear Joint Venture;
 - (iv) join with any other parties to form a "group" with respect to Constellation Stock, as determined pursuant to Section 13(d) of the U.S. Securities Exchange Act of 1934, as amended;
 - (v) otherwise act, alone or in concert with others, to seek or offer to control or influence, in any manner, the management, board of directors or policies of Constellation, except as otherwise contemplated by the terms of this Agreement or the agreements governing the UniStar Joint Venture or the Nuclear Joint Venture (including the investment in the Series B preferred stock of Constellation); or
 - (vi) enter into any agreement, disclose any intention or knowingly advise, assist or encourage any other person to do any of the above.

Notwithstanding anything to the contrary in this Agreement, EDFI or any other member of the EDFI Group may participate in any tender or exchange offer for Constellation Stock as a seller or, subject to Section 3.3, vote any securities owned by it at any special meeting of the holders of Constellation Stock to consider any such business combination transaction. Notwithstanding anything in Section 2.2 that may limit any communication or public announcement by EDFI, EDFI shall be permitted to make any communication and public announcement regarding the operation of, and its ownership interest in, the Nuclear Joint Venture, subject only to the restrictions, if any, on communications and confidentiality set forth in the Master Put Option and Membership Interest Purchase Agreement, dated as of December 17, 2008, by and among Constellation, EDFI, Électricité de France Development, Inc. and CENG.

(b) The restrictions set forth in Sections 2.1 and 2.2(a)(i), (iii) and (iv), and the restrictions set forth in Section 2.2(a)(ii) solely with respect to the solicitation of proxies for purposes other than an election of directors, shall terminate upon the earliest to occur of:

- (i) the public announcement by the Company of the commencement of a process to solicit proposals to effect a change of control transaction;

(ii) any third person or group other than EDFI and any of its affiliates or associates (an "Offeror") shall have made a filing with the FERC or the NRC to increase its beneficial ownership of then outstanding shares of common stock, or securities convertible into common stock, above 10%, and such Offeror is not, and should not be considered, a passive investor as described in Rule 13d-1(c) promulgated under the Securities Exchange Act of 1934, as amended;

(iii) the public announcement of entry by the Company into a definitive agreement (including a letter of intent) with any Offeror with respect to a transaction which, if consummated, would result in a change of control of the Company or a sale of all or substantially all of the assets of the Company (other than to a wholly owned subsidiary of the Company);

(iv) the issuance by the Company to an Offeror of shares of then outstanding common stock, or securities convertible into common stock, which, when combined with all other shares of then outstanding common stock beneficially owned by such Offeror (assuming conversion by the Offer of such convertible securities), either (1) represents twenty percent (20%) or more of the voting power represented by all shares of then outstanding capital stock, or (2) or requires shareholder approval under the rules of the New York Stock Exchange;

(v) a liquidation or dissolution of the Company;

(vi) the Company (1) voluntarily commencing any proceeding or a filing of any petition seeking relief under Title 11 of the United States Code, Sections 101 et. seq. (the "Bankruptcy Code") or any other federal, state or foreign bankruptcy, insolvency, liquidation or similar Law, (2) applying for or consenting to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such Person or for a substantial part of its property or assets, (3) filing an answer admitting the material allegations of a petition filed against it in any such proceeding, (4) making a general assignment for the benefit of creditors or (5) taking any action for the purpose of effecting any of the foregoing (provided that the mere consideration of any of the foregoing is not deemed to be the taking of such action) or (7) becoming unable, admitting in writing its inability or failing generally to pay its debts as they become due; or

(vii) an involuntary proceeding being commenced or an involuntary petition being filed in a court of competent jurisdiction seeking (A) relief in respect of the Company or of a substantial part of the property or assets of Company, under the Bankruptcy Code or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, (B) the appointment of a receiver, trustee, custodian, sequestrator or similar official for such Person or for a substantial part of the property of the Company or (C) the winding-up or liquidation of the Company; and such proceeding or petition continuing undismissed for 60 days or an order or decree approving or ordering any of the foregoing continuing unstayed and in effect 30 days;

(viii) Receipt by the Company of a bona fide public proposal from an Offeror with respect to a change of control transaction which is not rejected by the Company's Board of Directors within 20 days of receipt; or

(ix) The commencement by an Offeror of a tender offer or exchange offer that, if completed in accordance with its terms, would result in a change of control transaction that the Company's Board of Directors either has recommended or has not rejected within ten (10) Business Days of the announcement thereof.

Section 2.3 Dispositions of Constellation Stock. During the Term of this Agreement, EDFI may sell, transfer or dispose of Constellation Stock, provided it does so only in accordance with the volume and manner of sale limitations set forth in Rule 144 of the Securities Act of 1933, as amended.

Section 2.4 Beneficial Ownership. For purposes of this Agreement, "beneficial ownership" shall be determined in accordance with Rule 13d-3 under the U.S. Securities Exchange Act of 1934, as amended.

Section 2.5 Constellation Issuances. If Constellation elects to consummate a strategic transaction, alliance or investment that is within a framework mutually developed by Constellation and EDFI, prior to such transaction, alliance or investment Constellation and EDFI may agree that all or a portion of the funding for such transaction, alliance or investment will be made by the issuance of Constellation securities to a member of the EDFI Group in a form and containing terms and conditions to be mutually agreed upon, which agreement the parties acknowledge may entail amendments to this Agreement.

Section 2.6 Business Day. For purposes of this Agreement, "Business Day" means any day between Monday and Friday, inclusive, that is not a day on which banking institutions in New York, New York or Paris, France are authorized or obligated by law or executive order to close.

ARTICLE III

OBSERVER; DIRECTOR NOMINEE; VOTING; COMMERCIALY REASONABLE EFFORTS

Section 3.1 Observer on Nuclear Committee. For so long as each of EDFI (or any of its affiliates or subsidiaries) and Constellation (or any of its affiliates or subsidiaries) owns any membership interests in the UniStar Joint Venture, if EDFI does not otherwise have a Director Nominee under the terms of Section 3.2, EDFI shall be permitted to designate an observer to attend and participate in all meetings of, and receive all materials distributed to, Constellation's Committee on Nuclear Power, provided, that such observer shall not be permitted to attend any portion of a Committee on Nuclear Power meeting at which the presence of such EDFI designated observer would contravene any governmental law, regulation or clearance requirement.

Section 3.2 Director Nominee.

(a) Within two (2) Business Days following the date on which the sale of the Designated Interest to EDFI or an affiliate is consummated, the number of directors constituting the Constellation Board of Directors shall be automatically increased by one (1) and, EDFI shall have the right to nominate one (1) individual (herein referred to as the "EDFI Nominee"), and the Board of Directors shall appoint such EDFI Nominee to such newly created directorship. The EDFI Nominee so appointed shall serve until the next annual meeting of the stockholders of Constellation and until his or her successor is elected and qualifies. The Board of Directors shall cause Constellation to include the EDFI Nominee in the slate of nominees recommended by the Board of Directors to the holders of Constellation's common stock for election at the 2009 annual meeting of stockholders of Constellation and for reelection at every meeting thereafter and shall use all commercially reasonable efforts to cause the election of the EDFI Nominee, including soliciting proxies in favor of his or her election. In the event the EDFI Nominee resigns, is unable to serve as a member of the Board of Directors, is removed from the Board of Directors or fails to be elected as a member of the Board of Directors at any annual stockholders meeting, EDFI shall have the right to nominate another individual (a "Substitute Nominee") and the Board of Directors shall appoint such Substitute Nominee to fill the vacancy created by the resignation or removal of the prior EDFI Nominee, at which point such Substitute Nominee shall be deemed to be the EDFI Nominee. EDFI's rights hereunder with respect to the appointment of the EDFI Nominee shall be terminated at such time as EDFI has transferred, sold or otherwise disposed of its membership interests in CENG to a third party (and not to an affiliate) such that its ownership interest in CENG is less than 25% of the outstanding membership interests in CENG.

(b) For so long as such membership does not conflict with any applicable law or regulation or listing requirement of the NYSE or any other applicable market (as determined in good faith by the Board of Directors of Constellation) on which Constellation Stock is listed for trading, the EDFI Nominee shall be entitled to serve as a member of each committee of the Board of Directors, except for any committee formed to consider a transaction between Constellation and the EDFI Group or any member thereof.

(c) If EDFI has not exercised its right to nominate a EDFI Nominee but is entitled to do so pursuant to this Section 3.2, it may appoint a board observer (the "Board Observer") who shall have the right to attend and participate in all meetings of, and receive all material distributed to, the Board of Directors, but shall not be entitled to vote at meetings of the Board of Directors or any committees thereof. The Board Observer shall be entitled to attend and participate in each committee of the Board of Directors, except for any committee formed to consider a transaction between Constellation and any member of the EDFI Group. Constellation shall reimburse the Board Observer for all costs and expenses reasonably incurred in connection with attending any meetings of the Board of Directors or committees thereof. Notwithstanding the above, Constellation has the right to withhold any information from the Board Observer and to exclude the Board Observer from any meeting or portion thereof if access to such information or attendance at such meeting, could:

- (1) based on the advice of Constellation's outside counsel, adversely affect the attorney-client privilege between Constellation and its counsel;
- (2) cause the Board of Directors to breach its duties; or
- (3) result in a conflict between interests of Constellation, on the one hand, and those of the Board Observer or its Affiliates, on the other hand.

Constellation will use its reasonable best efforts to ensure that any withholding of information or any restriction on attendance is strictly limited only to the extent necessary as set forth in the preceding sentence. Notwithstanding anything in the foregoing to the contrary, Constellation shall be entitled to take actions and establish procedures to the extent reasonably required to restrict the access of the Board Observer to any restricted national security data of Constellation or of any other person whose national security data is in the possession or control of Constellation. The Board Observer shall not have any authority to bind Constellation.

Section 3.3 Voting of Constellation Stock. EDFI shall vote any shares of Constellation Stock that it beneficially owns in any manner that it chooses on matters submitted for approval to the holders of Constellation Stock relating to any of the following:

- (a) any merger, acquisition, consolidation, share exchange, amalgamation or similar business combination of Constellation, or sale of all or substantially all of the assets, or of a majority of the outstanding shares of Constellation Stock;
- (b) any split-off, spin-off, recapitalization or any extraordinary transaction involving the capital stock of Constellation;

(c) Any amendment to the Articles of Incorporation (including and increase in the authorized number of shares of capital stock) or the Bylaws of Constellation;

(d) Any issuance of shares of capital stock submitted for approval to the holders of Constellation Stock; or

(e) Any other extraordinary transaction for which shareholder approval is required under the Maryland General Corporation Law.

On any other matters submitted to the holders of Constellation Stock (such as, for example, annual election of director and approval of equity compensation plans), EDFI shall (and shall cause each member of the EDFI Group to) vote any shares of Constellation Stock that it beneficially owns in the manner recommended by the Constellation board of directors.

Section 3.4 Cooperation. Constellation and EDFI each agree to use all commercially reasonable efforts to facilitate the consummation of the transactions contemplated hereby, including, without limitation, by taking necessary actions to obtain antitrust approvals and facilitating obtaining any necessary clearances so that an EDFI Nominee can attend all meetings of the Constellation Board of Directors.

ARTICLE IV

MISCELLANEOUS

Section 4.1 Effectiveness. This Agreement shall be effective as of the date of this amendment and restatement. This Agreement replaces the Original Agreement in its entirety and the Original Agreement is of no further force or effect.

Section 4.2 Term. The term (the "Term") of this Agreement shall begin on the date hereof, and (i) Section 3.2 shall survive until such time as EDF is not a member of the Nuclear Joint Venture; and (ii) the remaining provisions of this Agreement shall continue until July 20, 2012, provided, however, that Sections 2.1, 2.2, 2.3 and 3.3 shall be of no further force or effect following a change of control of Constellation, and provided further, however, that this Article IV shall survive until the latest to occur of the events described in clauses (i) and (ii) of this Section 4.2.

Section 4.3 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 4.4 Dispute Resolution.

(a) In the event of any dispute arising out of or in connection with this Agreement, including any dispute regarding existence, termination or validity, each party shall

have the right to have recourse to and shall be bound by the pre-arbitral referee procedure of the International Chamber of Commerce in accordance with its rules for a Pre-Arbitral Referee Procedure. All disputes arising under or in connection with this Agreement (including as to existence, termination and validity) shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce (the "Rules") by three arbitrators appointed in accordance with said Rules. The place of the pre-arbitral referee procedure and of the arbitration procedure shall be New York, New York, United States of America. The proceedings before the arbitral tribunal (including with respect to the Pre-Arbitral Referee Procedure) shall be governed by the Rules. The rules of law to be applied by the arbitral tribunal to the merits of the dispute shall be the rules of laws of the State of New York. The language of the arbitration shall be English. Evidence shall be provided in English and pleadings shall be done in English. The arbitral tribunal shall render its decision within six months from the date of signature of the terms of reference. Any decision or award of the arbitral tribunal shall be final and binding upon the parties to the arbitration proceeding. The Parties waive to the extent permitted by applicable Law any rights to appeal or to review of such award by any court or tribunal. The Parties agree that the arbitral award may be enforced against the parties to the arbitration proceeding or their assets wherever they may be found and that a judgment upon the arbitral award may be entered in any court having jurisdiction thereof.

(b) Each party acknowledges that the other would not have an adequate remedy for money damages in the event that any or all of the covenants contained in this Agreement were not performed in accordance with their terms and therefore agrees that the other party shall be entitled to other relief, including injunctive relief and specific performance of such covenants, in addition to any other remedy to which such party may be entitled. Notwithstanding any other provision of this Section 4.4, EDFI and Constellation shall have the right to obtain injunctive relief from any federal or state court located in the Borough of Manhattan, City of New York. Each of EDFI and Constellation hereby irrevocably consents to personal jurisdiction in any such action and to service of process by mail in any manner permitted by the laws of the State of New York and agrees that service of process by registered mail sent to its principal executive office shall be effective service of process for such action, suit or proceeding brought against such party in any such court, and waives any objection to venue in any such New York court.

Section 4.5 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon Constellation and EDFI and their respective affiliates, successors and assigns, including any successor to Constellation or EDFI of substantially all of Constellation's or EDFI's assets or business. EDFI is expressly permitted to assign any of its rights, interests and obligations hereunder to an affiliate of EDFI to whom it may transfer its ownership interests in its Constellation Stock. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

Section 4.6 Entire Agreement; Amendment. This Agreement shall constitute the entire agreement between the parties with regard to the subject matter hereof, provided, that nothing in this Agreement is intended to amend or modify in any respect the terms and

conditions of the Nondisclosure Agreement by and between EDFI and Constellation, dated as of July 20, 2007, or the UniStar Nuclear Energy, LLC Operating Agreement, dated as of July 20, 2007 and each shall continue in full force and effect in accordance with its terms. No modification, amendment or waiver of this Agreement shall be binding without the written consent of the parties hereto.

Section 4.7 Waiver. It is understood and agreed that no failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any further exercise thereof or the exercise of any other right, power or privilege hereunder.

Section 4.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute the same agreement.

Section 4.9 Other Agreements. In the event (a) Constellation enters into a similar agreement with a strategic or industrial shareholder who owns at least 5 percent of the issued and outstanding Constellation Stock, and (b) such agreement is on terms which are materially more favorable to such shareholder than the terms of this Agreement are to EDFI, then EDFI shall be deemed to have the same materially more favorable rights and benefits of such other agreement commencing on the effective date of such other agreement. In such event, Constellation hereby agrees to amend this Agreement, as soon as practicable, but in any event within ten (10) Business Days after the effective date of such other agreement, to provide EDFI with the same materially more favorable terms.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

CONSTELLATION ENERGY GROUP, INC.

By: /s/ Charles A. Berardesco
Name: Charles A. Berardesco
Title: Senior Vice President and General Counsel

ÉLECTRICITÉ DE FRANCE INTERNATIONAL, SA

By: /s/ Daniel Camus
Name: Daniel Camus
Title: Chairman

[Signature Page to Amended and Restated Investor Agreement]

ATTACHMENT (3)

**CEG 8-K SECOND AMENDED AND RESTATED OPERATING
AGREEMENT**

CONSTELLATION ENERGY NUCLEAR GROUP, LLC
a Maryland limited liability company

SECOND AMENDED AND RESTATED OPERATING AGREEMENT

[_____], 200[]

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CONSTELLATION ENERGY NUCLEAR GROUP, LLC

Second Amended and Restated Operating Agreement

This Second Amended and Restated Operating Agreement (this "Agreement") is entered into as of this [] day of [], 200[], by and between Constellation Energy Group, Inc., a Maryland corporation ("Constellation"), and EDF Development Inc., a Delaware corporation ("EDFD"), as Members (as defined below), and Constellation Energy Nuclear Group, LLC, a Maryland limited liability company (the "Company").

RECITALS

WHEREAS, on December 15, 1999, the Company was formed under the Maryland Limited Liability Company Act, as amended from time to time (the "Act"), pursuant to Articles of Organization filed with the Maryland Department of Assessments and Taxation;

WHEREAS, Constellation entered into an amended and restated operating agreement of the Company, dated as of July 1, 2002 (the "Original Agreement");

WHEREAS, concurrently with the execution of this Agreement, EDFD and Constellation are consummating the membership interest sale transaction pursuant to that certain Master Put Option and Membership Interest Purchase Agreement, dated as of _____, 200_ (the "Master Agreement"), pursuant to which Constellation is selling, transferring and delivering to EDFD, and EDFD is purchasing, acquiring and assuming, all of Constellation's right, title and interest in 49.99% of Constellation's Membership Interest (as defined below) in the Company (the "Designated Interest");

WHEREAS, in connection with EDFD's purchase of the Designated Interest and admission to the Company as a Member, the parties desire to enter into this Agreement to set forth their respective rights and obligations as Members of the Company and to provide for the management and affairs of the Company and for the conduct of the business of the Company;

WHEREAS, the parties will assure that the Company and its subsidiaries are in compliance with U.S. laws and regulations regarding foreign domination and control, and therefore will assign decision making authority for matters regulated by the NRC (as defined below) and other U.S. Governmental Authorities (as defined below), where required or prudent to do so, to U.S. citizens pursuant to the process set forth herein; and

WHEREAS, the parties hereto desire to amend and restate the Original Agreement on the terms set forth herein.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

DEFINED TERMS

As used in this Agreement, the following terms shall have the following meanings:

“Act” has the meaning set forth in the recitals.

“Additional Capital Contribution” means, with respect to each Member, any Capital Contribution by such Member to the capital of the Company other than any Initial Capital Contribution pursuant to Section 4.1.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly Controlled by, Controlling or under common Control with such Person.

“Agreement” means this Agreement, as amended from time to time.

“Annual Budget” has the meaning set forth in Section 7.4(a).

“Applicable Law” means, for any Person, any domestic or foreign law, rule or regulation, or judgment, decree, order, permit, license, certificate of authority, order or governmental approval, in each case of or by any Governmental Authority, to which the Person or any of its business is subject.

“Articles of Organization” means the articles of organization of the Company, as amended from time to time, filed with the Department of Assessments and Taxation of the State of Maryland pursuant to the Act.

“Atomic Energy Act” has the meaning set forth in Section 13.17.

“Bankruptcy Event” means, with respect to any Person, the occurrence of any of the following: (a) such Person shall institute a voluntary case seeking liquidation or reorganization under Bankruptcy Law, or shall consent to the institution of an involuntary case thereunder against it; (b) such Person shall file a petition or consent or shall otherwise institute any similar proceeding under any other applicable Federal or state law, or shall consent thereto; (c) such Person shall apply for, or by consent there shall be an appointment of, a receiver, liquidator, sequestrator, trustee or other officer with similar powers for itself or any substantial part of its assets; (d) such Person shall make an assignment for the benefit of its creditors; (e) such Person shall admit in writing its inability to pay its debts generally as they become due; (f) an involuntary case shall be commenced seeking liquidation or reorganization of such Person under Bankruptcy Law or any similar proceedings shall be commenced against such Person under any other applicable Federal or state law and (i) the petition commencing the involuntary case is not dismissed within thirty (30) days of its filing, (ii) an interim trustee is appointed to take possession of all or a portion of the property, and/or to operate all or any part of the business of such Person and such appointment is not vacated within thirty (30) days, or (iii) an order for relief shall have been issued or entered therein; (g) a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee or other officer having similar powers of such Person or all or a part of its property shall have been entered; or (h) any other similar relief shall be granted against such Person under any applicable Federal or state law.

“Bankruptcy Law” shall mean, with respect to any Person, any bankruptcy or insolvency law or other similar law affecting creditors’ rights promulgated by any federal, state, foreign or international government or any political subdivision of any of the foregoing.

“Baseball Arbitration” means the following procedure for determination of Fair Market Value or Implied Acquisition Price. The Members shall first attempt to agree on fair market value in good faith. If the Members cannot agree on fair market value within sixty (60) Days, then the selling or contributing Member (as applicable), on the one hand, and the purchasing or receiving Member or the Company (as applicable), on the other hand, shall each select an independent investment banking firm of national reputation and with experience in valuing assets of the type in question, and such investment banking firms shall each determine the fair market value of the subject property within sixty (60) Days of selection, with the average of the two valuations constituting Fair Market Value. If the two valuations in the previous sentence differ by five percent or more, then the average of the two valuations shall not be binding, and the respective Parent CEOs shall use their reasonable efforts to agree on Fair Market Value within thirty (30) Days of receiving the valuations. If the respective Parent CEOs cannot reach agreement within such thirty (30) Day period, then the two investment banking firms shall mutually agree on a third independent investment banking firm of national reputation within thirty (30) Days of the end of such period, and such third independent investment banking firm shall then determine, within sixty (60) Days of selection, which of the two valuations of the original investment banking firms is closer to fair market value, and such valuation shall constitute Fair Market Value. Any such determination shall be binding on the parties. In connection with any determination of Fair Market Value, each party shall bear the cost of the investment banking firm that it selects, and the cost of any valuation prepared by a third investment banking firm shall be borne by the party whose investment banking firm’s valuation was not selected. If the Company is involved in the determination of Fair Market Value pursuant to Baseball Arbitration, the decision of the Company shall be made without participation of the Directors appointed by the Member involved in the Baseball Arbitration and the requirements for a quorum and the necessary vote of the Board of Directors shall be deemed amended as required to allow such action without the approval of such Directors.

“Board of Directors” has the meaning set forth in Section 7.1(a).

“Business Day” means any working day in France and the United States other than a Saturday, a Sunday or a day on which banks located in Paris, France or New York, New York generally are authorized or required by Applicable Law to close.

“Capital Account” has the meaning set forth in Section 8.4(a).

“Capital Contribution” means, with respect to any Member, the amount of money and the Gross Asset Value of any property (other than money) contributed to the capital of the Company by such Member.

“CEO” has the meaning set forth in Section 7.3(b).

"Change of Control" of a Person means the consummation of any Transfer or series of related Transfers to one entity or group of entities acting in concert that is not an affiliate of such Person that would result in (i) the aggregate disposition, directly or indirectly, of more than fifty percent (50%) of the economic or voting power of the then-outstanding equity interests of such Person, or (ii) a change in a majority of the directors of such Person not effected by the continuing directors of such Person. For avoidance of doubt, "Change of Control" will not include Transfers between wholly owned subsidiaries of a common parent company or equivalent internal corporate reorganizations, but will include a merger, business combination, acquisition or other transaction with a non-Affiliate involving the Person or the direct or indirect parent of the Person.

"Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

"Company" has the meaning set forth in the preamble.

"Company Change of Control" means the consummation of any Transfer or series of related Transfers to one entity or group of entities acting in concert that is not a Member or an Affiliate of a Member that would result in (i) the aggregate disposition, directly or indirectly, of more than fifty percent (50%) of the economic or voting power of the ownership interests of the Company, or (ii) a change in a majority of directors of the Company not effected by the continuing directors.

"Constellation" has the meaning set forth in the preamble.

"Constellation Directors" has the meaning set forth in Section 7.2(a).

"Constellation Marketing" has the meaning set forth in Section 10.3.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of securities, by contract or otherwise. The terms "Controlled," and "Controlling," shall have correlative meanings.

"Day" means a calendar day.

"Defaulting Member" has the meaning specified in the definition of "Event of Default".

"Depreciation" means, for each Fiscal Year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for Federal income Tax purposes with respect to an asset for such Fiscal Year; provided, however, that if the Gross Asset Value of an asset differs from its adjusted basis for Federal income Tax purposes at the beginning of such Fiscal Year, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the Federal income Tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year bears to such beginning adjusted tax basis; and, provided further, that if the Federal income Tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board of Directors.

“Designated Interest” has the meaning set forth in the recitals.

“Director” means any person hereafter elected to act and who is serving as a member of the Board of Directors as provided in this Agreement.

“EDFD” has the meaning set forth in the preamble.

“EDFD Directors” has the meaning set forth in Section 7.2(a).

“Event of Default” means, as to any Member (the “Defaulting Member”), the occurrence of the Defaulting Member’s material violation, breach or default of its obligations under a material provision of this Agreement, which has not been cured within thirty (30) Days, except that:

(a) in connection with a violation, breach or default of a Defaulting Member’s payment obligations under this Agreement, the cure period shall be five (5) Business Days; and

(b) in connection with any violation, breach or default of a Defaulting Member’s obligations other than payment obligations under this Agreement, if the Defaulting Member makes reasonably diligent efforts to cure such Event of Default the cure period shall be extended, but only to the extent reasonably necessary, for up to an additional thirty (30) Days.

“Fair Market Value” means a valuation agreed by the parties or determined through Baseball Arbitration.

“Fiscal Year” has the meaning set forth in Section 5.2.

“GAAP” means accounting principles generally accepted in the United States, as consistently applied throughout the relevant period.

“Governmental Authority” means any domestic or foreign governmental or regulatory authority, agency, court, commission or other governmental or regulatory entity (including any self-regulatory organization).

“Gross Asset Value” means, with respect to any asset, such asset’s adjusted basis for Federal income Tax purposes, except as follows:

(a) the initial Gross Asset Value of any asset contributed by a Member to the Company shall be the Fair Market Value of such asset at the time of such contribution;

(b) the Gross Asset Values of all Company assets may, in the sole discretion of the Board of Directors, be adjusted to equal their respective gross fair market values (as determined by the Board of Directors), as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a

de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a *de minimis* amount of Company property as consideration for an interest in the Company; and (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g);

(c) the Gross Asset Value of any Company asset distributed to any Member shall be adjusted immediately prior to such distribution to equal the gross fair market value of such asset as of the date of distribution (as determined by the Board of Directors); and

(d) the Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraph (a), (c) or (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Income and Net Losses.

“Inconsistent Position” has the meaning set forth in Section 8.5.

“Investee Company” means a Person in which the Company or any of its Subsidiaries owns equity constituting less than 50% of the total equity interests of such Person.

“IRS” means the U.S. Internal Revenue Service or any successor agency.

“Licensed Facility” means a facility that maintains an NRC license.

“Licensed Subsidiary” means a Subsidiary of the Company that maintains a license with the NRC.

“Master Agreement” has the meaning set forth in the recitals.

“Member” or “Members” means Constellation, EDFD and any Person who subsequently is admitted as a member of the Company in accordance with Section 3.2 or Article IX, as applicable, and Section 7.8.

“Membership Interests” means the total of all ownership rights of a Member in the Company, which Membership Interest shall be expressed by the number of Units held by a Member.

“NAC” has the meaning set forth in Section 7.5, and shall be composed initially of those individuals listed on Exhibit B.

“Net Available Cash” shall mean, at any time, all cash of the Company that the Board of Directors determines is available for distribution, taking into account projected cash requirements (including reserves for future operations of the business and contingencies) and subject to any restrictions set forth in any credit or other agreement binding on the Company.

Net Income and Net Losses means, as appropriate, for any Fiscal Year, the taxable income or taxable loss of the Company determined in accordance with Code Section 703(a) for such period or other applicable period for Federal income Tax purposes taking into account any separately stated items, increased by the amount of any Tax-exempt income of the Company during such period and decreased by the amount of any Code Section 705(a)(2)(B) expenditures (within the meaning of Treasury Regulations Section 1.704-1(b)(2)(iv)(i)) of the Company. Gain or loss from any disposition of property shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property may differ from its Gross Asset Value. In lieu of the depreciation, amortization, or other cost recovery deductions taken into account in computing taxable income or loss, there shall be taken into account depreciation computed in accordance with the definition of Depreciation. In the event that the Gross Asset Value of any Company asset is adjusted, the amount of such adjustment shall be treated as an item of gain or loss, as appropriate and shall be taken into account for purposes of computing Net Income or Net Loss.

New Securities has the meaning set forth in Section 10.1(b).

Non-Controllable Items has the meaning set forth in Section 7.4(c).

Non-Defaulting Member has the meaning set forth in Section 7.11.

NRC means the U.S. Nuclear Regulatory Commission or any successor agency.

Objection Notice has the meaning set forth in Section 8.2(b).

Offering Member has the meaning set forth in Section 9.3(a).

Parallel Vehicle has the meaning set forth in Section 13.3.

Parent means, as applicable, Constellation or Électricité de France International, S.A.

Parent CEO means, with respect to any Member, the chief executive officer of the ultimate parent entity of such Member.

Percentage Interest with respect to a Member is set forth on Exhibit A, as the same shall be amended from time to time in accordance with this Agreement. The Percentage Interest of each Member is calculated by dividing the number of Units owned by a Member by the total number of Units owned by all Members, and shall be adjusted from time to time in accordance with Section 3.1(d).

Permitted Transfer has the meaning set forth in Section 9.1(a).

“ Permitted Transferee ” means a Member’s Affiliate that is wholly-owned by the same ultimate parent entity; provided, however, that no Person shall be a Permitted Transferee (a) if the Transfer to such Person is made with the intent that the Transferee will make a subsequent Transfer or the transferor will subsequently Transfer interests in such Transferee in order to avoid the Transfer restrictions that would otherwise be applicable and (b) unless such Person agrees in writing with the Company at the time of such Transfer to Transfer back to the transferring Member the Transferred Membership Interests if such Person ceases to be a Permitted Transferee.

“ Person ” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership or other entity.

“ Preemptive Notice ” has the meaning set forth in Section 10.1(a).

“ Prime Rate ” means the prime rate published in the Wall Street Journal on the last Day of each month (or, if not a publication Day, the prime rate last published prior to such last Day).

“ Provisional Budget ” has the meaning set forth in Section 7.4(b).

“ Redemption Price ” has the meaning set forth in Section 12.2(a).

“ Repurchase Election Period ” has the meaning set forth in Section 12.2(a).

“ Rules ” has the meaning set forth in Section 13.4(b).

“ Safety and Security Issues ” has the meaning set forth in Section 7.2(k)(iv).

“ Special Matter ” has the meaning set forth in Section 7.2(j).

“ Strategic Plan ” has the meaning set forth in Section 7.4(a).

“ Subsidiary ” means, for any Person (the “ parent ”) at any date, any other Person the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other Person (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interest are, as of such date, owned, Controlled or held, or (b) that is, as of such date, otherwise Controlled by the parent or one or more Subsidiaries of the parent.

“ Tax ” means any U.S. federal, state, local or non-U.S. tax or other governmental charge, fee, levy or assessment of whatever kind or nature, including all U.S. federal, state, local or non-U.S. income, gross receipts, windfall profits, severance, property, production, sales, use, license, excise, franchise, employment, premium, recording, documentary, transfer, back-up withholding, turnover, net asset, capital gains, value added, estimated, ad valorem, payroll and employee withholding, stamp, customs, occupation or similar taxes, and any social charges or contributions together with any interest, additions, or penalties with respect to these Taxes and any interest or penalties.

“Terminating Event” means, and shall occur upon the following:

(a) If a Member:

- (i) Makes an assignment for the benefit of creditors;
- (ii) Files a voluntary petition in bankruptcy;
- (iii) Is adjudged bankrupt or insolvent or has entered against the person an order for relief in any bankruptcy or insolvency proceeding;
- (iv) Files a petition or answer seeking for that person any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation;
- (v) Seeks, consents to, or acquiesces in the appointment of a trustee for, receiver for, or liquidation of the Member or of all or any substantial part of the person's properties; or
- (vi) Files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the person in any proceeding described in this subsection.

(b) The continuation of any proceeding against the Member seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any statute, law, or regulation, for 120 Days after the commencement thereof, or the appointment of a trustee, receiver, or liquidator for the Member or all or any substantial part of the Member's properties without the Member's agreement or acquiescence, which appointment is not vacated or stayed for 120 days or, if the appointment is stayed, for 120 days after the expiration of the stay during which period the appointment is not vacated.

(c) In the case of a Member:

- (i) who is an individual, the individual's death or adjudication by a court of competent jurisdiction as incompetent to manage the individual's person or property;
- (ii) who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust;
- (iii) that is a partnership or a limited liability company, the dissolution and commencement of winding up of the partnership or limited liability company;
- (iv) that is a corporation, the dissolution of the corporation or the revocation of its charter; or
- (v) the distribution by the fiduciary of the estate's entire interest in the Company; and, in any such case, the successor or successors to the Member do not comply and/or cannot comply with the provisions of Article IX of this Agreement.

“Three-Year Budget” has the meaning set forth in Section 7.4(a).

“Transfer” means, when used as a noun, any direct or indirect voluntary or involuntary sale, hypothecation, pledge, assignment, attachment or other transfer, including a transfer resulting from a merger, consolidation, assignment of assets or other similar transaction, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign or otherwise transfer.

“Transferee” has the meaning set forth in Section 9.1(a).

“Transfer Notice” means the written notice given by a Member proposing to Transfer a Membership Interest, which shall include all details of such proposed Transfer, including the name of the Transferee and its material Affiliates, the date of the proposed Transfer, the portion of the Member’s Membership Interest to be Transferred, and the cash purchase price for the Membership Interest.

“Treasury Regulations” means the income Tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“Unburdened Cost” shall mean such party’s out-of-pocket cost (including overhead and benefits), but shall exclude any profit.

“Units” means units of Membership Interests in the Company having the rights set forth in this Agreement.

“Withdrawal Interest” has the meaning set forth in Section 12.2(a).

“Withdrawn Member” has the meaning set forth in Section 12.2(a).

“Withholding Agent” has the meaning set forth in Section 6.3(a).

Capitalized terms not otherwise defined in this Article I shall have the meanings ascribed to such terms in this Agreement.

ARTICLE II

ORGANIZATION AND NAME; OFFICE; PURPOSE

Section 2.1 Organization. The Company was formed on December 15, 1999 by the execution and filing with the Department of Assessments and Taxation of the State of Maryland of the Articles of Organization.

Section 2.2 Name of the Company. The name of the Company is "Constellation Energy Nuclear Group, LLC." The Company may do business under that name and under any other name or names that the Board of Directors may, in its sole discretion, determine. If the Company does business under a name other than that set forth above, then the Company shall file a trade name application as required by law.

Section 2.3 Purpose. The Company is organized:

- (a) To operate as a holding company;
- (b) To directly and indirectly, purchase, own, operate, manage and sell assets involved in nuclear power generation, storage and distribution businesses, including, without limitation, ownership interests in the Company's Subsidiaries, and their respective assets;
- (c) To enter into any agreement providing for the management, operation and administration of the activities of the Company and its Subsidiaries including any agreements for the sale of electric capacity, energy or ancillary services;
- (d) To negotiate, authorize, execute, deliver and perform any agreement or instrument or document relating to the activities set forth in clauses (a) through (c) above; and
- (e) To have all of the powers permitted by the Act.

Section 2.4 Principal Office. The principal office of the Company shall be located at 750 East Pratt Street, Baltimore, Maryland 21202, or at any other place or places within the State of Maryland as the Board of Directors shall, in its sole discretion, deem necessary or advisable.

Section 2.5 Resident Agent. The name and address of the Company's resident agent in the State of Maryland shall be CT Corporation System, 300 East Lombard Street, Baltimore, Maryland 21202. The name and/or address of the resident agent of the Company may at any time be changed by filing the new name and/or address with the Maryland Department of Assessments and Taxation pursuant to the Act.

Section 2.6 Term. This Agreement shall be effective as of the date hereof. The existence of the Company shall be perpetual, unless terminated in accordance with the provisions of this Agreement.

Section 2.7 No State Law Partnership; No Concerted Action.

(a) Notwithstanding the provisions of Article VIII, the Members intend that the Company shall not be a partnership (including a general partnership or a limited partnership), and that no Member shall be a partner of any other Member with respect to the business of the Company for any purposes other than U.S. federal, state and local Tax purposes, and this Agreement shall not be construed to suggest otherwise.

(b) Each Member hereby acknowledges and agrees that, except as expressly provided herein, in performing its obligations or exercising its rights hereunder, it is acting independently and is not acting in concert with, on behalf of, as agent for, or as joint venturer or partner of, the other Member. Other than in respect of the Company, nothing

contained in this Agreement shall be construed as creating a corporation, association, joint stock company, business trust, organized group of persons, whether incorporated or not, among or involving either Member or its Affiliates, and nothing in this Agreement shall be construed as creating or requiring any continuing relationship or commitment as between such parties other than as specifically set forth herein. Nothing contained in this Agreement shall be construed as creating any fiduciary relationship of any nature between the Members.

Section 2.8 Lack of Authority of Members. Except as expressly set forth herein, the Members shall not have the authority or power to act for or on behalf of the Company, to do any act that would be binding on the Company, or to incur any expenditures, debts, liabilities or obligations on behalf of the Company. Accordingly, no Member shall be considered an agent of the Company solely by virtue of being a Member, and no Member shall have authority to act for or bind the Company solely by virtue of being a Member.

Section 2.9 Limitation of Liability of Members. To the fullest extent permitted by Maryland law, each Member's liability to provide capital or other assets to the Company shall be limited to such Member's agreed investment in the Company, including any Additional Capital Contributions such Member is committed to make under this Agreement to the extent such investment or contribution has not yet been made, and in the case of Additional Capital Contributions, such obligation shall be solely to provide such contributions for the purposes such Member has committed to make such Additional Capital Contributions, and no Member shall have any further obligation to make any other contributions of capital or provide other property to the Company.

Section 2.10 No Personal Liability of Members. The debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and, to the fullest extent permitted by Maryland law, no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member of the Company. No Member shall be liable for any obligation of the Company unless such liability is expressly assumed by such Member in a separate written agreement signed by such Member.

ARTICLE III

MEMBERSHIP INTERESTS; ADDITIONAL MEMBERS

Section 3.1 Membership Interests.

(a) The Company has authorized the issuance of [] Units. The Board of Directors may authorize the issuance of additional Units or the creation of additional classes of Units having such powers, designations and preferences and rights as may be determined by the Board of Directors (subject to the other terms of this Agreement (*e.g.* , Section 3.2)), and the Board of Directors shall have the authority to make such amendments to this Agreement as are necessary or appropriate to give effect to the foregoing, subject to the requisite Member consent under Section 7.8.

(b) On the effective date hereof, EDFD purchased 49.99% of the outstanding Units from Constellation pursuant to the terms of the Master Agreement.

(c) The Membership Interests shall be uncertificated; provided, however, that all or a portion of a Member's Membership Interest shall be certificated upon written request of such Member, in which event the Board of Directors shall establish procedures related to certificated Membership Interests.

(d) The Units (as set forth on Exhibit A) shall be adjusted from time to time, as applicable, to reflect (i) the Transfer by a Member of its Membership Interests in accordance with Section 7.8 and Article IX, (ii) the admission of a new Member in accordance with Section 3.2, Section 7.2(j)(vii) and Section 7.8, (iii) Additional Capital Contributions made by the Members in accordance with Section 4.2, and (iv) such other events as otherwise may give rise to a change in a Member's ownership of its Membership Interests under this Agreement. Upon any change in a Member's ownership of its Membership Interests, the Board of Directors shall (or shall cause the CEO to) amend Exhibit A to properly reflect such change, including any change to the Percentage Interests of the Members, and the Board of Directors shall (or shall cause the CEO to) deliver a copy of Exhibit A, as so amended, to each Member.

Section 3.2 Additional Members

(a) After the date hereof, a Person may be admitted to the Company as a Member only pursuant to an action by the Board of Directors in accordance with Section 7.2(j)(vii) (but subject to the restrictions in Section 10.1, the requirement for Member approval in Section 7.8 (if applicable) and subject to Article IX in the case of Transfers of Membership Interests by existing Members). Notwithstanding, and in addition to, the foregoing, no Person shall be admitted as a Member unless (x) such Person shall execute and deliver a counterpart of this Agreement, and (y) the Board of Directors is satisfied that such admission would not result in a violation of any Applicable Law or any term or condition of this Agreement.

(b) In the event a new Member is to be admitted by the Board of Directors as provided in Section 3.2(a), the Board of Directors shall determine, in accordance with Section 7.2(j)(vii), the terms of such new Member's admission, including the amount of such new Member's Capital Contribution and the number of Units to be issued to such new Member.

Section 3.3 Representations and Warranties

(a) *Member Representations*. Each Member represents and warrants to the other Member and the Company, as to itself only, that:

(i) It has the power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.

(ii) The execution, delivery and performance by it of this Agreement has been duly authorized, and no other action on the part of such Member or its officers, managers, board of directors, shareholders or members is necessary to authorize the execution and delivery by it of this Agreement and the performance by it of its obligations under this Agreement.

(iii) This Agreement has been duly executed and delivered by it and is a legal, valid and binding obligation of such Member, enforceable against such Member in accordance with its terms except (1) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws of general application affecting enforcement of creditors' rights generally, and (2) the availability of the remedy of specific performance or injunctive or other forms of equitable relief may be subject to equitable defenses and would be subject to the discretion of the court before which any proceeding therefore may be brought.

(iv) It understands that the Company intends to be classified and taxed as a partnership for U.S. federal Tax purposes and not as a publicly traded partnership, and accordingly agrees that it will not Transfer any Membership Interests in the Company, or cause any such Membership Interests to be marketed, on or through an "established securities market" within the meaning of Section 7704(b)(1) of the Code or a "secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704(b)(2) of the Code, including, without limitation, an over-the-counter market or an interdealer quotation system that regularly disseminates firm buy or sell quotations.

(v) It is either:

(1) Not a partnership, grantor trust, S corporation, limited liability company or other pass-through entity for U.S. federal income Tax purposes; or

(2) If it is an entity referred to in clause (1), then either: (x) it was not formed for the purpose of acquiring all or part of the Membership Interests and not more than 40% of the value of the interest of each of its beneficial owners will be attributable to the Membership Interests so acquired, or (y) it has and will have only the number of ultimate beneficial owners (looking through a pass-through entity described in clause (1) above to its beneficial owners, unless such an entity is able to give the certification in (1) or (2) (x)) identified to the Company in a written letter accompanying this Agreement.

(b) *Company Representations*. The Company has the power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. The execution, delivery and performance by the Company of this Agreement has been duly authorized by the Company, and no other action on the part of the Company or the Company's Board of Directors or Members is necessary to authorize the execution and delivery by the Company of this Agreement and the performance by it of its obligations under this Agreement. This Agreement has been duly executed and delivered by the Company and is a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms except (1) as limited by applicable bankruptcy, insolvency,

reorganization, moratorium, fraudulent conveyance and other similar laws of general application affecting enforcement of creditors' rights generally, and (2) the availability of the remedy of specific performance or injunctive or other forms of equitable relief may be subject to equitable defenses and would be subject to the discretion of the court before which any proceeding therefore may be brought.

ARTICLE IV

CAPITAL CONTRIBUTIONS

Section 4.1 Initial Capital Contributions. No Member shall be required to make any initial capital contributions to the Company.

Section 4.2 Additional Capital Contributions.

(a) The Board of Directors shall have the right to call for an Additional Capital Contribution upon approval of the Board of Directors in accordance with Section 7.2(j). Notwithstanding anything to the contrary herein, no Additional Capital Contribution shall be required for the purpose of payment of any liability of the Company to any third party except for payments of amounts due in the ordinary course under agreements approved by the Board of Directors consistent with the Annual Budget.

(b) Prior to making any Additional Capital Contributions, the parties shall discuss alternative sources of financing (including debt financing).

(c) A Member's obligation to make Capital Contributions, if any such obligation exists, shall not inure to the benefit of, or be enforceable by, any Person other than the Company, the Board of Directors and the other Members.

(d) The making of or failure to make any Additional Capital Contributions pursuant to this Section 4.2 shall not affect the right of either Member to participate in the management of the Company or the governance provisions set forth in this Agreement.

Section 4.3 Nonpayment of Additional Capital Contributions. If a Member fails to make any Additional Capital Contributions required in accordance with this Article IV within thirty (30) Business Days after it is requested, interest shall accrue on the unpaid portion at the lesser of (a) the Prime Rate plus 4% per annum and (b) the maximum rate permitted by Applicable Law. The Company or the other Member, on behalf of the Company, may institute proceedings under Sections 13.4(b) and 13.4(c) (it being understood that the escalation process of Section 13.4(a) would not apply) against a Member that fails to make any Additional Capital Contributions provided for in this Article IV.

Section 4.4 Advances by Members. If the Company does not have sufficient cash to pay its obligations, either Member, upon the approval of the Board of Directors in accordance with Section 7.2(j), may advance all or part of the needed funds to or on behalf of the Company, provided, however, that if such advance is necessary due to a failure by a Member to make an Additional Capital Contribution, an advance by the other Member shall not require

approval of the Board of Directors in accordance with Section 7.2(j). An advance described in this Section 4.4 shall constitute a loan from such Member to the Company, shall bear such interest rate as agreed to by the Board of Directors and such Member from the date of the advance until the date of payment, and shall not constitute a Capital Contribution.

ARTICLE V

BOOKS AND RECORDS

Section 5.1 Books and Records. The officers of the Company, acting under the general supervision of the Board of Directors, shall cause to be performed all general and administrative services on behalf of the Company in order to assure that complete and accurate books and records of the Company are maintained at such place designated by the Board of Directors showing the names, addresses and respective Membership Interests of the relevant Members, all receipts and expenditures, assets and liabilities, profits and losses, and all other records necessary for recording the Company's respective business and affairs.

Section 5.2 Fiscal Year. The fiscal year of the Company for financial and Tax reporting purposes (the "Fiscal Year") shall end on December 31 of each year or, if applicable, on the date of dissolution of the Company, unless a different fiscal year for Tax reporting purposes is required by the Code.

Section 5.3 Bank Accounts. All funds of the Company will be deposited in its name in an account or accounts maintained with such bank or banks selected by the Company. The funds of the Company shall not be commingled with the funds of any Member. Checks will be drawn upon the Company account or accounts only for the purposes of the Company and shall be signed by one or more authorized officers of the Company.

Section 5.4 Company Information.

(a) The Company agrees to deliver to each Member:

(i) within fifteen (15) Days after the end of each month in each Fiscal Year, unaudited monthly income statements and balance sheets of the Company and its consolidated Subsidiaries;

(ii) within forty-five (45) Days after the end of each fiscal quarter in each Fiscal Year, unaudited quarterly financial statements of the Company and its consolidated Subsidiaries;

(iii) within ninety (90) Days after the end of each Fiscal Year, audited annual consolidated and consolidating financial statements of the Company and its consolidated Subsidiaries prepared in accordance with GAAP and audited by PricewaterhouseCoopers LLP (or any successor auditor (which shall be an independent nationally recognized accounting firm selected by the Board of Directors in accordance with Section 7.2(g))); and

(iv) with reasonable promptness, such other data and information regularly prepared for senior management of the Company as from time to time may be reasonably requested by either Member.

(b) The Company shall afford, and shall cause its Subsidiaries and its and their respective officers, Directors, employees, auditors, counsel and agents to afford, each Member (and the Member's employees and agents) reasonable access during regular business hours to the Company's and its Subsidiaries' respective officers, Directors, employees, auditors, counsel and agents and to all of the Company's respective properties, books and records, and shall furnish (including the right to copy) the Member (and the Member's respective employees and agents) with all financial, operating and other data and information as the Members may reasonably request.

ARTICLE VI

DISTRIBUTIONS

Section 6.1 Distributions Other Than Liquidation Proceeds. The Company shall not make any distributions to the Members except as authorized by the Board of Directors in accordance with Section 7.2(j)(v). Notwithstanding the preceding sentence, the Company shall make cash distributions in respect of the Members' Tax liabilities at least five days prior to the installment due dates specified in Section 6655(c) of the Code, pro rata to each Member in proportion to the Member's Percentage Interest, equal to the lesser of (i) the minimum amount necessary such that the Member with the highest total allocable income and gain pursuant to Section 8.4(c) for the taxable period for which such installment is due and all prior taxable periods has received cash distributions under this Agreement equal to at least 40% of such total allocable income and gain, and (ii) Net Available Cash. Any amounts designated for distribution shall be distributed, subject to the Act, pro rata in accordance with the Members' respective Percentage Interests.

Section 6.2 Limitations on Distribution. Notwithstanding any provisions herein to the contrary, the Company shall not make a distribution to either Member if such distribution would violate the Act.

Section 6.3 Withheld Taxes.

(a) Each Member shall, to the fullest extent permitted by Applicable Law, indemnify and hold harmless each Person who is, or who is deemed to be, the responsible withholding agent (the "Withholding Agent") for federal, state, local and non-U.S. Tax purposes against all claims, liabilities and expenses of whatever nature relating to the Agent's obligation to withhold and to pay over, or otherwise pay, any withholding or other Taxes on income or gain allocable to such Member, payable by the Company or as a result of such Member's participation in the Company.

(b) Notwithstanding any other provision herein, each Member hereby authorizes the Company to withhold and to pay over, or otherwise pay, any withholding or other Taxes payable by the Company with respect to such Member or as a result of such Member's

participation in the Company if, and to the extent that, the Company shall be required to withhold or pay any such Taxes (including any amounts withheld from amounts payable to the Company to the extent attributable, in the judgment of the Company, to the interest of such Member in the Company). The Member shall be deemed for all purposes stated herein to have received a payment from the Company pursuant to Section 6.1 as of the time such withholding or Tax is required to be paid, which payment shall be deemed to be a distribution with respect to such Member's Interests. To the extent that the aggregate of such deemed payments to a Member for any period does not exceed the distributions to which such Member is otherwise entitled for such period, the Company shall reduce the amount of the distributions which would otherwise have been made to such Member, and if such distributions are not sufficient to reimburse the Company for such Tax payments (as the Company reasonably determines), the Company shall notify such Member who shall pay over to the Company, within fifteen (15) Business Days of such notice, an amount equal to such shortfall. Interest shall accrue on any amounts that a Member fails to pay to the Agent within fifteen (15) Business Days after it is requested under this Section 6.3 at the lesser of (A) the Prime Rate plus 4% per annum and (B) the maximum rate permitted by Applicable Law. To the extent commercially reasonable, the Company shall give prompt notice to each Member of any potential withholding or other Taxes payable by the Company with respect to such Member or as a result of such Member's participation in the Company and shall cooperate with each Member desiring to take reasonable steps to mitigate any such Tax liability provided that (i) any expenses associated with such cooperation shall be borne solely by the applicable Member and (ii) the Company shall not be precluded from fulfilling all its withholding and other Tax obligations under Applicable Law (and shall not be liable to either Member for fulfilling such obligations).

(c) To the extent able, each Member shall deliver to the Company: (i) an affidavit in form satisfactory to the Company that such Member (or its partners, members, shareholders or other owners as the case may be) is or is not subject to Tax withholding under the provisions of any federal, state, local, foreign or other law as of the date of this Agreement; and/or (ii) a certificate of non-foreign status under Treasury Regulations Section 1.1445-5(b)(3)(ii) (or any successor provision), and any other certificates, forms, or instruments reasonably requested by the Company relating to such Member's status under such laws. Each Member shall cooperate with the Company to the extent reasonably requested by it in connection with any Tax audit of or involving the Company or any of its existing or former investments.

(d) The economic burden of any Tax (whether collected through withholding or directly imposed on the Company or any subsidiary (whether by law, regulation or contract)) that, in the Company's reasonable discretion (as determined by the Board of Directors), is attributable to the identity or jurisdiction of a Member or to such Member's failure to provide the information described in Section 6.3(c) will be specially allocated by the Company to any such Member and the Company may similarly specially allocate amounts held in reserve by the Company or any subsidiary related to such Tax, or an indemnity related thereto, or a purchase price discount, holdback, offset or similar reduction in gross proceeds reasonably related to such Tax. Any such Member shall be treated as having received an amount equal to all such Taxes paid or withheld as a distribution pursuant to Section 6.1.

Section 6.4 Information to Be Provided by Members.

(a) Prior to this Agreement becoming effective, each Member shall provide a duly completed and executed valid IRS Form W-9 or W-8BEN, and shall provide a new IRS Form W-9 or W-8BEN (or successor forms) promptly upon learning that any form provided to the Company has become obsolete or incorrect.

(b) In case of any assignment of a Membership Interest or admission of a new Member pursuant to this Agreement, a Member shall (unless waived in writing by the Company) provide a duly completed and executed valid IRS Form W-9 or W-8BEN (or successor forms) prior to such assignment or admission becoming effective and shall provide a new IRS Form W-9 (or successor form) promptly upon learning that any form provided to the Company has become obsolete or incorrect.

ARTICLE VII

MANAGEMENT: RIGHTS, POWERS, AND DUTIES

Section 7.1 General.

(a) Except as provided in this Agreement and except for situations in which the approval of either Member is expressly required by this Agreement or non-waivable provisions of Applicable Law, (i) all of the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, a board of directors (the "Board of Directors") and (ii) the Board of Directors may make all decisions and take all actions for the Company not otherwise provided for in this Agreement. The Board of Directors must act as a board in accordance with the provisions of this Agreement, and no individual Director, as such, shall have any authority to bind or act for, or assume any obligation or responsibility on behalf of, the Company unless expressly authorized to do so by action taken by the Board of Directors in accordance with this Agreement.

(b) The Members shall have no power to participate in the management or affairs of the Company other than the right to appoint Directors and the right to nominate or designate officers as expressly set forth herein and the right to vote on the matters set forth in Section 7.8 or matters requiring approval of the Members under Applicable Law. The Members shall not have meetings or voting rights with respect to the management of the Company and shall not be entitled to vote on or consent to or approve or disapprove actions or decisions regarding the Company except as expressly provided herein or as required by Applicable Law. Accordingly, no Member shall be considered an agent of the Company solely by virtue of being a Member, and no Member shall have authority to act for or bind the Company solely by virtue of being a Member. Members shall act by written consent with respect to any action required or permitted to be taken by the Members.

Section 7.2 The Board of Directors.

(a) *Composition.* The Board of Directors shall be composed of ten Directors. Each of Constellation and EDFD and their respective successors, if any, shall have the right as a Member to appoint five Directors to the Board (such Directors, the "Constellation Directors," and the "EDFD Directors," respectively), which directors shall include the Chairman (who shall be a U.S. citizen). All of the Directors appointed by Constellation or any successor to Constellation shall be U.S. citizens. The Board shall elect the CEO of the Company.

The initial Directors appointed by Constellation shall be: Michael Wallace, Henry Barron, Charles Berardesco, Jonathan Thayer and George Vanderheyden.

The initial Directors appointed by EDFD shall be: [_____], [_____], [_____], [_____] and [_____].

(b) *Election and Tenure of Directors.* Each Director shall hold office until his successor has been appointed and qualified, or until the earlier of his death, disability, resignation or removal as provided in this Agreement.

(c) *Removals and Vacancies.* Any Director may be removed at any time, with or without cause, only by the Member that appointed such Director. Any Director may resign at any time upon written notice to the Board of Directors and the Members. Such resignation shall take effect at the time specified in the written notice, or, if no time is specified therein, at the time of its receipt by the Members; provided, however, that the acceptance of a resignation will not be necessary to make it effective, unless so specified in the resignation. Any vacancy on the Board of Directors may only be filled by the Member that originally appointed the Director who is no longer serving in such capacity. The applicable Member shall promptly appoint a replacement for any such Director who has resigned or was removed.

(d) *Regular Meetings.* Regular meetings of the Board of Directors shall be held no less frequently than quarterly at such time as may be designated from time to time by the Board of Directors. All meetings of the Board of Directors shall be held at the general offices of the Company or elsewhere, as determined from time to time by the Board.

(e) *Special Meetings.* Special meetings of the Board of Directors may be held at any time or place upon call by the Chairman of the Board of Directors or the CEO or upon the written request of at least two Directors (addressed to the Secretary of the Company).

(f) *Notice of Meeting.* The Secretary shall give notice to each Director of each regular and special meeting of the Board of Directors. The notice shall state the time, place and agenda of the meeting and include appropriate documentation to be considered at the meeting. Notice for regular meetings is given to a Director when it is delivered personally to the Director, left at the Director's principal residence or usual place of business, or transmitted by facsimile or telephone, at least seven Business Days before the date of the meeting or, in the alternative, sent by first priority, overnight (if available) courier addressed to the Director's address as it shall appear on the records of the Company, at least eight (8) Business Days for domestic deliveries to overnight delivery areas or nine (9) Business Days for international and other deliveries before the day of the meeting. Notice for special meetings shall be given to each Director with as much advance notice as is practicable under the circumstances. Notice of any meeting of the Board of Directors is waived by any Director who attends the meeting or who, before or after the meeting, signs a waiver of notice which is filed with the records of the meeting. Any meeting of the Board of Directors, regular or special, may adjourn from time to time to reconvene at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement.

(g) *Quorum; Action by Directors.* Except as set forth in Section 7.2(j), the action of a majority of the Directors present in person or by proxy (which proxy shall only be given to a Director) at a meeting at which a quorum is present is an action of the Board of Directors, provided that, at least one director appointed by each of Constellation and EDFD votes in favor of the action, with the exception of matters decided by a casting vote pursuant to Section 7.3(c). A majority of the entire Board of Directors, including at least one Director appointed by each of Constellation and EDFD, shall constitute a quorum for the transaction of business. In the absence of a quorum, the Directors present, by majority vote and without notice other than by announcement, may adjourn the meeting from time to time until a quorum shall attend. At any such reconvened meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting, if a unanimous written consent which sets forth the action is signed by each Director and filed with the minutes of proceedings of the Board of Directors.

(h) *Meeting by Telephone Conference.* Members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at a meeting.

(i) *Committees of the Board of Directors.* From time to time, the Board of Directors may establish one or more committees with such composition, responsibilities and powers as the Board of Directors may determine, provided, however, that such committees shall, at a minimum, include an audit committee and a compensation committee; and provided, further, that Directors appointed by each of Constellation and EDFD shall be appointed in equal numbers on all such committees. Committees shall meet at such times as they or the Board of Directors directs. The decisions of any committee shall be subject to the ultimate approval of the Board of Directors. The Board of Directors shall establish rules governing the organization and actions of each committee based on the provisions of this Agreement with respect to the Board of Directors.

(j) *Special Matters.* Notwithstanding anything herein to the contrary, but subject to Section 7.3(c), approval of all the Directors then in office shall be required with respect to the following matters (each of which shall constitute a "Special Matter"). At any time that the Directors are considering a Special Matter, all of the Directors appointed by a Member must vote in the same manner, either for or against.

(i) The timing of the presentation and adoption of each Annual Budget, Three-Year Budget and Strategic Plan;

(ii) Any increase in the cost of a material element identified in the Annual Budget or Provisional Budget that individually or in the aggregate amounts to a material increase in the cost of such element in the Annual Budget or Provisional Budget, or any increase in any other costs incurred in accordance with the Annual Budget or Provisional Budget that amounts to a material increase in the aggregate costs under the Annual Budget or Provisional Budget (other than any variance relating to a Non-Controllable Item);

(iii) The entry into of any contract that exceeds \$50 million in total potential liability or risk to the Company over the term of the contract, unless the expenditures for such contract are provided for in the Annual Budget, Three-Year Budget or Provisional Budget;

(iv) The entry into of any contract between the Company and either Member or any of such Member's Affiliates not specifically provided for in the Annual Budget, Three-Year Budget or Provisional Budget and exceeding \$10 million in total potential liability or risk to the Company over the term of the contract;

(v) The making of any distribution by the Company to its Members (other than cash distributions in respect of Members' Tax liabilities pursuant to Section 6.1) or by any Subsidiary to the Company;

(vi) Any change to the organization, governance or management of any Subsidiary of the Company from the principles set forth in Section 7.10, and any commitments to provide capital or credit support to a Subsidiary or Investee Company;

(vii) The issuance of any New Securities or the admission of any new Member to the Company (other than in connection with a Transfer of a Membership Interest in compliance with Section 9.2(a)(iii) or Section 9.2(b) and subject to any approval required under Section 7.8);

(viii) Any incurrence of indebtedness, individually or in a series of related transactions that have not been expressly approved as a Special Matter, in excess of \$50 million, or the granting of any guaranty or lien, mortgage or pledge over all or substantially all of the assets of the Company and its Subsidiaries;

(ix) Initiating or making any settlement or compromise of a claim in excess of \$10 million in connection with a dispute (whether or not involving litigation) involving a third-party, or any dispute with a Governmental Authority;

(x) Staffing of key executive officer positions of the Company, consistent with Section 7.9;

(xi) A grant of authority to the Chairman, CEO or other officers of the Company that would materially alter the authority granted to such officer under this Agreement other than delegations of authority in the ordinary course of business;

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- (xii) Any reorganization, dissolution, liquidation, winding up or bankruptcy of the Company or any Subsidiary of the Company, or any vote by the Company relating to its ownership interest in any Subsidiary or Investee Company;
 - (xiii) Any decision requiring the Members to make any Additional Capital Contributions;
 - (xiv) Amending in any material respect the charter, bylaws or other organizational documents of any Company Subsidiary or Investee Company;
 - (xv) Any decision by the Company to enter into a new line of business;
 - (xvi) Changes in material accounting policies, other than as required by GAAP;
 - (xvii) The engagement or discharge of independent auditors;
 - (xviii) Any decision by the Company to enter into any material acquisition, divestiture, joint venture or partnership;
 - (xix) Any decision by the Company to enter into a Company Change of Control transaction or to effect an initial public offering of the Company;
 - (xx) Any recapitalization, reclassification or similar event by the Company;
 - (xxi) Any loans or advances provided to the Company by a Member, except for any loan made by a Member to the Company in satisfaction of a failure by the other Member to make a capital contribution in accordance with Section 4.2;
 - (xxii) The decision as to whether or not to stop operations and/or close a nuclear facility to begin its decommissioning;
 - (xxiii) The decision to seek re-licensing of a nuclear facility;
 - (xxiv) The decision to buy, sell, lease, or otherwise dispose of its interest in a nuclear facility; and
 - (xxv) Entering into any agreement or arrangement to do any of the above.

Section 7.3 Officers.

(a) *Election, Tenure and Removal of Officers*. The officers shall be elected by the Board of Directors. Where this Agreement provides that the holder of a particular office is to be nominated by one Member, any person elected to such office must have been nominated by such Member. An officer shall serve until his death, resignation or removal. All officers or agents of the Company may be removed at any time by the Board of Directors. The removal of an officer or agent does not prejudice any of his contract rights. The Board of Directors (or any committee or officer authorized by the Board of Directors) shall fill a vacancy which occurs in any office subject to the nomination rights of a Member specified in this Agreement.

(b) *Executive Officers*. The Company shall have a President who shall be the Chief Executive Officer (the "CEO") and who shall be a U.S. citizen, a Secretary, a Treasurer, a Chief Nuclear Officer and such other officers as the Board of Directors may deem necessary for the conduct of the business and affairs of the Company. A person may hold more than one office in the Company.

(c) *Chairman of the Board*. The Chairman of the Board and anyone who acts for him must be a U.S. citizen. The Chairman shall be designated by Constellation from among the Directors appointed by Constellation and shall preside at all meetings of the Board of Directors at which he shall be present. He shall have such powers as are from time to time assigned to him by the Board of Directors. Notwithstanding the prior sentence, the Chairman's primary duties will include overseeing relationships with U.S. Governmental Authorities and other key relationships, reviewing corporate communications and providing an interface with the public. In connection with the latter functions, the Chairman shall make reasonable efforts, taking into account the urgency of the matter, to inform and consult with the Board of Directors with regard to corporate communications and public interface activities involving sensitive matters. In the event of a deadlock of the Board of the Directors, the Chairman shall have a casting (deciding) vote on the following matters:

(i) Any matter that, in view of U.S. laws or regulations, requires or makes it reasonably necessary to assure U.S. control;

(ii) Any matter relating to nuclear safety, security or reliability, including, but not be limited to, the following matters:

(1) implementation or compliance with any NRC generic letter, bulletin, order, confirmatory order, or similar requirement issued by the NRC;

(2) prevention or mitigation of a nuclear event or incident or the unauthorized release of radioactive material;

(3) placement of the plant in a safe condition following any nuclear event or incident;

(4) compliance with the Atomic Energy Act, the Energy Reorganization Act, or any NRC rule;

(5) the obtaining of or compliance with a specific license issued by the NRC and its technical specifications; and

(6) compliance with a specific Final Safety Analysis Report, or other licensing basis document; provided, that the Chairman shall not exercise the casting vote in connection with any matter specified in this Section 7.3(c)(ii) to implement an option that is less likely to promote safety than that being proposed by the EDFD Directors;

(iii) Any decision relating to U.S. regulatory strategy or the relationship with the NRC consistent with Section 7.8;

(iv) The adoption of any charter, any change in the authority or composition, or any matter relating to compensation, of the NAC, provided that such change does not alter the non-voting advisory nature of the NAC;

(v) Any settlement or compromise of a claim in excess of \$10 million but not in excess of \$30 million in connection with a dispute (whether or not involving litigation) involving a U.S. or Canadian Governmental Authority, provided that such settlement or compromise does not involve (1) an agreement to a consent decree or agreement materially restricting and decreasing the value of the lawful business of the Company, or (2) an admission of criminal liability on the part of the Company or any of its Subsidiaries;

(vi) Any other issue reasonably determined by the Chairman in his prudent exercise of discretion to be an exigent nuclear safety, security or reliability issue; and

(vii) Staffing of key executive officer positions of the Company, and upon any vacancy in the office of CEO, consideration of the second candidate nominated for such position under Section 7.2(j);

and, notwithstanding 7.2(g), any such action approved pursuant to this Section 7.3(c) shall constitute an action of the Board of Directors. The Chairman's casting vote shall not apply to any Tax matters.

(d) *CEO*. The CEO shall be a U.S. citizen. In the absence of the Chairman of the Board, the CEO shall perform all duties of the Chairman of the Board but shall not have a vote other than any vote he may have if he is otherwise a Director. The CEO shall have the power and authority to operate the Company on a day-to-day basis within the broad parameters set forth in the Annual Budget and Strategic Plan, including the ability to sign contracts and take other actions within the scope typically granted to a CEO of a business enterprise. The CEO may sign and execute, in the name of the Company, all authorized deeds, mortgages, bonds, contracts or other instruments, except in cases in which the signing and execution thereof shall have been expressly delegated to some other officer or agent of the Company; and, in general, he shall perform all duties incident to the office of a president of a corporation, and such other duties as are from time to time assigned to him by the Board of

Directors. The CEO shall be responsible, in consultation with the Chief Nuclear Officer, for appointing key executive officers at each Licensed Subsidiary, in accordance with Section 7.9. The CEO (including any successor CEO) shall be appointed by the Board of Directors and may be removed only by the Board of Directors.

(e) *Vice Chairman of the Board*. The Vice Chairman shall be designated by the EDFD Directors and shall have such powers and duties as may be assigned to him by the Board of Directors. In no event shall the Vice Chairman have a casting (deciding) vote.

(f) *Vice Presidents*. Each Vice President, if one is appointed, shall have such powers and duties as may be assigned to him by the Board of Directors or the Chairman of the Board. A Vice President may be designated by the Board of Directors or the Chairman of the Board to perform, in the absence of the CEO, all the duties of the CEO.

(g) *Secretary*. The Secretary shall attend all meetings of the Board of Directors and shall notify the Directors of such meetings in the manner provided in this Agreement. He shall record the proceedings of all such meetings in books kept for that purpose. He shall have such other powers and duties as may be assigned to him by the Board of Directors or the Chairman of the Board, as well as the specific powers assigned by this Agreement.

(h) *Treasurer*. The Treasurer shall have the care and custody of the funds and valuable papers of the Company, and shall receive and disburse all monies in such manner as may be prescribed by the Board of Directors or the Chairman of the Board. He shall have such other powers and duties as may be assigned to him by the Board of Directors or the Chairman of the Board, as well as the specific powers assigned by this Agreement.

(i) *Assistant Officers*. Each assistant officer can act in the place of the person holding the office to which his position relates and perform all of the duties of such officer, consistent with Applicable Law. In addition, he shall have such powers as are from time to time assigned to him by the person holding the office to which his position relates, the CEO, the Chairman of the Board or the Board of Directors.

(j) *Chief Nuclear Officer*. The Chief Nuclear Officer of the Company shall be a U.S. Citizen (not a dual national). The Chief Nuclear Officer shall be responsible for operation of the Licensed Facilities of the Company and its Subsidiaries. The Chief Nuclear Officer shall report directly to the CEO.

(k) *Compensation*. Subject to the limitations of the Annual Budget, officers of the Company (other than the CEO) shall receive such compensation as shall be determined by the CEO after consultation with the compensation committee. Subject to the limitations of the Annual Budget, the CEO and any independent Directors shall receive such compensation as shall be determined by the Board of Directors (after receiving a recommendation from the compensation committee).

(l) *Paramount Responsibility of Certain Officers*. The Chairman of the Board of Directors, the Company's CEO and the Company's Chief Nuclear Officer shall have the responsibility and authority to ensure, and shall ensure, that the business and activities of the

Company and its Subsidiaries with respect to its Licensed Facilities are at all times conducted in a manner consistent with the protection of the public health and safety and common defense and security of the United States.

Section 7.4 Budget and Strategic Plan.

(a) *Annual Budget and Strategic Plan*. The initial annual operating budget for the Company for the year in which the execution of this Agreement occurs shall be the budget as in effect at such time, which is attached hereto as Exhibit B. In the absence of contrary direction from the Board of Directors, the CEO shall present to the Board, no later than the fourth quarter of each Fiscal Year (beginning in the year of the execution of this Agreement), (i) an annual operating budget for the Company for the following fiscal year (the "Annual Budget"), (ii) an operating and capital expenditures budget for the Company for the following three Fiscal Years (a "Three-Year Budget"), and (iii) a strategic business and operating plan for the following three years (a "Strategic Plan"), for the Company, its Subsidiaries and its Investee Companies for review and approval by the Board. The Board will seek to approve the Annual Budget, the Three-Year Budget and the Strategic Plan, in accordance with the requirements of Section 7.2(j)(i), no later than the end of the calendar year with respect to the following year's budgets and Strategic Plan.

(b) *Provisional Budget*. If a proposed Annual Budget is not adopted by the Board of Directors prior to the end of a fiscal year, then the Annual Budget previously approved by the Board for the preceding Fiscal Year shall remain in effect, after giving effect to any dispositions or other material changes to the assets of the Company or any of its Subsidiaries during such Fiscal Year (the "Provisional Budget"). Any items of the proposed Annual Budget that have been approved will become operative. If the Board of Directors adopts an Annual Budget prior to the end of such Fiscal Year, such Annual Budget shall then become effective.

(c) A Provisional Budget shall be adjusted automatically for the following (to the extent it does not already incorporate such item): (i) the budgeted amount for any expenditures over which the Company, its Subsidiaries and its Investee Companies have little or no control, such as real property Taxes, insurance premiums, utility charges, interest and principal due on then-existing indebtedness entered into in accordance with terms of this Agreement and amounts payable pursuant to the terms of then-existing contracts by which the Company, its Subsidiaries and relevant Investee Companies are bound (collectively, "Non-Controllable Items") shall be the amount required to pay such items, and (ii) the budgeted amount for recurring capital expenditures and any other items of expense that are not Non-Controllable Items shall be the applicable amount set forth in the then most recently approved Annual Budget or, if not represented in the Annual Budget, in the Three-Year Budget, such amounts in (ii) above being adjusted for changes in inflation as reflected in the appropriate price index for such item and/or locale.

(d) The Company and its Subsidiaries may make any expenditures that are consistent with the Annual Budget or the Provisional Budget.

(e) Notwithstanding the vote required to approve the Annual Budget, Three-Year Budget and Strategic Plan as set forth in Section 7.2(j)(ii), to the extent a Special Matter has been unanimously approved by the Board of Directors pursuant to Section 7.2(j), the Annual Budget, Three-Year Budget and Strategic Plan shall be considered to have been revised accordingly.

Section 7.5 Nuclear Advisory Committee. The Nuclear Advisory Committee (the "NAC") shall serve the Company in a non-voting advisory capacity, shall report to and provide transparency to the NRC and other U.S. Governmental Authorities regarding foreign ownership and control of nuclear operations. The NAC shall be composed of U.S. citizens who are not officers, directors or employees of the Company, EDFD or Constellation and shall be appointed by the Board of Directors. Members of the NAC shall be appointed for a term of two years, at the end of which they shall be reappointed or replaced by the Board of Directors. The initial members of the NAC shall be composed of the individuals who, as of the date hereof, serve on the Advisory Committee of Unistar Nuclear Energy, LLC pursuant to the Unistar Nuclear Energy, LLC Operating Agreement, dated as of July 20, 2007, by and among Constellation, EDFD and Unistar Nuclear Energy, LLC. At least annually, the NAC shall prepare a report and supporting documentation to be delivered to the Board of Directors, which report shall advise the Company as to whether additional measures should be taken to ensure that the Company is in compliance with U.S. laws and regulations regarding foreign domination or control of nuclear operations and that a decision of a foreign government could not adversely affect or interfere with the reliable and safe operation of any nuclear assets of the Company, its Subsidiaries or Affiliates. In connection with its duties, the NAC shall have the power and authority, at the Company's reasonable expense, to retain outside consultants, lawyers and accountants, delegate matters to Company personnel and otherwise do such other acts as are reasonably necessary or advisable to carry out its duties hereunder. The Board of Directors may at reasonable times and upon reasonable cause request the NAC to provide a justification or explanation regarding the expenses of the NAC. The Board of Directors will have direct access to the NAC regarding issues pertaining to foreign ownership and control of the Company. The NAC will advise on and recommend appropriate additional policies to prudently assure the Company's continued compliance with provisions of U.S. law and regulations regarding (i) nuclear security plans, including physical security and cyber security; (ii) screening of nuclear personnel; (iii) protection of critical nuclear infrastructures; and (iv) U.S. export regulations.

Section 7.6 Existing Nuclear Plant Subsidiaries. Each Licensed Subsidiary will have a board of directors appointed by the Board of Directors of the Company in accordance with Section 7.9. The Board of Directors of each Licensed Subsidiary shall be appointed in accordance with Section 7.2(j).

Section 7.7 Liability and Indemnification.

(a) *Liability for Certain Acts*. Each Director and officer shall perform his duties (i) in good faith; (ii) in a manner the person reasonably believes to be in the best interests of the Company and (iii) with such care as an ordinarily prudent person in a like position would use under similar circumstances. Notwithstanding the foregoing, (1) Directors may vote or consent in accordance with the direction of the Member appointing them, and shall not be held liable to the Company or any Member for a breach of any obligation to the Company or a Member when acting in accordance with any such directions and (2) the Directors and officers shall not be liable to the Company or any Member for any action taken or omission in

managing the business or affairs of the Company if the Directors and officers have the reasonable belief that such act or omission is in or is not contrary to the best interests of the Company and is within the scope of authority granted to them by the Agreement. In performing his duties, a Director or officer shall be entitled to rely on any information, opinion, report, or statement, including any financial statement or other financial data, prepared or presented by (x) any officer (in the case of a Director) or any other officer (in the case of an officer) or any employee of the Company whom the person reasonably believes to be reliable and competent in the matters presented; (y) a lawyer, certified public accountant, or other person, as to a matter which the person reasonably believes to be within such person's professional or expert competence; or (z) with respect to a Director only, a committee of the Board of Directors on which the Director does not serve, as to a matter within the committee's designated authority, if the Director reasonably believes the committee to merit confidence. However, a Director or officer will not be acting in good faith if he has any actual knowledge concerning the matter in question which would cause such reliance to be unwarranted.

(b) *Members*. The Members shall not be engaged in the management of the Company, and shall not be liable to the Company for any loss or damage sustained by the Company except for (i) any loss or damage resulting from intentional misconduct or knowing violation of Applicable Law, or (ii) liability for any breach of this Agreement. To the fullest extent provided by law, no Member shall have any fiduciary duty, duty of care or any other duty to any other Member or to the Company; provided, however, that the foregoing shall not limit any Member's obligation under or liability for breach of the express terms of this Agreement or the Master Agreement. The Members shall be entitled to rely on information, opinions, reports or statements, including but not limited to financial statements or other financial data, prepared or presented by any Director, officer or any employee of the Company whom the person reasonably believes to be reliable and competent in the matters presented, or any lawyer, certified public accountant, or other person, as to a matter which the person reasonably believes to be within such person's professional or expert competence.

(c) *Indemnification*.

(i) The Company shall indemnify, advance expenses and hold each Director, each officer and each member of the NAC harmless against any and all claims, actions, demands, costs, expenses (including attorneys fees), damages and losses as a result of any allegation, claim or proceeding relating to any act, decision or omission concerning the activities of the Company and/or the authority granted such person pursuant to this Agreement, except for fraud. The Board of Directors may cause the Company to indemnify and advance expenses to other employees and agents of the Company to the same or to a lesser extent as indemnification is provided to the Directors, officers and members of the NAC. Any indemnification and advancement of expenses provided by the Company shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the person entitled to indemnification.

(ii) The foregoing rights of indemnification shall not be exclusive of any other rights to which those seeking indemnification may be entitled.

(iii) The Board of Directors may take such action as is necessary to carry out these indemnification provisions and is expressly empowered to adopt, approve and amend from time to time this Agreement, resolutions or contracts implementing such provisions and to provide for any further indemnification arrangements as may be permitted by law. No amendment of this Agreement or repeal of any of its provisions shall limit or eliminate the right to indemnification or advancement of expenses provided hereunder with respect to any act or omission occurring prior to such amendment or repeal. The Company may, if the Board of Directors deems it appropriate in its sole discretion, obtain insurance for the benefit of the Board of Directors and the officers, employees and agents of the Company.

(iv) Notwithstanding anything to the contrary contained herein, no person serving as a Director, officer or member of the NAC shall be liable to the Company or any Member for money damages except to the extent that (1) it is proved that the person actually received an improper benefit or profit in money, property, or services for the amount of the benefit or profit in money, property, or services actually received, or (2) a judgment or other final adjudication adverse to the person is entered in a proceeding based on a finding in the proceeding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. No amendment of this Agreement or repeal of any of its provisions shall limit or eliminate the limitation on liability for money damages provided to Directors, officers and members of the NAC hereunder with respect to any act or omission occurring prior to such amendment or repeal.

(v) Notwithstanding anything to the contrary contained herein, the advancement of expenses to any Person shall be conditioned upon the Person seeking such advancement providing the Company (1) a written affirmation that the Person has a good faith belief that the standard of conduct necessary for indemnification as provided in this Section 7.7 has been met and (2) a written undertaking to repay the amount advanced if it is ultimately determined that the standard of conduct was not met.

Section 7.8 Member Approvals. The following actions will require approval by written consent of each Member in addition to any approval required of the Board of Directors:

(a) Approval of any amendment to this Agreement other than amendments expressly permitted to be made by the Board of Directors pursuant to this Agreement;

(b) Transfer of a Membership Interest (except as expressly permitted by this Agreement) or the admission of any Person as a Member (except for a transferee pursuant to a transfer expressly permitted by this Agreement);

(c) Approval of any amendment to the Company's Articles of Organization; and

(d) Except as provided in this Section 7.8, no act of the Company requires the unanimous consent of the Member. Accordingly, except as provided in this Section 7.8, wherever the Act would otherwise require unanimous consent of the Members to approve or take any action, such consent shall not be required.

Section 7.9 Staffing.

(a) Non-Discrimination Policy. The Members acknowledge that U.S. law and policy require that certain activities of the Company remain under the control and management of U.S. citizens and direct that the Company at all times comply with such foreign ownership, control or influence limitations as have been established by U.S. law, regulation or agreement with any Governmental Authority. Without in any way diminishing the foregoing, it shall be the policy of the Company to endeavor, to the maximum extent possible consistent with the foregoing, to permit the involvement of Directors, executive officers, officers and other personnel appointed, seconded, assigned or nominated by EDFD or any of its Affiliates in accordance with this Agreement, the assignment and secondment agreement or the technical services agreement to a position with the Company or a Subsidiary of the Company, without regard to nationality. This policy shall be subject to such exceptions as may be necessary or appropriate to avoid even an appearance of foreign control or influence over such additional areas of the Company's business deemed sensitive by U.S. Governmental Authorities, but such exceptions shall be subject to approval by the Board of Directors.

(b) Appointment of Employees. Each Member will agree to contribute adequate staff for the management of the Company, its Subsidiaries and Investee Companies in accordance with the Member's special competencies, capabilities, the requirements of Applicable Law, the regulatory strategy of the Company and other agreements.

Section 7.10 Governance of Subsidiaries. Except as determined in accordance with Section 7.2(j)(vi) and Section 7.6, the agreements regarding organization, management and governance with respect to Subsidiaries and the responsibilities of the Members with respect thereto shall be substantially equivalent to those of the Company, with appropriate changes to reflect their positions as Subsidiaries of the Company.

Section 7.11 Events of Default. Upon an Event of Default, the non-Defaulting Member (the "Non-Defaulting Member") may elect to transfer all or any portion of its membership interests in the Company without regard to the requirements of Section 9.3.

Section 7.12 Delegation of Financial Authority. The Company and its Subsidiaries shall implement and operate pursuant to a written delegation of financial authority ("DOFA") policy, which shall be reviewed and approved periodically by the Audit Committee of the Board of Directors.

ARTICLE VIII

TAX MATTERS AND CAPITAL ACCOUNTS

Section 8.1 Tax Treatment. For U.S. federal income Tax purposes, pursuant to Revenue Ruling 99-5, the sale by Constellation to EDFD of the Designated Interest is treated as the purchase by EDFD of 49.99% of the assets of the Company, immediately followed by a contribution by EDFD and Constellation of their respective interests in those assets to the Company in exchange for membership interests in the Company. Each of the Members intends for its initial capital contribution to the Company to qualify as a tax-free contribution pursuant to Section 721 of the Code. Upon such initial capital contribution, the Company will be treated as a partnership for U.S. federal income Tax purposes, and neither the Company nor either Member shall take any action or position that is inconsistent with such classification.

Section 8.2 Tax Returns and Information.

(a) The Board of Directors shall cause to be prepared at the expense of the Company and shall timely file or cause to be filed all required and necessary Tax or information returns and all other filings for the Company which shall be prepared by a nationally recognized accounting firm prepared in accordance with Applicable Law. The Board of Directors shall cause, at the expense of the Company, to be provided to each Member a copy of any Tax return or other information statement reasonably required by such Member, including IRS Schedule K-1 within ninety (90) Days after the end of the Fiscal Year (or as soon as reasonably practicable thereafter) in order to properly comply with its Tax filing requirements and shall cause to be provided to each Member all other information as may be reasonably requested by such Member in order to enable such Member (or the holder of a direct or indirect interest therein) to comply with its Tax obligations, including without limitation copies of notices from Tax authorities and other Tax-related information received by the Company. In addition, the Company shall cause to be prepared any filings, applications or elections necessary to obtain any available exemption from, or refund of, any material withholding or other Taxes imposed by any non-U.S. (whether sovereign or local) Taxing authority with respect to amounts distributable to the Members pursuant to this Agreement, to the extent the Company can do so without unreasonable effort or expense. Each Member agrees that it will cooperate with the Company in making any such filings, applications or elections to the extent the Company determines that such cooperation is necessary or desirable. If either Member must make any such filings, applications or elections directly, the Company, at the request of such Member shall provide such information and take such other action as may reasonably be necessary to complete or make such filings, applications or elections, to the extent the Company can do so without unreasonable effort or expense. The Company shall distribute any amounts received as refunds of such non-U.S. Taxes to the Members in respect of which such non-U.S. Taxes were imposed. Any refunds of such non-U.S. Taxes received by the Company or a Member shall be treated as an additional distribution pursuant to Section 6.1 unless such amounts were already treated as having been distributed to such Member. In the event that a Member makes a request for a refund of non-U.S. Taxes previously paid by such Member or the Company, a copy of the request shall be sent by the Member to the Company.

(b) The Company shall deliver to EDFD and Constellation a draft IRS Form 1065 and drafts of any other state income Tax returns, 30 days prior to the date on which the relevant return is to be filed (including extensions). Each of EDFD and Constellation shall have the right within 15 days of receipt of the draft return to deliver a notice (an " Objection Notice ") to the Company stating that EDFD, or Constellation (as may be the case) objects to any information contained on or omitted from any draft Company tax return and setting forth an alternative treatment of the item or items disputed. If EDFD or Constellation files an Objection Notice, the Board of Directors shall negotiate in good faith to resolve the item or items disputed. If EDFD or Constellation (as the case may be) and the Board of Directors fail to resolve any disputed item, the Company shall file the Company Tax Return in a manner consistent with the draft Company Tax Return provided to EDFD and Constellation.

Section 8.3 Tax Matters Partner and Elections.

(a) The Members agree and consent that Constellation may, on behalf of the Company, at any time, and without further notice to or consent from either Member act as the tax matters partner within the meaning of Section 6231(a)(7) of the Code for U.S. Federal income, state or local tax purposes.

(b) All material Tax decisions and other matters not specifically and expressly provided for by the terms of this Agreement concerning accounting procedures and the allocation of profits, gains, deductions, losses and credits among the Members (including, but not limited to, elections under Section 754 of the Code, or special allocations under Section 704(c) of the Code), shall be determined by the Board of Directors in good faith. Such determinations made in good faith by the Board of Directors shall, in the absence of manifest error, be final as applied to all Members. The Tax Matters Partner shall, after any such determinations are made, file any elections or forms or documents with the IRS in accordance with these determinations, and shall otherwise take reasonable action with respect to any remaining Tax matters as may from time-to-time be required or advisable under the Treasury Regulations or other Applicable Law.

Section 8.4 Capital Accounts.

(a) " Capital Account " means, with respect to any Member, the Capital Account the Company shall maintain for such Member in accordance with the following provisions:

(i) Each Member's Capital Account shall be increased by the amount of any money and the Gross Asset Value of any other property contributed to the Company by such Member (net of liabilities secured by contributed property that the Company is considered to assume or take subject to under Section 752 of the Code), as may be adjusted pursuant to a revaluation, as well as any Net Income allocated to such Member pursuant to this Section 8.4 and the amount of any Company liabilities assumed by such Member or secured by any Company assets distributed to such Member.

(ii) Each Member's Capital Account shall be decreased by the amount of money and the Gross Asset Value of any other Company property distributed to such Member pursuant to any provision of this Agreement, any Net Losses allocated to such Member pursuant to this Section 8.4 (including the Member's share of expenditures described in Section 705(a)(2)(B) of the Code) and the amount of any liabilities of such Member assumed by the Company.

(iii) In the event any Member's Membership Interest (or portion thereof) is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of such Member to the extent such Capital Account relates to the transferred Membership Interest (or portion thereof) and the Company's Net Income and Net Loss shall be allocated between the transferor and the transferee on a basis consistent with applicable requirements under Section 706 of the Code; provided that no allocation agreed to between the transferor and the transferee shall be effective unless (A) the transferor and the transferee shall have given the Company written notice, prior to the effective date of such Transfer, stating their agreement that such allocation shall be made on a certain basis consistent with the applicable requirements under Section 706 of the Code, (B) the Tax Matters Partner shall have consented, in its sole discretion, to the manner the transferor and transferee have agreed to with respect to such allocation and (C) the transferor and the transferee shall have agreed to reimburse the Company for any incremental accounting fees and other expenses incurred by the Company in making such allocation.

(b) For Capital Account purposes, after giving effect to the special allocations required by this Agreement (including pursuant to Sections 6.3, 8.4(e), (f), (g), and (h), if any, Net Income and Net Loss of the Company for each Fiscal Year (or shorter tax accounting period selected by the Tax Matters Partner or as required by law) shall be allocated among the Members, based on their Percentage Interest.

(c) For U.S. federal, state and local income Tax purposes, items of income, gain, loss, and deduction shall be allocated to the Members in accordance with the allocations of the corresponding items for Capital Account purposes under this Section 8.4, except that each Member's allocable share of each item of income, gain, loss and deduction shall be adjusted to reflect the difference between such Member's share of the adjusted tax basis and the Gross Asset Value of each of the Company assets, and the Board of Directors shall specially allocate any adjustments pursuant to Section 482 of the Code, if any, to the Members that may be subject to such potential adjustments. The adjusted Tax basis and the Gross Asset Value (for the Company) of the Initial Capital Contributions of the Company assets are indicated in Exhibit A (as it may be amended or supplemented from time-to-time). The Company shall elect to use the "Traditional Method" of making tax allocations described in Treasury Regulations Section 1.704-3 with respect to Company assets, unless the Board of Directors elects otherwise. This provision is intended to comply with the requirements of Section 704(c) of the Code, the Treasury Regulations thereunder, and Treasury Regulations Section 1.704-1(b)(4)(i) and shall be interpreted as in conformity therewith. Credits (including without limitation credits under Section 45J of the Code) shall be allocated among the Members in accordance with their respective Percentage Interests.

(d) The provisions of this Section 8.4 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with the rules of Treasury Regulations Section 1.704 and shall be interpreted and applied in a manner consistent with such Regulations. The Board of Directors shall be authorized to make appropriate amendments to the allocations of items pursuant to this Section 8.4 if necessary in order to comply with Section 704 of the Code or applicable Treasury Regulations thereunder.

(e) In the event the Company incurs any nonrecourse liabilities within the meaning of Treasury Regulations Section 1.704-2(b)(3), income and gain shall be allocated in accordance with the "minimum gain chargeback" provisions of Sections 1.704-1(b)(4)(iv) and 1.704-2 of the Treasury Regulations.

(f) In the event either Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6), items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate as quickly as possible any deficit balance in its Capital Account in excess of that permitted under Section 8.4(g) created by such adjustments, allocations or distributions. Any special allocations of items of income or gain pursuant to this Section 8.4(f) shall be taken into account in computing subsequent allocations pursuant to this Section 8.4 so that the net amount of any items so allocated and all other items allocated to each Member pursuant to this Section 8.4 shall, to the extent possible, be equal to the net amount that would have been allocated to each such Member pursuant to the provisions of this Section 8.4 if such unexpected adjustments, allocations or distributions had not occurred.

(g) Notwithstanding any provision set forth in this Section 8.4, no item of deduction or loss shall be allocated to a Member to the extent the allocation would cause a negative balance in such Member's Capital Account (after crediting to such Capital Account any amounts that such Member is deemed to be obligated to restore pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), and after taking into account the adjustments, allocations and distributions described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) that exceeds the amount that such Member would be required to reimburse the Company pursuant to this Agreement or under Applicable Law. In the event either but not both of the Members would have such excess Capital Account deficits as a consequence of such an allocation of loss or deduction, the limitation set forth in this Section 8.4(g) shall be applied on a Member by Member basis so as to allocate the maximum permissible deduction or loss to each Member under Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations. In the event any loss or deduction shall be specially allocated to a Member pursuant to either of the two preceding sentences, an equal amount of income of the Company shall be specially allocated to such Member prior to any allocation pursuant to Section 8.4(b).

(h) Any partner "nonrecourse deductions" within the meaning of Treasury Regulations Sections 1.704-2(b)(1) and 1.704-2(b)(4) shall be allocated as provided in the applicable Treasury Regulations.

(i) The Capital Accounts of the Members may be adjusted at the Board of Director's discretion in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(f) to reflect the fair market value of Company property (i) whenever a Membership Interest in the

Company is relinquished to the Company, (ii) whenever a new or existing Member acquires an interest in the Company in exchange for more than a de minimis Capital Contribution, (iii) upon any termination of the Company within the meaning of Section 708 of the Code, and (iv) when the Company is liquidated pursuant to Article XI, and shall be adjusted in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(e) in the case of a distribution of any property (other than cash) to a Member.

Section 8.5 Consistent Tax Treatment. Each Member agrees that without the prior written consent of the Company, approved by the Board of Directors, it shall not (i) treat on its own income Tax returns or any other Tax-related filings, any item of income, gain, loss, deduction or credit relating to its Membership Interests in a manner inconsistent with the terms of this Agreement or the treatment of such items by the Company as reflected on the Tax return or other information statements furnished to such Member pursuant to Section 5.4 hereof, or (ii) file any claim for a refund relating to any such item based on, or which would result in, such inconsistent treatment, or take any other inconsistent action (an “Inconsistent Position”). Notwithstanding the foregoing sentence, a Member shall be allowed to take an Inconsistent Position, if (i) it obtains a written opinion from nationally recognized counsel approved by the Company that the treatment adopted by the Company is not consistent with law, (ii) notifies the Company in writing in advance and attaches a copy of such opinion to such notice, and (iii) discusses its position in good faith with the Company. Nothing in this Article VIII shall limit the ability of either Member to take any position in its individual capacity relating to any audit or other administrative proceedings of Company matters that is left to the determination of any individual Member under the Code or under any similar state or local provision.

ARTICLE IX

TRANSFER OF MEMBERSHIP INTERESTS

Section 9.1 Restrictions Applicable to All Transfers by the Members.

(a) Each Member agrees with the other Member and the Company that such Member shall not Transfer to any Person (a “Transferee”) all or any portion of its Membership Interests except as hereinafter expressly permitted in this Article IX (each such permitted Transfer, a “Permitted Transfer”), provided, however, that this Section 9.1, Section 9.2 and Section 9.3 shall not apply to a Transfer resulting from a Change of Control of Constellation or of Électricité de France, S.A. or Transfers of capital stock or other equity interests of Constellation or of Électricité de France, S.A. Any purported Transfer of Membership Interests other than a Permitted Transfer shall be null and void.

(b) No Member shall Transfer any of its Membership Interests at any time unless such action would not:

(i) constitute a violation of any Applicable Laws of any jurisdiction or a breach of the conditions to any exemption from registration of securities under any Applicable Law or a breach of any undertaking or agreement of such Member entered into pursuant to any Applicable Law or in connection with obtaining an exemption thereunder;

(ii) affect the Company's existence or qualification as a limited liability company under the Act or any other Applicable Law that is or might be applicable to the Company;

(iii) in the opinion of nationally recognized counsel, render the Company a publicly traded partnership under Sections 7704 or 469 of the Code, or otherwise cause it to be an association taxable as a corporation for U.S. federal income Tax purposes; or

(iv) cause the Company to be terminated under Section 708(b)(1)(B) of the Code (unless this restriction is waived by the other Member).

(c) Each Transferee of Membership Interests that is not already a Member shall execute, and deliver to each Member and the Company, a counterpart of this Agreement. Each such Transferee of Membership Interests shall thereafter be deemed to be a Member hereunder and shall have the benefit of, and be subject to, all of the rights, obligations and limitations with respect to such Transferred Membership Interests (including the restrictions on Transfers set forth in this Article IX) to the same extent as the transferring Member under this Agreement; provided, that in the event of a Transfer by a Member to an Affiliate (whether or not a Permitted Transferee), such Member shall not be relieved of its obligations hereunder unless the Transfer has been approved by the Company and the other Member. With respect to Transfers to Affiliates, no such Transfer shall be effective unless, as a condition to the Transfer, such Affiliate agrees that it will not cease to be an Affiliate of such Member, unless prior to ceasing to be an Affiliate, such Affiliate Transfers to such Member or another Affiliate thereof all of the Membership Interests then owned by such Affiliate.

(d) No Transfer of Membership Interests hereunder shall release the transferring Member from any liability or obligation it may have hereunder with respect to liabilities and obligations incurred prior to the date of such Transfer or with respect to Membership Interests that it continues to own after the date of such Transfer.

(e) Each certificate, if any, evidencing any Membership Interests owned by either Member on the date hereof, or hereafter acquired by either Member, shall contain the following restrictive legend:

THE SALE, ASSIGNMENT, TRANSFER OR OTHER DISPOSITION OF THE SECURITIES EVIDENCED BY THIS CERTIFICATE IS RESTRICTED BY THE TERMS OF THE SECOND AMENDED AND RESTATED OPERATING AGREEMENT OF CONSTELLATION ENERGY NUCLEAR GROUP, LLC, A MARYLAND LIMITED LIABILITY COMPANY, DATED AS OF [_____], COPIES OF WHICH ARE ON FILE WITH THE ISSUER OF THIS CERTIFICATE. NO SALE, ASSIGNMENT, TRANSFER OR OTHER DISPOSITION SHALL BE EFFECTIVE UNLESS AND UNTIL THE TERMS AND CONDITIONS OF THE AFORESAID OPERATING AGREEMENT SHALL HAVE BEEN COMPLIED WITH IN FULL.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, UNDER THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR UNDER THE SECURITIES LAWS OF ANY OTHER JURISDICTION; AND SUCH SECURITIES MAY NOT BE SOLD OR TRANSFERRED UNLESS (I) A REGISTRATION STATEMENT COVERING SUCH SECURITIES IS EFFECTIVE UNDER THE SECURITIES ACT OF 1933 OR (II) THE TRANSACTION IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933 AND, IF THE COMPANY REQUESTS, AN OPINION SATISFACTORY TO THE COMPANY TO SUCH EFFECT HAS BEEN RENDERED BY COUNSEL.

In the event the requirement that all or any part of the restrictive legend above be placed upon a certificate has terminated, or in the event that the Board of Directors determines it is advisable to remove, replace or modify such restrictive legend (based on the advice of competent outside legal counsel), the Company shall provide each Member and any other Person that owns any such securities, at its request, without any expense (other than applicable transfer Taxes and similar governmental charges, if any), with new certificates, if any, for such securities of like tenor either (i) not bearing the legend with respect to which the restriction has ceased and terminated, and/or (ii) bearing such additional and/or modified restrictive legends as the Board of Directors determines advisable based on the above-mentioned legal advice.

Section 9.2 Permitted Transfers.

(a) At any time, a Member may Transfer its Membership Interests if the Transfer otherwise complies with the following terms and conditions:

(i) such Member shall have delivered a Transfer Notice in accordance with Section 9.3(a) (except in the case of a Transfer to a Permitted Transferee pursuant to this Section 9.2);

(ii) the Member delivering the Transfer Notice has complied with the right of first offer provisions in Section 9.3 and otherwise shall comply with Section 9.1;

(iii) such Transfer would not, in the reasonable view of the non-transferring Member, create a regulatory challenge or restriction that has the potential to materially disrupt operation of the Company or its Subsidiaries;

(iv) such Member and its Transferee execute, acknowledge, and deliver to the Company such instruments of Transfer and assignment with respect to such Transfer as are in form and substance reasonably satisfactory to the Company, including without limitation, the execution of this Agreement;

(v) the Company has determined, at such Member's expense, that the Transfer would not violate Section 9.1(b);

(vi) such Member provides the Company with the notification required by Code §6050K(c)(1); and

(vii) all costs and expenses incurred by the Company in connection with the Transfer of Membership Interests shall be paid by the transferring Member or by the Transferee.

(b) Notwithstanding anything in Section 9.2(a) to the contrary, a Member may Transfer all or any portion of its Membership Interests to Permitted Transferees of the Member at any time and without being subject to the right of first offer provisions in Section 9.3, but subject to compliance with clauses (a)(iii), (a)(iv), (a)(v) and (a)(vi) of this Section 9.2.

(c) In the event the conditions set forth in Section 9.2(a) above are not satisfied in connection with any Transfer subject thereto, the Transfer shall be null and void ab initio, the Company shall not recognize the attempted purchaser, assignee, or Transferee for any purpose whatsoever, and the Member attempting such Transfer shall have breached this Agreement, for which the Company and the other Members shall have all remedies available under Applicable Law. Each Member specifically acknowledges that a breach of this Article IX would cause the Company and the Member to suffer immediate and irreparable harm, which could not be remedied by the payment of money. In the event of a breach or threatened breach by a Member of the provisions of this Article IX, the Company or other Member shall be entitled to injunctive relief to prevent or end such breach. Nothing herein shall be construed to prevent the Company or other Member from pursuing any other remedies available to it for such breach or such threatened breach, including the recovery of damages, reasonable attorneys' fees and expenses. A Transferee shall automatically be admitted as a Member of the Company with respect to the transferred Membership Interest upon consummation of the Transfer in compliance with this Article IX.

Section 9.3 Right of First Offer.

(a) Except in the case of a Transfer to a Permitted Transferee pursuant to Section 9.2, prior to the Transfer of Membership Interests, the Member proposing to Transfer all or any portion of its Membership Interest (the "Offering Member") must deliver a Transfer Notice to the other Member at least sixty (60) Days but no more than ninety (90) Days prior to the proposed Transfer. The other Member shall have the option to purchase (or to designate a third party to purchase) all of the Membership Interests proposed to be Transferred for the cash purchase price set forth in the Transfer Notice and pursuant to the other terms and conditions set forth in this Agreement. The other Member shall have sixty (60) Days from receipt of the Transfer Notice in which to exercise its option to purchase (or to designate a third party to purchase) all of the Membership Interests pursuant to this Section 9.3(a) by providing written notice of exercise of the option to the Offering Member and to the Company.

(b) In the event that at the end of the sixty (60) Day period contemplated by Section 9.3(a), the other Member has not elected to purchase or (or to designate a third party to purchase) all of the Membership Interests proposed to be Transferred, then the Offering Member shall be free to consummate the transaction described in the Transfer Notice, provided that within sixty (60) Days after the end of the sixty (60) Day period contemplated by

Section 9.3(a), a definitive agreement is executed for the sale of such Membership Interests, and the terms and conditions (including price) in such agreement are no more favorable to the purchaser than those set forth in the Transfer Notice. In the event a Member exercises the option to purchase (or to designate a third party to purchase) under Section 9.3(a), but such Member (or its designee, if applicable) fails to tender the required consideration at the closing, in addition to being entitled to complete the proposed transaction, the transferring Member shall have all rights and remedies against the other Member (and its designee, if applicable) available for breach of contract.

(c) The parties shall use their reasonable efforts to close any purchase under Section 9.3 as promptly as possible after (i) the other Member provides written notice of the exercise of its option under Section 9.3(a), or (ii) the Offering Member executes a definitive agreement as contemplated by Section 9.3(b), as applicable. At the closing, the Offering Member shall deliver to the purchaser an executed assignment of the subject Membership Interest satisfactory in form to counsel for the Company, and the purchaser shall deliver the purchase price in cash or immediately available funds. The Offering Member and the purchaser each shall execute and deliver such other documents as may reasonably be requested by the other. If the closing of any purchase by the other Member (or its designee, if applicable) under Section 9.3(a) does not occur within one year of the expiration of the sixty (60) Day period contemplated by Section 9.3(a), then the right to close on the purchase shall lapse and the Offering Member may sell the Membership Interests proposed to be Transferred in accordance with Section 9.3(b) (on terms and conditions (including price) no more favorable to the purchaser than those set forth in the Transfer Notice).

Section 9.4 Change of Control of a Member. If either Member should undergo a Change of Control, then the other Member may elect to transfer all or any portion of its Membership Interests in the Company without regard to the requirements of Section 9.3. In the event of a Change of Control of Constellation Energy Group, Inc., certain provisions of Article II and Article III of, and as specified in, the Amended and Restated Investor Agreement, dated as of _____, 200 __, by and between Électricité de France International, SA and Constellation Energy Group, Inc. shall terminate and shall be of no further force and effect, as provided for therein.

ARTICLE X

CERTAIN OBLIGATIONS OF THE COMPANY AND THE MEMBERS

Section 10.1 Preemptive Rights.

(a) If the Company offers to issue or sell any New Securities in accordance with Section 7.2(j)(vii), each Member shall have the right (exercisable for a period of not less than thirty (30) Days after notice to the other Member of the intent to issue such New Securities and the terms (including the minimum price) of such proposed issue (the "Preemptive Notice")) to subscribe to all or any portion of such New Securities on the same terms and conditions and for the same price per New Securities as the Company proposes to issue or sell such New Securities. If both Members exercise this right, the purchase of New Securities shall be in such proportion as they agree, or failing an agreement, each shall have the prior right to purchase a pro-rata portion based on their Percentage Interests and a secondary right to purchase any New Securities not purchased by the other Member exercising its full prior right.

(b) “New Securities” shall mean any direct equity or ownership interest of any kind in the Company, whether now or hereafter authorized, and rights, options or warrants to purchase such an interest, and securities of any type whatsoever that are, or may become, convertible into such an interest in the Company; provided, however, that “New Securities” shall not include:

(i) Equity or ownership interests issued in connection with the acquisition of another business entity or line of business of another business entity by the Company through merger, consolidation, purchase of all or substantially all of the assets, or other reorganization as a result of which the Company owns not less than 51% of the voting power of such entity; provided, that any dilution to the Membership Interests of the Members resulting from the issuance of such securities shall be borne by the Members, pro rata, in proportion to their Percentage Interests; or

(ii) Equity or ownership interests issued in connection with any recapitalization, reclassification or similar event by the Company; provided, that any dilution to the Membership Interests of the Members resulting from such recapitalization, reclassification or similar event shall be allocated among the Members, pro rata, in proportion to their Percentage Interests.

(c) Following the completion of the decision period for the Members to exercise their preemptive rights pursuant to this Section 10.1, the Company shall have the right, for a period of one hundred and eighty (180) Days, to sell any New Securities not purchased by the Members, on terms and conditions no more favorable to the purchaser than those specified in the Preemptive Notice, including with respect to the price per New Security. Thereafter, any issuance or reissuance of New Securities shall be subject to the provisions of this Section 10.1.

Section 10.2 Related Party Transactions.

(a) Subject to Section 7.2(j), to the extent either Member or an Affiliate of either Member provides assigned or seconded personnel or administrative services to the Company, such services shall be priced at Unburdened Cost.

(b) To support the operations of the Company in areas in which it needs additional resources, the parties shall negotiate in good faith the necessary agreements to govern the assignment and secondment of personnel employed by the Members to the Company and the provision of administrative services to the Company.

Section 10.3 Power Marketing. The Company shall market the capacity, energy and ancillary services generated by the nuclear generation facilities owned in whole or in part by the Company, its Subsidiaries and Investee Companies through Constellation’s established energy marketing Affiliate (“Constellation Marketing”) and shall evaluate alternative approaches to marketing of as set forth on Exhibit C.

ARTICLE XI

CORPORATE OPPORTUNITIES AND NON-SOLICITATION

Section 11.1 Corporate Opportunities. Except as specifically provided in Unistar Nuclear Energy, LLC Operating Agreement, dated as of July 20, 2007, by and among Constellation, EDFD and Unistar Nuclear Energy, LLC, neither the Company nor any Member shall have any expectation or interest in any business opportunity that is presented to any of the Members or any of their respective officers, directors or employees or designees to the Board, unless, in the case of any such person who is a director or officer of the Company, such business opportunity is expressly offered to such director or officer in his or her capacity as a Company director or officer. Each of the Members and their Affiliates shall be expressly permitted to acquire and hold any debt securities or evidence of indebtedness issued by the Company or its Affiliates.

Section 11.2 Non-Solicitation. From and after the date hereof through the date such Member no longer owns any Membership Interests, and other than expressly set forth herein or in any ancillary agreement hereto, neither Member or its Affiliates shall, directly or indirectly, solicit, induce, encourage or attempt to persuade any employee of the Company, its Subsidiaries, the Members or their Affiliates (a) to leave his employment with the Company, its Subsidiaries, the Members or their Affiliates in order to become an employee, consultant or independent contractor to or for any other Person or (b) to terminate or adversely modify such employee's relationship with the Company, its Subsidiaries, the Members or their Affiliates; provided, however, that this Section 11.2 shall not restrict an employer from publishing or posting open positions in the course of normal hiring practices that are not specifically sent to, or do not specifically target, employees of the Company, its Subsidiaries, the Members or their Affiliates.

ARTICLE XII

WITHDRAWAL, DISSOLUTION AND LIQUIDATION

Section 12.1 No Right of Withdrawal; No Interest.

(a) Except as otherwise provided herein, no Member shall have the right to withdraw from the Company or to demand or to receive the return of all or any part of its Capital Account. In the event a Member withdraws in violation of this Section 12.1(a), such Member hereby agrees that such withdrawal will constitute a breach of this Agreement and such Member also agrees that the Company, in addition to any remedies otherwise available to the Company, may offset any damages due to such breach against any amounts otherwise distributable to such Member. Subject to the foregoing, upon withdrawal by any Member, such Person shall not be entitled to receive any monies or property for its Membership Interest and the withdrawn Member or the successor to the withdrawn Member shall be deemed to be an assignee of the withdrawn Member under Sections 4A-603 and 4A-604 of the Act.

(b) Except as otherwise provided herein, no interest shall be paid to either Member in respect of its Capital Contribution or Capital Account balance. Except as otherwise provided in this Agreement, no Member shall be entitled or permitted to withdraw any Capital Contributions or any money or other property from the Company without the written consent of the Board of Directors which consent may be withheld for any reason or for no reason. If circumstances require a return of any capital, no Member shall have the right to receive property other than cash, unless otherwise specifically agreed in writing by the Board of Directors at the time of such distribution.

Section 12.2 Terminating Event.

(a) Notwithstanding anything to the contrary contained in this Agreement, upon the occurrence of a Terminating Event with respect to a Member, the Member shall immediately notify the Company, and the Company, for one hundred and twenty (120) days after it first learns of such Terminating Event, may elect to purchase (the "Repurchase Election Period") such Member's entire Membership Interest in the Company (the "Withdrawal Interest") from such Member or such Member's legal or personal representative(s) or successor(s) (as applicable) (individually and collectively, the "Withdrawn Member") for a price equal to the Fair Market Value of the Withdrawal Interest (the "Redemption Price"). If the Company timely makes that election, the Company shall purchase from the Withdrawn Member, and the Withdrawn Member shall sell to the Company, the Withdrawal Interest at the Redemption Price and on the terms set forth in the next paragraph. If the Company does not elect to purchase the Withdrawal Interest at the Redemption Price and on the terms set forth in the next paragraph, then, unless the Board of Directors determines otherwise, the Withdrawn Member, effective as of the occurrence of the Terminating Event, shall be and shall only have the rights of an unadmitted assignee under Section 4A-603 and Section 4A-604 of the Act.

(b) The closing for any sale of a Withdrawal Interest of a Withdrawn Member, and purchase by the Company, shall take place at the Company's principal office on the tenth Business Day following the end of the Repurchase Election Period. At the closing, (i) the Withdrawn Member shall assign and transfer to the Company all right, title, and interest in and to the Withdrawal Interest (free and clear of all liens and encumbrances) and shall execute and deliver to the Company such other and further assurances as the Board of Directors may reasonably require to transfer to and vest the Withdrawal Interest in the Company, and (ii) the Company shall pay the Redemption Price in cash.

Section 12.3 Dissolution. The Company shall be dissolved and its affairs wound upon the occurrence of any of the following events:

(a) upon a sale or condemnation of all or substantially all of the equity securities or the assets of the Subsidiaries of the Company and the receipt of cash consideration therefor;

(b) upon an affirmative vote of the Board of Directors in accordance with Section 7.2(j)(xii);

(c) upon the appointment of a trustee, custodian or other similar receiver for the Company or the occurrence of a Bankruptcy Event with respect to the Company;

(d) the filing by the last remaining Member of a petition in bankruptcy, the occurrence of any other Bankruptcy Event with respect to such last remaining Member or the termination of the legal existence of the last remaining Member;

(e) at any time that there are no Members of the Company, unless the business of the Company is continued without dissolution in a manner permitted by the Act; or

(f) upon the entry of a decree of judicial dissolution of the Company pursuant to the Act.

Section 12.4 Winding Up.

(a) Upon dissolution pursuant to Section 12.3, the Board of Directors shall proceed as promptly as practicable to wind up the affairs of the Company and distribute the assets thereof or appoint one or more liquidating trustees to do so; provided, that the assets of the Company shall be liquidated in an orderly and businesslike manner so as not to obtain less than fair market value therefor. The appointment of any one or more liquidating trustees may be revoked, or a successor or additional liquidating trustee(s) may be appointed, by the Board of Directors.

(b) Upon dissolution pursuant to Section 12.3, all of the Company's assets, or the proceeds therefrom, shall be distributed in the following order of priority:

(i) first, to creditors of the Company, including either Member in its capacity as creditor, to the extent otherwise permitted by law, in satisfaction of debts, liabilities and obligations of the Company;

(ii) second, to the payment of the expenses of liquidation;

(iii) third, to the setting up of any reserves that the Board of Directors or the liquidating trustee(s), as the case may be, may deem reasonably necessary for any contingent, conditional or unmatured claims and obligations of the Company; and

(iv) fourth, to the Members, in accordance with their Percentage Interests.

(c) At no time during the term of the Company or upon dissolution or liquidation of the Company shall a Member with a deficit balance in its Capital Account have any obligation to the Company or to the other Members to restore such deficit balance, except as may be required by Applicable Law or in respect of any deficit balance resulting from a distribution made in contravention of this Agreement.

(d) Upon compliance with the distribution plan set forth herein, the proper officers of the Company shall execute, acknowledge and cause to be filed with the Department of Assessments and Taxation of the State of Maryland Articles of Cancellation of the Company. Subject to the provisions of the Act, upon the filing of Articles of Cancellation, the Company's existence shall terminate.

ARTICLE XIII

GENERAL PROVISIONS

Section 13.1 Notices. All notices, requests, consents, agreements or other communications under this Agreement must be in writing to be effective and, except as set forth in Section 7.2(f), will take effect (or be deemed to have been given or delivered, as the case may be): (a) on the Business Day sent, when delivered by hand or facsimile transmission (with confirmation) during normal business hours of the recipient, or (b) on the Business Day following the Business Day of sending, if delivered by internationally recognized overnight courier, in each case, to such party at its address (or number) set forth below or such other address (or number) as the party may specify by notice. Any new Member of the Company admitted pursuant to Article IX hereof, promptly upon its admission, shall provide its address for notices to the Secretary of the Company and to the other Members.

If to Constellation:

Constellation Energy Group, Inc.
750 East Pratt Street, 17th Floor
Baltimore, Maryland 21202
Attention: General Counsel
Phone: (410) 470-3011
Fax: (410) 470-5766

If to EDFD:

EDF Development Inc.
c/o Électricité de France International, S.A.
20 Place de la Défense
Paris la Défense Cedex, France 92050
Attention: Marianne Laigneau
Phone: +33 1 56 65 39 71
Fax: +33 1 40 42 61 67

If to the Company:

Constellation Energy Nuclear Group, LLC
750 East Pratt Street, 17th Floor
Baltimore, Maryland 21202
Attention: General Counsel
Phone: (410) 470-3312
Fax: (443) 213-3680

Section 13.2 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Members and the Company, and their respective successors and Permitted Transferees. This Agreement is personal to the Members and the Company, and no Member or the Company may assign or Transfer (except in connection with Permitted

Transfers) the rights accruing hereunder nor (except as aforesaid or as permitted by this Agreement) may performance of any duties by either Member or the Company be delegated or assumed by any other Person without the prior written consent of the other Members and the Company. Assignments or delegations made in violation of this Section 13.2 shall be null and void.

Section 13.3 Parallel Vehicle. If the Company encounters legal, Tax, business, accounting, regulatory or other impediments to the making of a potential investment, or the Company determines that having the Members make a potential investment or hold an existing investment through an entity other than the Company would be more favorable from a Tax, legal, business, accounting, regulatory or other perspective, the Company may require such Members to participate in the potential or existing investment, as the case may be, through one or more other entities organized by or on behalf of the Company or the Members and having economic terms and conditions substantially identical (on a single investment basis, if applicable), to the extent practicable, to those of the Company (the "Parallel Vehicle"). The agreements regarding organization, management and governance with respect to the Parallel Vehicle and the responsibilities of the Members with respect thereto shall be substantially equivalent to those of the Company, with appropriate changes to reflect its position as a parallel vehicle of the Company.

Section 13.4 Dispute Resolution.

(a) In the event of a deadlock vote of the Board of Directors on a matter presented for determination, a failure of the Members to agree on a matter requiring Member approval under Section 7.8 or requiring unanimous approval by the Board of Directors under Section 7.2(j) (other than a matter subject to resolution pursuant to Section 7.3(c)), or in connection with any dispute between the Members concerning the Company, the Members will use their reasonable efforts to resolve the dispute within thirty (30) Days. If the issue has not been resolved within such 30-Day period, the Members will escalate the dispute to the respective Parent CEOs, who will meet to discuss and use their reasonable efforts to resolve the dispute. Such resolution may include, if the respective Parent CEOs so agree (subject to any required approval by the respective Members' boards of directors): (i) to dissolve the Company; (ii) to allow one Member to depart the Company by having such Member sell all of its Membership Interests to a third-party; (iii) to have either Member withdraw from the Company; or (iv) any other resolution upon which the Parent CEOs may so agree. If the Members remain unable to resolve the dispute within thirty (30) Days of the initial meeting of the Parent CEOs, either party may submit the dispute to binding arbitration pursuant to this Section 13.4.

(b) Except as otherwise specifically provided herein, all disputes arising out of or in connection with this Agreement, including any dispute regarding its existence, termination or validity, each Member shall have the right to have recourse to and shall be bound by the pre-arbitral referee procedure of the International Chamber of Commerce in accordance with its rules for a Pre-Arbitral Referee Procedure. All disputes arising out of or in connection with this Agreement (including as to existence, termination and validity) shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce (the "Rules") by three arbitrators appointed in accordance with said Rules. The place of the pre-arbitral referee procedure and of the arbitration procedure shall be New York, New York, United States of

America. The proceedings before the arbitral tribunal (including with respect to the Pre-Arbitral Referee Procedure) shall be governed by the Rules. The rules of law to be applied by the arbitral tribunal to the merits of the dispute shall be the rules of laws of the State of New York. The language of the arbitration shall be English. Evidence shall be provided in English and pleadings shall be done in English. The arbitral tribunal shall render its decision within six months from the date of signature on the terms of reference. Any decision or award of the arbitral tribunal shall be final and binding upon the parties to the arbitration proceeding. The Members waive to the extent permitted by applicable law any rights to appeal or to review of such award by any court or tribunal. The Members agree that the arbitral award may be enforced against the parties to the arbitration proceeding or their assets wherever they may be found and that a judgment upon the arbitral award may be entered in any court having jurisdiction thereof.

Section 13.5 Guarantee. Each of Constellation and Électricité de France International, S.A., unless the Parent is the Member, unconditionally, absolutely and, subject to the following sentence, irrevocably guarantees to each Member (other than the Member of which such Parent is an Affiliate) the full and prompt payment, as and when due and payable, of all financial obligations hereunder (the "Guarantee"). The Parent's Guarantee shall remain in effect for so long as this Agreement remains in effect and an Affiliate of Parent remains a Member. Parent hereby guarantees that its Guarantee will be paid and performed strictly in accordance with the terms of this Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Member with respect thereto. Each Parent agrees that its Guarantee constitutes a guarantee of payment when due and not of collection, and hereby waives demand, presentment and notice of default or breach for non-performance of any of the covenants, terms, conditions or agreements in any other matter or thing mentioned and described in this Agreement. Furthermore, the occurrence of any one or more of the following shall not affect the enforceability or effectiveness of the Parent's Guarantee: (i) any modification, amendment, settlement, release (in whole or in part) or enforcement of the obligations guaranteed, (ii) any merger, consolidation, restructuring or termination of the corporate existence of the Member that is an Affiliate of Parent, (iii) the illegality, invalidity or unenforceability of all or any part of the obligations guaranteed or any agreement or instrument related thereto, (iv) the failure of any Member or the Company to exhaust any right, remedy, power or privilege it may have against the Member that is an Affiliate of Parent (including failure to file or enforce a claim in any bankruptcy or other proceeding), (v) any bankruptcy, insolvency, reorganization, winding-up, adjustment of debts or appointment of a custodian or liquidator, or similar proceedings commenced by or against such Member, including any discharge of, or bar or stay against collecting, all or any part of the obligations guaranteed and (vi) any other defense with respect to the performance of all or any part of the Parent's Guarantee, including but not limited to the effect of any statute of limitations.

Section 13.6 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MARYLAND WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS.

Section 13.7 Entire Agreement; Amendment. This Agreement (including the exhibits hereto) contains the entire agreement among the parties hereto with respect to the transactions contemplated herein, supersedes all prior written agreements and negotiations and

oral understandings, if any, including the Original Agreement, and this Agreement (including exhibits hereto) may not be amended or supplemented except with the written consent of each Member or as otherwise permitted by the terms of this Agreement to be amended by the Board of Directors.

Section 13.8 No Waiver. No failure to exercise and no delay in exercising any right, power or privilege of a Member shall operate as a waiver or a consent to the modification of the terms hereof unless given by that Member in writing.

Section 13.9 Separability of Provisions. Each provision of this Agreement shall be considered separable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

Section 13.10 Confidentiality. Each Member shall use reasonable efforts to keep, and shall ensure that its Affiliates, shareholders, members, directors, officers, employees, agents and other representatives use reasonable efforts to keep, from and after the date hereof through a period of two years from the date such Member no longer owns any Membership Interests, confidential all information acquired from the Company or its Subsidiaries or Affiliates or from the other Members or their Affiliates pursuant to this Agreement or otherwise, including the contents of this Agreement, except that the foregoing restriction shall not apply to any information that (a) is or hereafter becomes generally available to the public other than by reason of any default with respect to a confidentiality obligation under this Agreement; (b) was already known to the recipient; (c) is disclosed to the recipient by a third party who, to the recipient's knowledge, is not in default of any confidentiality obligation to the disclosing party hereunder; (d) was developed by or on behalf of the receiving Member without reliance on confidential information received hereunder; (e) is disclosed by either Member to its auditors, attorneys, financial advisors, consultants and other advisors, provided, that any such auditors and attorneys have been informed of the confidential nature of such information and any such financial advisors, consultants and other advisors have signed a confidentiality agreement agreeing to treat such information as confidential; (f) is disclosed to a regulatory authority to the extent that disclosure is, in the party's good faith judgment, required or appropriate; provided, that such party requests confidential treatment for any information so disclosed; or (g) is otherwise required to be disclosed in compliance with Applicable Law or stock exchange rules or regulations or order by a court or other regulatory body having competent jurisdiction; provided, that such party provides the other parties with prior notice of such disclosure to the extent permitted by Applicable Law, stock exchange rules or other regulation. Notwithstanding the foregoing, each Member (and each employee, representative, or other agent of such Member) may disclose to any and all persons, without limitation of any kind, the Tax treatment and Tax structure of: (i) the Company; and (ii) any transactions of the Company, and all materials of any kind (including opinions or other Tax analyses) that are provided to the Member relating to such Tax treatment and Tax structure. For this purpose, "Tax structure" means any facts relevant to the U.S. federal income Tax treatment of a transaction but does not include information relating to the identity of the Company or its Members.

Section 13.11 Expenses. Each party agrees that it shall be solely responsible for any fees or expenses incurred by it in connection with the drafting, negotiation or execution of this Agreement and any ancillary documents hereto (including the cost of any attorneys, accountants, consultants and any other representatives or agents retained by such party).

Section 13.12 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 13.13 Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 13.14 Gender and Number. Whenever required by the context hereof, all pronouns and any variations thereof will be deemed to refer to the masculine, feminine and neuter, singular and plural.

Section 13.15 Further Assurances. From time to time, at the reasonable request of any party hereto and without further consideration, each other party hereto shall execute and deliver such additional documents and take all such further action as may be necessary or appropriate to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement or to carry out the terms of this Agreement.

Section 13.16 Survival of Obligations. The obligations of the parties under Section 7.7, Section 13.3, Section 13.4, Section 13.7 and Section 13.8 of this Agreement shall survive any expiration, termination or cancellation of this Agreement or the dissolution of the Company.

Section 13.17 Insurance. The Company shall, and shall cause each of its Subsidiaries and Investee Companies to maintain with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

Section 13.18 Nuclear Insurance. The Company shall cause each of its Licensed Subsidiaries and each Investee Companies that is an NRC licensee to obtain and maintain insurance coverage, for itself and its contractors, for public liability arising in connection with a nuclear incident (as those terms are defined in the Atomic Energy Act of 1954, as amended (the "Atomic Energy Act")) at, or arising out of, the operation of such nuclear power units. This insurance shall be in such form and in such amount as required by the NRC pursuant to Section 170 of the Atomic Energy Act. The Company shall cause each of its Licensed Subsidiaries and each Investee Companies that is an NRC licensee to execute the governmental indemnity agreement required by Section 170 of the Atomic Energy Act. In the event the nuclear liability protection requirements in effect on the date of this Agreement expire or are amended or repealed, the Company shall cause each of its Licensed Subsidiaries and each Investee Company that is an NRC licensee and each such company operating any nuclear project to maintain (i) the insurance coverage provided by law, and (ii) at least the same level insurance coverage and public liability protection as is currently provided through governmental indemnity and liability insurance to the extent available.

Section 13.19 FIRPTA. Upon the reasonable request of any Member in connection with any proposed Transfer by such Member of its Membership Interest in accordance with the terms of this Agreement, and at the Member's sole expense, the Company will issue a written statement certifying as to whether or not fifty percent or more of the value of the gross assets of the Company consists of U.S. real property interests under Section 897(c)(1)(A) of the Code or ninety percent or more of the value of the gross assets of the Company consists of U.S. real property interests plus cash or cash equivalents.

Section 13.20 Exclusive Remedies. Each Party's exclusive remedies and liabilities for any alleged or actual breach of this Agreement shall be as set forth in this Agreement.

Section 13.21 Title to Company Property. All property owned by the Company, whether real or personal, tangible or intangible, shall be deemed to be owned by the Company as an entity, and no Member, individually, shall have any ownership of such property. The Company may hold any of its assets in its own name or in the name of its nominee, which nominee may be one or more Persons.

Section 13.22 Waiver of Partition Action. Each of the parties hereto irrevocably waives any right which it may have to maintain an action for partition with respect to Company property.

Section 13.23 Statutory References. Each reference in this Agreement to a particular statute or regulation, or a provision thereof shall, at any particular time, be deemed to be a reference to such statute or regulation, or provision thereof or to any similar or superseding statute or regulation, or provision thereof, as at such time is in effect.

Section 13.24 Legal Fees. In the event of any litigation arising out of or in connection with this Agreement or with any parties' performance hereunder, the party that prevails in any such litigation shall be paid its reasonable attorney's fees and expenses, through all appeals, by the party that does not prevail in such litigation. The provisions of this Section 13.23 shall survive any dissolution of the Company.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Members and the Company have executed this Second Amended and Restated Agreement as of the date set forth above.

MEMBERS:

CONSTELLATION ENERGY GROUP, INC.

By: _____
Name:
Its:

EDF DEVELOPMENT INC.

By: _____
Name:
Its:

THE COMPANY:

CONSTELLATION ENERGY NUCLEAR GROUP, LLC

By: _____
Name:
Its:

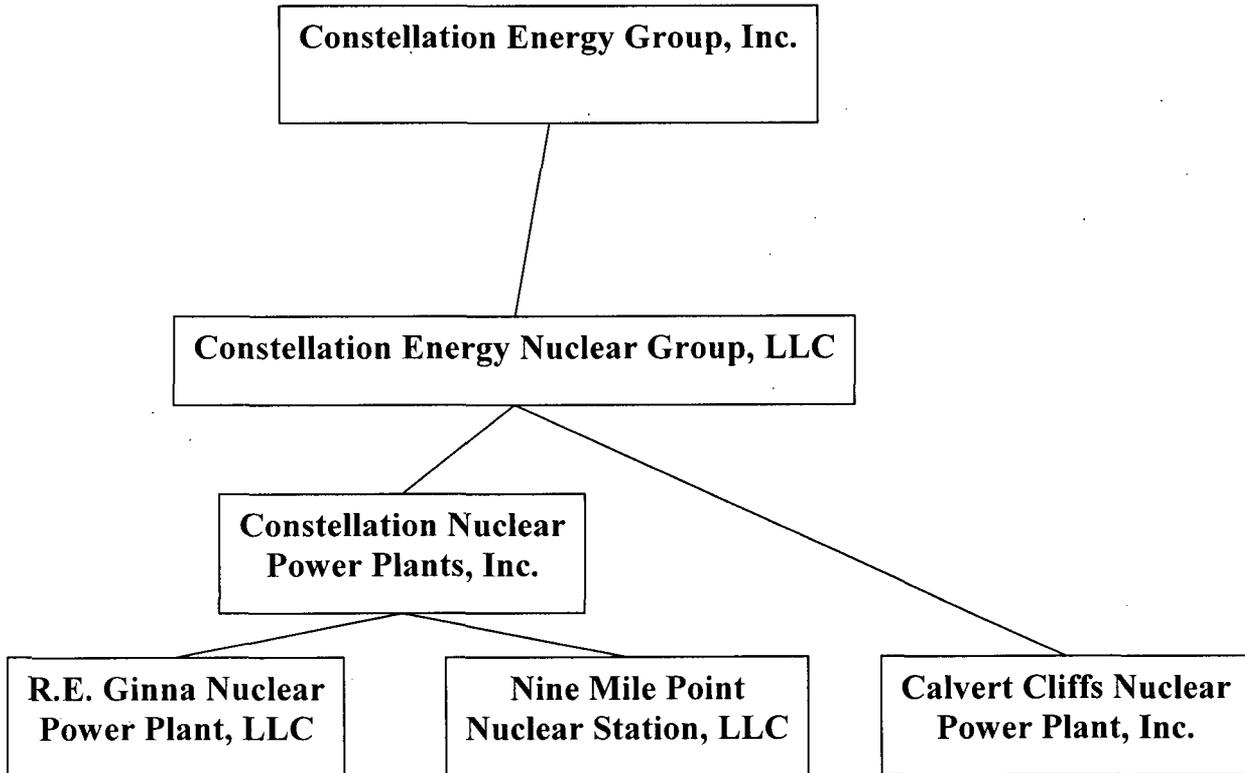
ATTACHMENT (4)

**PRE- AND POST-TRANSACTION SIMPLIFIED ORGANIZATIONAL
CHARTS**

ATTACHMENT (4)

PRE- AND POST-TRANSACTION SIMPLIFIED ORGANIZATIONAL CHARTS

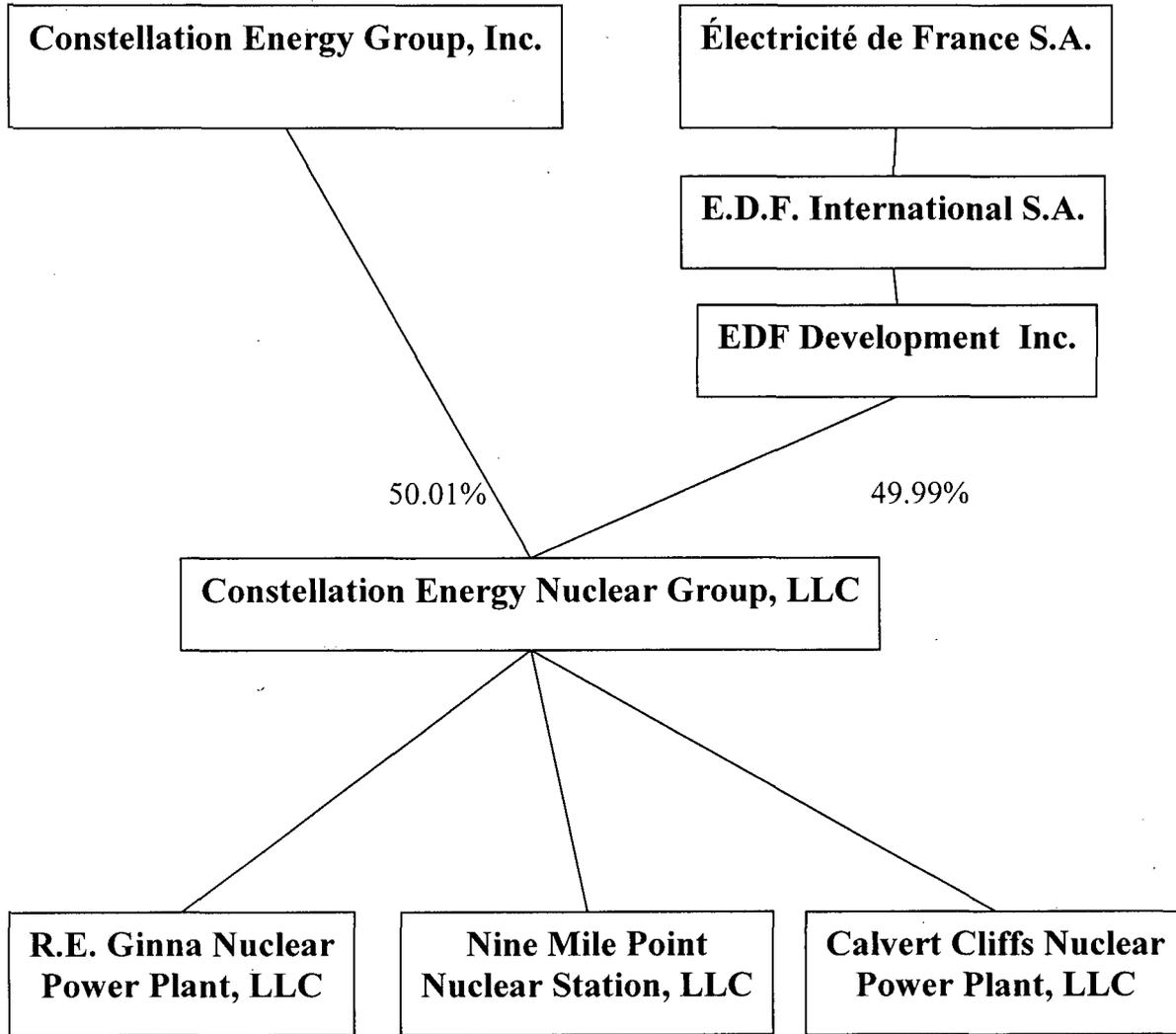
PRE-TRANSACTION SIMPLIFIED ORGANIZATIONAL CHART



ATTACHMENT (4)

PRE- AND POST-TRANSACTION SIMPLIFIED ORGANIZATIONAL CHARTS

POST-TRANSACTION SIMPLIFIED ORGANIZATIONAL CHART



ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES

(Non-Proprietary Version)

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Consolidated Constellation Energy Nuclear Group (CENG)

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Nuclear Corporate						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs						
O&M, commercial & power marketing						
Decommissioning fund earnings						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes						
Net Income After-Tax						

Consolidated financial projections represent the summation of the three nuclear stations' financial estimates, presented under the combined assumptions of each individual nuclear station.

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Consolidated Constellation Energy Nuclear Group - With a 10% Reduction to Market Prices

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Nuclear Corporate						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs						
O&M, commercial & power marketing						
Decommissioning fund earnings						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes						
Net Income After-Tax						

Consolidated financial projections represent the summation of the three nuclear stations' financial estimates, presented under the combined assumptions of each individual nuclear station.

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Consolidated Constellation Energy Nuclear Group - With a 10% Reduction of MWhr Sales

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Nuclear Corporate						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs						
O&M, commercial & power marketing						
Decommissioning fund earnings						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes						
Net Income After-Tax						

Consolidated financial projections represent the summation of the three nuclear stations' financial estimates, presented under the combined assumptions of each individual nuclear station.

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Statement of Operating Cashflows - Consolidated Constellation Energy Nuclear Group

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue						
PPA						
Market						
Exclusion of Fair Value Adj						
Total Revenues						
Operating Expenses						
Nuclear fuel (capital & DOE disposal fees)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Nuclear Corporate						
O&M, allocated CEG HQ Costs						
O&M, commercial & power marketing						
Property taxes						
Total Operating Expenses						
Capital project expenditures						
Decommissioning Trust Fund Investments						
Operating Cashflows Before Income Taxes & financing costs						

Consolidated financial projections represent the summation of the three nuclear stations' financial estimates, presented under the combined assumptions of each individual nuclear station.

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Calvert Cliffs Nuclear Power Plant

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue *						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (1)						
O&M, Non-Outage (2)						
O&M, refueling outage						
O&M, allocated Nuclear Corporate (3)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (3b)						
O&M, commercial & power marketing (3b)						
Decommissioning fund earnings (4)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (5)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and 3% for revenues.

The estimated fixed operating and maintenance costs for a 6-month period is \$[]M, which is based upon the items O&M Non Outage, O&M refueling outage, and Property Taxes.

- * Calvert Cliffs Nuclear Power Plant, Inc.'s (CCNPP) revenue is presented using projected information from the preliminary 2009-2013 strategic plan, net of estimated assigned hedges, which are used to reduce price volatility risk, for the time period 2010-2013. For 2009, CCNPP revenue is provided from a power purchase agreement with Constellation Energy Commodities Group, Inc. This agreement provides for monthly fixed payments, as well as additional monthly variable payments equal to CCNPP's cost for fuel commodity, fuel delivery, facility output transmission and distribution cost, and variable operations and maintenance cost. Revenue for 2014 is estimated by escalating 2013 revenue by 3%.
- 1 - The cost of casks used to store spent nuclear fuel in the Independent Spent Fuel Storage Installation (ISFSI) are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 2 - Operational costs resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 3 - Nuclear corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 3b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed
- 4. Decommissioning fund earnings represent dividend and interest income on Nuclear Decommissioning Trust Fund (NDTF) assets. They do not project any gains or losses realized from the sale of assets.
- 5 - Assumed tax rate of 40.36%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Calvert Cliffs Nuclear Power Plant - With a 10% Reduction to Market Prices

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue *						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (1)						
O&M, Non-Outage (2)						
O&M, refueling outage						
O&M, allocated Nuclear Corporate (3)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (3b)						
O&M, commercial & power marketing (3b)						
Decommissioning fund earnings (4)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (5)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and 3% for revenues.

- * *This schedule reflects the following sensitivity requested by the NRC: Reduce market revenues each year by 10%. Calvert Cliffs Nuclear Power Plant, Inc.'s revenue is presented using projected information from the preliminary 2009-2013 strategic plan, net of estimated assigned hedges, which are used to reduce price volatility risk, for the time period 2010-2013. A 10% decline in market prices will adversely impact the percentage of revenues unhedged in 2010, 2011 and 2012. There are no assigned hedges in 2013 or 2014. For 2009, CCNPP revenue is provided from a power purchase agreement with Constellation Energy Commodities Group, Inc. This agreement provides for monthly fixed payments, as well as additional monthly variable payments equal to CCNPP's cost for fuel commodity, fuel delivery, facility output transmission and distribution cost, and variable operations and maintenance cost. Since the price is fixed by this agreement, there is no impact in projected revenues. Revenue for 2014 is projected by escalating revenue from 2013 by 3%, and is impacted by the 10% market price assumption.*
- 1 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 2 - Operational cost resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 3 - Nuclear corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 3b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 4 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 5- Assumed Income Tax rate of 40.36%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Calvert Cliffs Nuclear Power Plant - With a 10% Reduction of MWhr Sales

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue *						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (1)						
O&M, Non-Outage (2)						
O&M, refueling outage						
O&M, allocated Nuclear Corporate (3)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (3b)						
O&M, commercial & power marketing (3b)						
Decommissioning fund earnings (4)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (5)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and 3% for revenues.

- * This schedule reflects the following sensitivity requested by the NRC: Reduction of 10% in Megawatt hour Sales. Calvert Cliffs Nuclear Power Plant, Inc.'s revenue is presented using projected information from the preliminary 2009-2013 strategic plan, net of estimated assigned hedges, that are used to reduce price volatility risk, for the time period 2010-2013. For 2009, CCNPP revenue is provided from a power purchase agreement with Constellation Energy Commodities Group, Inc. This agreement provides for monthly fixed payments, as well as additional monthly variable payments equal to CCNPP's cost for: fuel commodity, fuel delivery, facility output transmission and distribution cost, and variable operations and maintenance cost. Revenue for 2014 is estimated by escalating 2013 revenue by 3%. A 10% reduction in Megawatt hour sales will adversely impact all years in this scenario.
- 1 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 2 - Operational costs resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 3 - Nuclear corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 3b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 4 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 5- Assumed Income Tax rate of 40.36%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Statement of Operating Cashflows - Calvert Cliffs Nuclear Power Plant

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue *						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (capital & DOE disposal fees) (1)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Nuclear Corporate (2)						
O&M, allocated CEG HQ Costs (2b)						
O&M, commercial & power marketing (2b)						
Property taxes						
Total Operating Expenses						
Capital project expenditures (3)						
Decommissioning Trust Fund Investments (4)						
Operating Cashflows Before Income Taxes & financing costs						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and 3% for revenues.

- * - Operating Cash flow projection uses the same revenue assumptions as the Base Case income statement
- 1 - Nuclear fuel capex represents direct cash transfers of canisters and fabrication and net capital batch costs for uranium, conversion and enrichment that are managed centrally in a fleet inventory pool and transferred to the site in the year the reload is conducted. Figures are from the preliminary 2009-2013 strategic plan. Year 2014 is derived by taking the average of 2010 and 2012, escalated 5%.
- 2 - Allocated corporate costs are net of depreciation, using same allocation methodology as base case.
- 2b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 3 - Capital costs related to the expansion of the ISFSI are included in projected capital project expenditures. Total projected capital expenditures also include a portion of nuclear corporate capital expenditures, allocated using the same methodology as nuclear corporate expenses.
- 4 - We are projecting to make investments into the NDTF assets, which are held in trust.

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Nine Mile Point Nuclear Station

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue*						
PPA (1)						
Market (1)						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage (3)						
O&M, refueling outage						
O&M, allocated Corporate (4)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (4b)						
O&M, commercial & power marketing (4b)						
Decommissioning fund earnings (5)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (6)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

The estimated fixed operating and maintenance costs for a 6-month period is \$[]M, which is based upon the items O&M Non Outage, O&M refueling outage, and Property Taxes.

- * Nine Mile Point Nuclear Station, LLC (NMPNS) is a wholly owned indirect subsidiary of Constellation Energy Nuclear Group, LLC (CENG). Nine Mile Point Nuclear Station, LLC is the owner and operator of Nine Mile Point Unit 1 and 82% co-owner of Nine Mile Point Unit 2. Long Island Power Authority owns the remaining 18% of Nine Mile Point Unit 2, entitling them to 18% of the generating output and responsibility for 18% of the operating costs. All figures contained in this financial statement reflect CENG's 82% ownership.
- 1 - The Projected Income Statement includes the projected revenue that is expected from the sale of 90% of the facility's output to under purchased power agreement (PPA) arrangements. Other output is sold at market. The PPA with Nine Mile Point Unit 1 terminates in August 2009, and the projections then include sales of 100% from Unit 1 at market. The PPA for Nine Mile Point Unit 2 terminates in November, 2011, but a revenue sharing agreement takes place afterwards for 10 years. Revenue subject to the revenue sharing agreement (RSA) is depicted on the PPA line beginning in 2011. Revenue from 2009-2013 represents figures from the preliminary 2009-2013 strategic plan.
- 2 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 3 - Operational costs resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 4 - Corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 4b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 5 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 6- Assumed Income Tax rate of 39.62%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Nine Mile Point Nuclear Station - With a 10% Reduction to Market Prices

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue*						
PPA (1) (1a)						
Market (1)						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage (3)						
O&M, refueling outage						
O&M, allocated Corporate (4)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (4b)						
O&M, commercial & power marketing (4b)						
Decommissioning fund earnings (5)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (6)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

- * Nine Mile Point Nuclear Station, LLC is a wholly owned indirect subsidiary of CENG. Nine Mile Point Nuclear Station, LLC is the owner and operator of Nine Mile Point Unit 1 and 82% co-owner of Nine Mile Point Unit 2. Long Island Power Authority owns the remaining 18% of Nine Mile Point Unit 2, entitling them to 18% of the generating output and responsibility for 18% of the operating costs. All figures contained in this financial statement reflect CENG's 82% ownership.
- 1 - This schedule reflects the following sensitivity requested by the NRC: Reduce market revenues each year by 10%. The schedule above reflects this reduction in market revenues and corresponding reduction in income tax expense.
- 1a - The Projected Income Statement includes the projected revenue that is expected from the sale of 90% of the facility's output to under PPA arrangements. Other output is sold at market. The PPA with Nine Mile Point Unit 1 terminates in August 2009, and the projections then include sales of 100% from Unit 1 at market. The PPA for Nine Mile Point Unit 2 terminates in November, 2011, but a revenue sharing agreement takes place afterwards for 10 years. Revenue subject to the RSA is depicted on the PPA line beginning in 2011. Revenue from 2009-2013 represents figures from the preliminary 2009-2013 strategic plan.
- 2 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 3 - Operational cost resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 4 - Corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 4b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 5 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 6- Assumed Income Tax rate of 39.62%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement - Nine Mile Point Nuclear Station - With a 10% Reduction of MWhr Sales

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue*						
PPA (1) (1a)						
Market (1)						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage (3)						
O&M, refueling outage						
O&M, allocated Corporate (4)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (4b)						
O&M, commercial & power marketing (4b)						
Decommissioning fund earnings (5)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (6)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

- * Nine Mile Point Nuclear Station is a wholly owned indirect subsidiary of CENG. Nine Mile Point Nuclear Station, LLC is the owner and operator of Nine Mile Point Unit 1 and 82% co-owner of Nine Mile Point Unit 2. Long Island Power Authority owns the remaining 18% of Nine Mile Point Unit 2, entitling them to 18% of the generating output and responsibility for 18% of the operating costs. All figures contained in this financial statement reflect CENG's 82% ownership.
- 1 - See Notes for Projected Income Statement. The sensitivity analysis reflects results from a 10% reduction of megawatt hour sales lower than projected, which includes reductions in PPA and Market revenues and corresponding reductions in nuclear fuel amortization and income tax expense.
- 1a - The Projected Income Statement includes the projected revenue that is expected from the sale of 90% of the facility's output to under PPA arrangements. Other output is sold at market. The PPA with Nine Mile Point Unit 1 terminates in August 2009, and the projections then include sales of 100% from Unit 1 at market. The PPA for Nine Mile Point Unit 2 terminates in November, 2011, but a revenue sharing agreement takes place afterwards for 10 years. Revenue subject to the RSA is depicted on the PPA line beginning in 2011. Revenue from 2009-2013 represents figures from the preliminary 2009-2013 strategic plan.
- 2 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 3 - Operational cost resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 4 - Corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 4b - Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 5 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 6 - Assumed Income Tax rate of 39.62%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Statement of Operating Cashflows - Nine Mile Point Nuclear Station

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue* **						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (capital & DOE disposal fees) (1)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Corporate (2)						
O&M, allocated CEG HQ Costs (2b)						
O&M, commercial & power marketing (2b)						
Property taxes						
Total Operating Expenses						
Capital project expenditures (3)						
Operating Cashflows Before Income Taxes & financing costs						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

- * Nine Mile Point Nuclear Station, LLC is a wholly owned indirect subsidiary of CENG. Nine Mile Point Nuclear Station, LLC is the owner and operator of Nine Mile Point Unit 1 and 82% co-owner of Nine Mile Point Unit 2. Long Island Power Authority owns the remaining 18% of Nine Mile Point Unit 2, entitling them to 18% of the generating output and responsibility for 18% of the operating costs. All figures contained in this financial statement reflect CENG's 82% ownership.
- ** - Operating Cash flow projection uses same revenue assumptions as the Base Case income statement
- 1- Nuclear fuel capex represents direct cash transfers of canisters and fabrication and net capital batch costs for uranium, conversion and enrichment that are managed centrally in a fleet inventory pool and transferred to the site in the year the reload is conducted. Figures are from the preliminary 2009-2013 strategic plan. Year 2014 derived by taking the average of 2010 and 2012, and escalating 5%.
- 2- Allocated corporate costs are net of depreciation, using same allocation methodology as base case
- 2b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 3 - Capital costs related to the expansion of the ISFSI are included in projected capital project expenditures. Total projected capital expenditures also include a portion of nuclear corporate capital expenditures, allocated using the same methodology as nuclear corporate expenses.

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement – R.E. Ginna Nuclear Power Plant

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue (1)						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage (3)						
O&M, refueling outage						
O&M, allocated Corporate (4)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (4b)						
O&M, commercial & power marketing (4b)						
Decommissioning fund earnings (5)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (6)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

The estimated fixed operating and maintenance costs for a 6-month period is \$[]M, which is based upon the items O&M Non Outage, O&M refueling outage, and Property Taxes.

- 1 - The projected revenue for 2009-2013 was provided by the Constellation Energy Commodities Group consistent with their preliminary strategic plan. Revenue for R.E. Ginna Nuclear Power Plant, LLC (Ginna) includes a power purchase agreement with Rochester Gas & Electric (RGE) that expires in 2014.
- 2 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 3 - Operational costs resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 4 - Corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 4b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 5 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 6- Assumed Income Tax rate of 39.62%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement – R.E. Ginna Nuclear Power Plant - With a 10% Reduction to Market Prices *

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue (1) (1a)						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage (3)						
O&M, refueling outage						
O&M, allocated Corporate (4)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (4b)						
O&M, commercial & power marketing (4b)						
Decommissioning fund earnings (5)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (6)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

- 1 - This schedule reflects the following sensitivity requested by the NRC: Reduce market revenues each year by 10%. The schedule above reflects this reduction in market revenues and corresponding reduction in income tax expense.
- 1a - The projected revenue for 2009-2013 was provided by the Constellation Energy Commodities Group consistent with their preliminary strategic plan. Revenue for Ginna includes a power purchase agreement with Rochester Gas & Electric (RGE) that expires in 2014.
- 2 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 3 - Operational costs resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 4 - Corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 4b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 5 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 6- Assumed Income Tax rate of 39.62%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Income Statement – R.E. Ginna Nuclear Power Plant - With a 10% Reduction of MWhr Sales

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue (1) (1a)						
PPA						
Market						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage (3)						
O&M, refueling outage						
O&M, allocated Corporate (4)						
Property taxes						
Decommissioning expenses						
Depreciation						
Total Operating Expenses						
Operating Income						
Other (income) / expense						
O&M, allocated CEG HQ Costs (4b)						
O&M, commercial & power marketing (4b)						
Decommissioning fund earnings (5)						
Net interest expense						
Total other (income) / expense						
Pretax Income						
Income Taxes (6)						
Net Income After-Tax						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

- 1 - See Notes for Projected Income Statement. The sensitivity analysis reflects results from a 10% reduction of megawatt hour sales lower than projected, which includes reductions in PPA and Market revenues and corresponding reductions in Nuclear Fuel amortization and Income Tax expense.
- 1a - The projected revenue for 2009-2013 was provided by the Constellation Energy Commodities Group consistent with their preliminary strategic plan. Revenue for Ginna includes a power purchase agreement with Rochester Gas & Electric (RGE) that expires in 2014.
- 2 - The cost of casks used to store spent nuclear fuel in the ISFSI are included as part of the nuclear fuel batch cost and are recorded as expense in the income statement as megawatts of electricity are generated.
- 3 - Operational costs resulting from loading spent nuclear fuel into casks for storage in the ISFSI are included in the projection for O&M Non-Outage.
- 4 - Corporate costs were allocated using a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation).
- 4b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 5 - Decommissioning fund earnings represent dividend and interest income on NDTF assets. They do not project any gains or losses realized from the sale of assets.
- 6- Assumed Income Tax rate of 39.62%

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Projected Statement of Operating Cashflows – R.E. Ginna Nuclear Power Plant

(\$ Millions)	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue*						
PPA						
Market						
Exclusion of Fair Value Adj (1)						
Total Revenues						
Operating Expenses						
Nuclear fuel (incl. DOE disposal fees) (2)						
O&M, Non-Outage						
O&M, refueling outage						
O&M, allocated Corporate (3)						
O&M, allocated CEG HQ Costs (3b)						
O&M, commercial & power marketing (3b)						
Property taxes						
Total Operating Expenses						
Capital project expenditures (4) (5)						
Operating Cashflows Before Income Taxes & financing costs						

ATTACHMENT (5)

PROJECTED INCOME STATEMENTS FOR LICENSEES (Non-Proprietary Version)

Notes:

All financial projections are based on the preliminary 2009-2013 Strategic Plan. Year 2014 is presented with standard escalation of 3% for costs, and estimated revenue growth.

- * - Operating Cash flow projection uses same revenue assumptions as the Base Case income statement.
- 1 - Revenues are impacted by the non-cash adjustment of amortizing the fair value of the PPA contract over time; to correctly state cash flows. This non-cash item is excluded from revenues and reflected in the above statement as noted
- 2- Nuclear fuel capex represents direct cash transfers of canisters and fabrication and net capital batch costs for uranium, conversion and enrichment that are managed centrally in a fleet inventory pool and transferred to the site in the year the reload is conducted. Figures are from the preliminary 2009-2013 strategic plan. Year 2014 derived by taking the average of 2011 and 2012 and escalating 5%.
- 3 - Allocated corporate costs are net of depreciation, using same allocation methodology as base case
- 3b- Allocated Constellation Energy Group's (CEG) HQ costs include infrastructure and corporate governance expenses allocated to the fleet based on a weighted formula. Half of the allocation is based on headcount, and half of the allocation is based on net income (before the allocation). Allocated commercial & marketing costs consist of two components. The first component is an infrastructure charge allocated using the same basis as the CEG HQ costs. The second component is a variable allocation for marketing & commercial costs and is based on generating output in megawatt hours. These amounts are being reviewed.
- 4 - Capital costs related to the expansion of the ISFSI are included in projected capital project expenditures. Total projected capital expenditures also include a portion of nuclear corporate capital expenditures, allocated using the same methodology as nuclear corporate expenses.
- 5 - The 2009 business plan includes \$[]M in potential capital spending for the 2011 generator rewind (\$[]M to be spent in 2011). An assessment for the need of the generator rewind will be conducted during the 2009 refueling outage. It is anticipated that the results of this evaluation will allow us to postpone the rewind beyond the planning horizon of this financial statement.

ATTACHMENT (6)

10 CFR 2.390 AFFIDAVIT OF MICHAEL J. WALLACE

ATTACHMENT (6)

10 CFR 2.390 AFFIDAVIT OF MICHAEL J. WALLACE

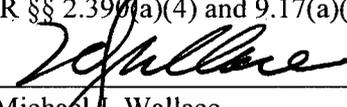
UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)
)
Constellation Energy Nuclear Group, LLC, et al.)
)

AFFIDAVIT

I, Michael J. Wallace of Constellation Energy Group, Inc., parent of Constellation Energy Nuclear Group, LLC, for Calvert Cliffs Nuclear Power Plant, Inc., Nine Mile Point Nuclear Station, LLC, and R. E. Ginna Nuclear Power Plant, LLC (together, the CENG Companies), do hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of the CENG Companies.
2. The CENG Companies are providing information in support of their Application for an Order Approving License Transfers and Conforming License Amendment Request. The documents being provided in Attachment (5A) contain proprietary financial information and financial projections related to the ownership and operation of the CENG Companies' generation assets. These documents constitute proprietary commercial and financial information that should be held in confidence by the NRC pursuant to the policy reflected in 10 CFR §§ 2.390(a)(4) and 9.17(a)(4), because:
 - i. This information is and has been held in confidence by the CENG Companies.
 - ii. This information is of a type that is customarily held in confidence by the CENG Companies, and there is a rational basis for doing so because the information contains sensitive financial information concerning projected revenues and operating expenses of the CENG Companies.
 - iii. This information is being transmitted to the NRC voluntarily and in confidence.
 - iv. This information is not available in public sources and could not be gathered readily from other publicly available information.
 - v. Public disclosure of this information would create substantial harm to the competitive position of the CENG Companies by disclosing their internal financial projections.
3. Accordingly, the CENG Companies request that the designated documents be withheld from public disclosure pursuant to the policy reflected in 10 CFR §§ 2.390(a)(4) and 9.17(a)(4).



Michael J. Wallace

Subscribed and sworn before me, a Notary Public, in and for the State of Maryland and City of Baltimore, this 20th day of January 2009.

WITNESS my hand and Notarial





Notary Public
Date 2/2/11

My Commission Expires:

ATTACHMENT (7)

**GENERAL CORPORATE INFORMATION REGARDING
CEG AND EDF COMPANIES**

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	Calvert Cliffs Nuclear Power Plant, LLC*
STATE OF INCORPORATION & CORPORATE FORM:	Delaware* Limited Liability Company*
BUSINESS ADDRESS:	100 Constellation Way, Suite 1800P Baltimore, Maryland, 21202
DIRECTORS OR MANAGEMENT COMMITTEE:	Michael J. Wallace Henry B. Barron James A. Spina
EXECUTIVE PERSONNEL	Henry B. Barron – Chairman of the Board and President James A. Spina – Vice President Stephen A. Mormann – Vice President – Financial Services and Treasurer Steven L. Miller – Secretary Charles A. Berardesco – Assistant Secretary Carey Fleming – Assistant Secretary Christopher J. Budzynski – Assistant Treasurer Frederick A. Schacknies – Assistant Treasurer

* Planned change.

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	Nine Mile Point Nuclear Station, LLC
STATE OF INCORPORATION & CORPORATE FORM:	Delaware Limited Liability Company
BUSINESS ADDRESS:	100 Constellation Way, Suite 1800P Baltimore, Maryland, 21202
DIRECTORS OR MANAGEMENT COMMITTEE:	Michael J. Wallace Henry B. Barron Keith J. Polson
EXECUTIVE PERSONNEL	Henry B. Barron – Chairman of the Board and President Keith J. Polson – Vice President Stephen A. Mormann – Vice President – Financial Services and Treasurer Steven L. Miller – Secretary Charles A. Berardesco – Assistant Secretary Carey Fleming – Assistant Secretary Christopher J. Budzynski – Assistant Treasurer Frederick A. Schacknies – Assistant Treasurer

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	R. E. Ginna Nuclear Power Plant, LLC
STATE OF INCORPORATION & CORPORATE FORM:	Maryland Limited Liability Company
BUSINESS ADDRESS:	100 Constellation Way, Suite 1800P Baltimore, Maryland, 21202
DIRECTORS OR MANAGEMENT COMMITTEE:	Michael J. Wallace Henry B. Barron John T. Carlin
EXECUTIVE PERSONNEL	Henry B. Barron – Chairman of the Board and President John T. Carlin – Vice President Stephen A. Mormann – Vice President – Financial Services and Treasurer Steven L. Miller – Secretary Charles A. Berardesco – Assistant Secretary Carey Fleming – Assistant Secretary Christopher J. Budzynski – Assistant Treasurer Frederick A. Schacknies – Assistant Treasurer

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	Constellation Energy Nuclear Group, LLC (post-transaction)
STATE OF INCORPORATION & CORPORATE FORM:	Maryland (may change to Delaware) Limited Liability Company
BUSINESS ADDRESS:	100 Constellation Way, Suite 1800P Baltimore, Maryland, 21202
DIRECTORS OR MANAGEMENT COMMITTEE:	Michael J. Wallace, Chairman Henry B. Barron Charles Berardesco Jonathan Thayer George Vanderheyden Jean-Pierre Benqué, * Vice Chairman Jean-Paul Palma * Jacques Sacreste * Christian Nadal * [Director Designee to be determined by EDF Development] *
EXECUTIVE PERSONNEL	Henry B. Barron - President, Chief Executive Officer and Chief Nuclear Officer Steven L. Miller - Senior Vice President, General Counsel and Secretary Stephen A. Mormann - Vice President – Financial Services and Treasurer

* Citizen of France.

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	Constellation Energy Group, Inc.
STATE OF INCORPORATION & CORPORATE FORM:	Maryland Corporation
BUSINESS ADDRESS:	100 Constellation Way, Suite 1800P Baltimore, Maryland, 21202
DIRECTORS OR MANAGEMENT COMMITTEE:	Mayo A. Shattuck III, Chairman, President and CEO Yves C. de Balmann* Douglas L. Becker Ann C. Berzin James T. Brady James R. Curtiss Esq. Dr. Freeman A. Hrabowski III Nancy Lampton Robert J. Lawless** Lynn M. Martin John L. Skolds Michael D. Sullivan
EXECUTIVE PERSONNEL	Mayo A. Shattuck III, President and Chief Executive Officer Michael J. Wallace, Vice Chairman and Executive Vice President Henry B. Barron, Executive Vice President Thomas F. Brady, Executive Vice President Jonathan W. Thayer, Senior Vice President and Chief Financial Officer Charles A. Berardesco, Senior Vice President and General Counsel Beth S. Pearlman, Senior Vice President and Chief Administrative Officer Paul J. Allen, Senior Vice President Kenneth S. DeFontes, Jr, Senior Vice President Kathleen W. Hyle, Senior Vice President Brenda L. Boulwood, Senior Vice President, Chief Risk Officer

* Citizen of the United States and France.

** Citizen of Canada.

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	EDF Development Inc.
STATE OF INCORPORATION & CORPORATE FORM:	Delaware Corporation
BUSINESS ADDRESS:	1300 Eye Street, N.W., Suite 305 Washington, DC 20005 Tour EDF, 20 Place de La Defense 92050 Paris La Defense Cedex, France
DIRECTORS OR MANAGEMENT COMMITTEE:	Jean-Pierre Benqué * Jean-Paul Palma * Jacques Sacreste * Mark Kugler * Guillaume de Forceville *
EXECUTIVE PERSONNEL	Jean-Pierre Benqué, * President Marc Kugler, * Vice President

* Citizen of France.

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	E.D.F. International S.A.
STATE OF INCORPORATION & CORPORATE FORM:	France Société Anonyme
BUSINESS ADDRESS:	Tour EDF, 20 Place de La Defense 92050 Paris La Defense Cedex, France
DIRECTORS OR MANAGEMENT COMMITTEE:	Daniel Camus, * President Marc Guy Pascal Boudier * Bruno Lescoeur * Paul Godin * Anne Nathalie Le Lorier * Philippe Jean-Marie Roblique * Marianne Laigneau * Gérard Wolf *
EXECUTIVE PERSONNEL	Bruno Lescoeur, * General Manager Guillaume de Forceville, * Deputy General Manager Marc Guy Pascal Boudier, * Deputy General Manager Anne Collas Thiebault, * Secretary General

* Citizen of France.

ATTACHMENT (7)

GENERAL CORPORATE INFORMATION REGARDING CEG AND EDF COMPANIES

NAME:	Électricité de France S.A.
STATE OF INCORPORATION & CORPORATE FORM:	France Société Anonyme
BUSINESS ADDRESS:	Tour EDF, 20 Place de La Defense 92050 Paris La Defense Cedex, France
DIRECTORS OR MANAGEMENT COMMITTEE:	Pierre Gadonneix, ** President Claude Moreau * Marianne Laigneau * Pierre- Marie Abadie * André Aurengo * Bruno Bézard * Jacky Chorin * Marie-Catherine Daguerre * Franck Dangeard * Gérard Errera * Yannick d'Escatha * Daniel Foundoulis * Alexandre Grillat * Philippe Josse * Bruno Lafont * Philippe Pesteil * Henri Progolio * Jean-Paul Rignac * Maxime Villota *
EXECUTIVE PERSONNEL	Pierre Gadonneix, ** President Daniel Camus, * Chief Financial Officer Marianne Laigneau, * General Counsel

* Citizen of France.

** Citizen of France and United States.

ATTACHMENT (8)

LIST OF REGULATORY COMMITMENTS

ATTACHMENT (8)

LIST OF REGULATORY COMMITMENTS

The following table identifies the regulatory commitments in this document. Any other statements in this submittal represent intended or planned actions. They are provided for information purposes and are not considered to be regulatory commitments.

COMMITMENT	SCHEDULED COMPLETION DATE
If NRC approves and the transaction is subsequently consummated, form a Nuclear Advisory Committee and include the requirement for an annual report in the forming document.	On consummation of the transaction
Review QATR for changes to duties of CNO, CEO, and other executive officers resulting from EDF transaction and make any changes within six months following the closure of the transaction.	On consummation of the transaction
Submit new support agreements to the NRC.	February 27, 2009

ATTACHMENT (9)

**LICENSE AMENDMENT REQUEST FOR CALVERT CLIFFS NUCLEAR
POWER PLANT, UNITS 1 AND 2, AND THE ASSOCIATED
INDEPENDENT SPENT FUEL STORAGE INSTALLATION**

- 1.0 SUMMARY DESCRIPTION
- 2.0 DETAILED DESCRIPTION
- 3.0 TECHNICAL EVALUATION
- 4.0 REGULATORY EVALUATION
 - 4.1 Applicable Regulatory Requirements/Criteria
 - 4.2 Significant Hazards Consideration
 - 4.3 Conclusion
- 5.0 ENVIRONMENTAL CONSIDERATION

ATTACHMENT (9)

LICENSE AMENDMENT REQUEST FOR CALVERT CLIFFS NUCLEAR POWER PLANT, UNITS 1 AND 2, AND THE ASSOCIATED INDEPENDENT SPENT FUEL STORAGE INSTALLATION

1.0 SUMMARY DESCRIPTION

The proposed change is a request to delete references to Calvert Cliffs Nuclear Power Plant, Inc., as the licensed operator and owner of Calvert Cliffs Nuclear Power Plant and its associated Independent Spent Fuel Storage Installation (ISFSI), and replace these references with Calvert Cliffs Nuclear Power Plant, LLC, as the licensed operator and owner under essentially the same conditions and authorizations included in the existing licenses. In addition, we are requesting a change to the corporate address listed in the ISFSI operating license.

Attachment (10) provides the marked-up pages for the Calvert Cliffs Units 1 and 2 operating licenses, and the ISFSI license (including Technical Specifications).

2.0 DETAILED DESCRIPTION

The proposed changes will replace "Calvert Cliffs Nuclear Power Plant, Inc." with "Calvert Cliffs Nuclear Power Plant, LLC" in the licenses for Calvert Cliffs Nuclear Power Plant, Units 1 and 2 and in the license for the associated ISFSI. These changes reflect changes in licensed ownership of the facilities. An additional change to the corporate address listed in the ISFSI license is also requested.

The requested amendments will conform the licenses to reflect the transfer actions for which Nuclear Regulatory Commission (NRC) consent is being requested pursuant to 10 CFR 50.80 and 72.50 (see Attachments 1-8).

3.0 TECHNICAL EVALUATION

There will be no changes in the day-to-day operations of the facilities. The proposed change will have no impact on the design, function, or operation of any plant structure, system, or component, either technically or administratively, nor will it have a programmatic effect on the facilities' Quality Assurance Programs.

4.0 REGULATORY EVALUATION

4.1 APPLICABLE REGULATORY REQUIREMENTS/CRITERIA

The proposed license changes are administrative in nature. These changes identify a name change for the operator and owner of Calvert Cliffs Nuclear Power Plant and its associated ISFSI. Additionally, a change is requested for the corporate address listed on the ISFSI license. These changes are considered administrative since the proposed changes reflect no change to the company structure or governance. No physical changes will be made and there will be no significant change in the day-to-day operations of the facilities. Therefore, the proposed license amendment does not adversely affect nuclear safety or safe plant operations.

10 CFR 2.1315 Generic Determination Regarding License Amendments to Reflect Transfers

This regulation states that the NRC has determined that any license amendments that conforms a license to reflect a proposed transfer action involves no significant hazard consideration and does not adversely affect the health and safety of the public.

ATTACHMENT (9)

LICENSE AMENDMENT REQUEST FOR CALVERT CLIFFS NUCLEAR POWER PLANT, UNITS 1 AND 2, AND THE ASSOCIATED INDEPENDENT SPENT FUEL STORAGE INSTALLATION

10 CFR 50.80, 10 CFR 72.50 Transfer of Licenses

These regulations provide the basis for NRC approval of license transfers. The proposed license amendments are requested based on the request for license transfers described in Attachments 1-8.

4.2 SIGNIFICANT HAZARDS CONSIDERATION

The proposed license amendments do "no more than conform the license[s] to reflect the transfer action," and therefore they are subject to the NRC's generic determination of no significant hazards consideration in accordance with 10 CFR 2.1315. Additionally, the proposed changes have been evaluated against the standards in 10 CFR 50.92 and have been determined to not involve a significant hazards consideration in that:

- 1) *Operation of the facility would not involve a significant increase in the probability or consequences of an accident previously evaluated.*

This request is for administrative changes only. No actual facility equipment or accident analyses will be affected by the proposed changes. Therefore, this request will have no impact on the probability or consequences of an accident previously evaluated.

- 2) *Operation of the facility would not create the possibility of a new or different kind of accident from any accident previously evaluated?*

This request is for administrative changes only. No actual facility equipment or accident analyses will be affected by the proposed changes and no failure modes not bounded by previously evaluated accidents will be created. Therefore, this request will not create the possibility of a new or different kind of accident from any accident previously evaluated.

- 3) *Operation of the facility would not involve a significant reduction in a margin of safety?*

Margin of safety is associated with confidence in the ability of the fission product barriers (*i.e.*, fuel cladding, Reactor Coolant System pressure boundary, ISFSI confinement boundary and containment structure) to limit the level of radiation dose to the public. This request is for administrative changes only. No actual plant equipment or accident analyses will be affected by the proposed changes. Additionally, the proposed changes will not relax any criteria used to establish safety limits, will not relax any safety system settings, or will not relax the bases for any limiting conditions of operation. Therefore, these proposed changes will not involve a significant reduction in a margin of safety.

4.3 CONCLUSION

In conclusion, based upon this analysis provided, the proposed license amendments will neither have any adverse impact on the public health and safety, nor be inimical to the common defense and security. Therefore, the proposed license amendments meet the requirements of 10 CFR 2.1315, 10 CFR 72.56, and 10 CFR 50.90 and do not involve a significant hazards consideration.

5.0 ENVIRONMENTAL CONSIDERATION

This proposed license amendment is a direct result of an approval of a transfer of licenses issued by the NRC. Therefore, the proposed amendment is eligible for categorical exclusion as set forth in 10 CFR

ATTACHMENT (9)

**LICENSE AMENDMENT REQUEST FOR CALVERT CLIFFS NUCLEAR POWER PLANT,
UNITS 1 AND 2, AND THE ASSOCIATED INDEPENDENT SPENT FUEL STORAGE
INSTALLATION**

51.22(c)(21). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment is needed in connection with the proposed amendment.

ATTACHMENT (10)

**MARKUP OF LICENSES FOR CALVERT CLIFFS NUCLEAR POWER
PLANT, UNITS 1 AND 2 AND THE ASSOCIATED INDEPENDENT SPENT
FUEL STORAGE INSTALLATION**



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

RENEWED FACILITY OPERATING LICENSE

CALVERT CLIFFS NUCLEAR POWER PLANT, UNIT 1

CALVERT CLIFFS NUCLEAR POWER PLANT, INC. ← LLC

DOCKET NO. 50-317

Renewed License No. DPR-53

1. The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. DPR-53 issued on July 31, 1974, has now found that:
 - A. The application to Renewed License No. DPR-53 filed by Baltimore Gas and Electric Company* complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by the renewed license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the Calvert Cliffs Nuclear Power Plant, Unit 1 (facility), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
 - C. There is reasonable assurance: (i) that the activities authorized by this renewed license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the applicable regulations set forth in 10 CFR Chapter I, except as exempted from compliance;
 - D. The Calvert Cliffs Nuclear Power Plant, ~~INC.~~ (the licensee), has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements";
 - E. The renewal of this license will not be inimical to the common defense and security or the health and safety of the public; and

*By Order dated ~~June 30~~ ^{XX XX, XXXX} 2000, the transfer of this license to Calvert Cliffs Nuclear Power Plant, ~~INC.~~ was approved.

LLC

F. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs, and considering available alternatives, the renewal of this license is in accordance with 10 CFR Part 51 and all applicable requirements have been satisfied.

2. On the basis of the foregoing findings regarding this facility, Facility Operating License No. DPR-53, issued on July 31, 1974, is superseded by Renewed Facility Operating License No. DPR-53, which is hereby issued to Calvert Cliffs Nuclear Power Plant, ~~Inc.~~  to read as follows:

A. This license applies to the Calvert Cliffs Nuclear Power Plant, Unit 1, a pressurized water reactor and associated equipment (the facility), owned by Calvert Cliffs Nuclear Power Plant, ~~Inc.~~  The facility is located in Calvert County, Maryland, and is described in the licensee's Final Safety Analysis Report (FSAR), as supplemented and amended, and the licensee's Environmental Report, as supplemented and amended.

B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ 

- (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location in Calvert County, Maryland, in accordance with the procedures and limitations set forth in this license;
- (2) Pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time, special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, and described in the Final Safety Analysis Report, as supplemented and amended;
- (3) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use, at any time, any byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use, in amounts as required, any byproduct, source, and special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (5) Pursuant to the Act and 10 CFR Parts 30 and 70 to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This license is deemed to contain and is subject to the conditions set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act, and the

rules, regulations, and orders of the Commission, now or hereafter applicable; and is subject to the additional conditions specified and incorporated below:

(1) Maximum Power Level

The licensee is authorized to operate the facility at steady-state reactor core power levels not in excess of 2700 megawatts-thermal in accordance with the conditions specified herein.

(2) Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 288, are hereby incorporated into this license. The licensee shall operate the facility in accordance with the Technical Specifications.

- (a) For Surveillance Requirements (SRs) that are new, in Amendment 227 to Facility Operating License No. DPR-53, the first performance is due at the end of the first surveillance interval that begins at implementation of Amendment 227. For SRs that existed prior to Amendment 227, including SRs with modified acceptance criteria and SRs whose frequency of performance is being extended, the first performance is due at the end of the first surveillance interval that begins on the date the Surveillance was last performed prior to implementation of Amendment 227.

(3) Additional Conditions

The Additional Conditions contained in Appendix C as revised through Amendment No. 267 are hereby incorporated into this license. Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ shall operate the facility in accordance with the Additional Conditions.

(4) Secondary Water Chemistry Monitoring Program

The Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. This program shall include:

- a. Identification of a sampling schedule for the critical parameters and control points for these parameters;
- b. Identification of the procedures used to quantify parameters that are critical to control points;

- c. Identification of process sampling points;
- d. Procedure for recording and management of data;
- e. Procedures defining corrective actions for off control point chemistry conditions; and
- f. A procedure identifying the authority responsible for the interpretation of the data and the sequence and timing of administrative events required to initiate corrective action.

(5) Mitigation Strategy

LLC

The Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ shall develop and maintain strategies for addressing large fires and explosions that include the following key areas:

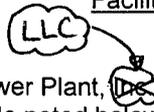
- (a) Fire fighting response strategy with the following elements:
 - 1. Pre-defined coordinated fire response strategy and guidance
 - 2. Assessment of mutual aid fire fighting assets
 - 3. Designated staging areas for equipment and materials
 - 4. Command and control
 - 5. Training of response personnel
- (b) Operations to mitigate fuel damage considering the following:
 - 1. Protection and use of personnel assets
 - 2. Communications
 - 3. Minimizing fire spread
 - 4. Procedures for implementing integrated fire response strategy
 - 5. Identification of readily available pre-staged equipment
 - 6. Training on integrated fire response strategy
 - 7. Spent fuel pool mitigation measures
- (c) Actions to minimize release to include consideration of:
 - 1. Water spray scrubbing
 - 2. Dose to onsite responders

- D. The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans, including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Calvert Cliffs Nuclear Power Plant Security Plan, Training and Qualification Plan, and Safeguards Contingency Plan, Revision 1" submitted May 19, 2006.

Appendix C

Additional Conditions

Facility Operating License No. DPR-53



Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ (the licensee or Company) shall comply with the following conditions on the schedule noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
227	Baltimore Gas and Electric Company (BGE) is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this Amendment shall include the relocation of these requirements to the appropriate documents as described in the licensee's application dated December 4, 1996, as supplemented by letters dated March 27, June 9, June 18, July 21, August 14, August 19, September 10, October 6, October 20, October 23, November 5, 1997 and January 12, January 28, and March 16, 1998, evaluated in the NRC staff's Safety Evaluation enclosed with this amendment.	This amendment is effective immediately and shall be implemented by August 31, 1998.
228	BGE is authorized to incorporate in the UFSAR certain changes regarding Main Steam Line Break, Steam Generator Tube Rupture, Seized Rotor, and Boron Dilution Analyses.	The updated UFSAR shall be implemented within 6 months after restart from the spring 1998 refueling outage.
237	The decommissioning trust agreement for Calvert Cliffs, Unit 1 at the time the license transfer to the licensee from BGE is effected, is subject to the following: (a) The decommissioning trust agreement must be in a form acceptable to the NRC.	To be implemented at time the license transfer to the licensee from BGE is effected.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

RENEWED FACILITY OPERATING LICENSE

CALVERT CLIFFS NUCLEAR POWER PLANT, UNIT 2

CALVERT CLIFFS NUCLEAR POWER PLANT, ~~INC.~~ ^{LLC}

DOCKET NO. 50-318

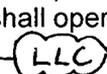
Renewed License No. DPR-69

1. The U.S. Nuclear Regulatory Commission (Commission), having previously made the findings set forth in License No. DPR-69 issued on November 30, 1976, has now found that:
 - A. The application to Renewed License No. DPR-69 filed by Baltimore Gas and Electric Company* complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Actions have been identified and have been or will be taken with respect to (1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1), and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by the renewed license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3, for the Calvert Cliffs Nuclear Power Plant, Unit 2 (facility), and that any changes made to the plant's current licensing basis in order to comply with 10 CFR 54.29(a) are in accord with the Act and the Commission's regulations;
 - C. There is reasonable assurance: (i) that the activities authorized by this renewed license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the applicable regulations set forth in 10 CFR Chapter I, except as exempted from compliance;
 - D. The Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ ^{LLC} (the licensee) has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements";
 - E. The renewal of this license will not be inimical to the common defense and security or the health and safety of the public; and

*By Order dated ~~June 30, 2000~~ ^{XX XX, XXXX}, the transfer of this license to Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ ^{LLC} was approved.

- F. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs, and considering available alternatives, the renewal of this license is in accordance with 10 CFR Part 51 and all applicable requirements have been satisfied.
2. On the basis of the foregoing findings regarding this facility, Facility Operating License No. DPR-69, issued on November 30, 1976, is superseded by Renewed Facility Operating License No. DPR-69, which is hereby issued to Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ ^{LLC} to read as follows:
- A. This license applies to the Calvert Cliffs Nuclear Power Plant, Unit 2, a pressurized water reactor and associated equipment (the facility), owned by Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ ^{LLC}. The facility is located in Calvert County, Maryland, and is described in the licensee's Final Safety Analysis Report (FSAR), as supplemented and amended, and the licensee's Environmental Report, as supplemented and amended.
- B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ ^{LLC}
- (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location in Calvert County, Maryland, in accordance with the procedures and limitations set forth in this license;
 - (2) Pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time, special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, and described in the Final Safety Analysis Report, as supplemented and amended;
 - (3) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use, at any time, any byproduct, source, and special nuclear material as sealed neutron sources for startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
 - (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use, in amounts as required, any byproduct, source, and special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
 - (5) Pursuant to the Act and 10 CFR Parts 30 and 70 to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

(5) Additional Conditions

The Additional Conditions contained in Appendix C as revised through Amendment No. 224 are hereby incorporated into this license. Calvert Cliffs Nuclear Power Plant, ~~Inc.~~, shall operate the facility in accordance with the Additional Conditions. 

(6) Secondary Water Chemistry Monitoring Program

The Calvert Cliffs Nuclear Power Plant, Inc. shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. This program shall include:

- a. Identification of a sampling schedule for the critical parameters and control points for these parameters;
- b. Identification of the procedures used to quantify parameters that are critical to control points;
- c. Identification of process sampling points;
- d. Procedure for recording and management of data;
- e. Procedures defining corrective actions for off control point chemistry conditions; and
- f. A procedure identifying the authority responsible for the interpretation of the data and the sequence and timing of administrative events required to initiate corrective action.

(7) Mitigation Strategy

The Calvert Cliffs Nuclear Power Plant, ~~Inc.~~, shall develop and maintain strategies for addressing large fires and explosions that include the following key areas: 

- (a) Fire fighting response strategy with the following elements:
 1. Pre-defined coordinated fire response strategy and guidance
 2. Assessment of mutual aid fire fighting assets
 3. Designated staging areas for equipment and materials
 4. Command and control
 5. Training of response personnel
- (b) Operations to mitigate fuel damage considering the following:
 1. Protection and use of personnel assets
 2. Communications
 3. Minimizing fire spread

4. Procedures for implementing integrated fire response strategy
5. Identification of readily available pre-staged equipment
6. Training on integrated fire response strategy
7. Spent fuel pool mitigation measures

(c) Actions to minimize release to include consideration of:

1. Water spray scrubbing
2. Dose to onsite responders

D. The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans, including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contain Safeguards Information protected under 10 CFR 73.21, is entitled: "Calvert Cliffs Nuclear Power Plant Security Plan, Training and Qualification Plan, and Safeguards Contingency Plan, Revision 1" submitted dated May 19, 2006.

E. The Calvert Cliffs Nuclear Power Plant, ~~(Inc)~~^{LLC} shall implement and maintain in effect all provisions of the approved fire protection program as described in the Updated Final Safety Analysis Report for the facility and as approved in the SER dated September 14, 1979, and Supplements dated October 2, 1980; March 18, 1982; and September 27, 1982; and Exemptions dated August 16, 1982; April 21, 1983; March 15, 1984; August 22, 1990; and April 7, 1999 subject to the following provision: The Calvert Cliffs Nuclear Power Plant, ~~(Inc)~~^{LLC} may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire. ^{LLC}

F. At the time of the next scheduled update to the FSAR required pursuant to 10 CFR 50.71(e)(4) following the issuance of this renewed license, the licensee shall update the FSAR to include the FSAR supplement submitted pursuant to 10 CFR 54.21(d), as amended and supplemented by the program descriptions in Appendix E to the Safety Evaluation Report, NUREG-1705. Until that FSAR update is complete, the licensee may make changes to the programs described in Appendix E without prior Commission approval, provided that the licensee evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

G. Any future actions listed in Appendix E to the Safety Evaluation Report, NUREG-1705, shall be included in the FSAR. The licensee shall complete these actions by August 13, 2016.

Appendix C

Additional Conditions

Facility Operating License No. DPR-69

Calvert Cliffs Nuclear Power Plant, ~~Inc~~ ^{LLC} (the licensee or Company) shall comply with the following conditions on the schedule noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
201	Baltimore Gas and Electric Company (BGE) is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these requirements to the appropriate documents as described in the licensee's application dated December 4, 1996, as supplemented by letters dated March 27, June 9, June 18, July 21, August 14, August 19, September 10, October 6, October 20, October 23, November 5, 1997, and January 12, January 28, and March 16, 1998, evaluated in the NRC staff's Safety Evaluation enclosed with this amendment.	This amendment is effective immediately and shall be implemented by August 31, 1998.
202	BGE is authorized to incorporate certain changes in the UFSAR regarding Main Steam Line Break, Steam Generator Tube Rupture, Seized Rotor, and Boron Dilution Analyses.	The updated UFSAR shall be implemented within 6 months after restart from the spring 1999 refueling outage.
211	The decommissioning trust agreement for Calvert Cliffs, Unit 2 at the time the license transfer to the licensee from BGE is effected, is subject to the following: (a) The decommissioning trust agreement must be in a form acceptable to the NRC.	To be implemented at time the license transfer to the licensee from BGE is effected.

LICENSE FOR INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE

Pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974 (Public Law 93-438), and Title 10, Code of Federal Regulations, Chapter 1, Part 72; and in reliance on statements and representations heretofore made by the licensee, a license is hereby issued authorizing the licensee to receive, acquire, and possess the power reactor spent fuel and other radioactive materials associated with spent fuel storage designated below; to use such material for the purpose(s) and at the place(s) designated below; and to deliver or transfer such material to persons authorized to receive it in accordance with the regulations of the applicable Part(s). This license shall be deemed to contain the conditions specified in Section 183 of the Atomic Energy Act of 1954, as amended, and is subject to all applicable rules, regulations, and orders of the Nuclear Regulatory Commission now or hereafter in effect and to any conditions specified herein.

Licensee

1. Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ LLC

3. License No. SNM-2505

Amendment No. ~~1~~

2. 39 W. Lexington Street
Baltimore, MD 21208

4. Expiration Date November 30, 2012

100 Constellation Way

5. Docket or Reference No. 72-8

6. Byproduct, Source, and/or Special Nuclear Material

7. Chemical and/or Physical Form

8. Maximum Amount That Licensee May Possess at Any One Time Under This License

Spent fuel assemblies from Calvert Cliffs Nuclear Station Units 1 and 2 reactor using natural water for cooling and enriched not greater than 4.5 percent U-235 and associated radioactive materials related to receipt, storage, and transfer of fuel assemblies.

A. As UO₂ clad with zirconium or zirconium alloys.

A. 1,111.68 TeU of spent fuel assemblies.

9. Authorized Use: For use in accordance with the conditions in this license and the attached Technical Specifications. The basis for this license was submitted in the Safety Analysis Report application dated December 21, 1989, and supplemented April 26, June 29, November 1, and December 20, 1990; February 1, February 12, September 30, October 18, December 19, and December 27, 1991; August 18 and September 4, 1992; July 29 and October 20, 1994; March 31, 1995; November 22, 1999; May 19, June 20, October 4, November 10 and 16, 2000; May 18, and July 26, 2001; December 12, 2003, May 12, 2004 and June 7, 2005; May 16, September 29 and October 28, 2005.

The material identified in 6.A and 7.A above is authorized for receipt, possession, storage, and transfer.

10. Authorized Place of Use: The licensed material is to be received, possessed, transferred, and stored at the Calvert Cliffs ISFSI located on the Calvert Cliffs Nuclear Power Plant site in Calvert County, Maryland. This site is described in Chapter 2 of the licensee's Safety Analysis Report (SAR) for the Calvert Cliffs ISFSI.

11. The Technical Specifications contained in Appendix A attached hereto are incorporated into the license. The licensee shall operate the installation in accordance with the Technical Specifications in Appendix A.

The licensee shall fully implement and maintain in effect all provisions of the Independent Spent Fuel Storage Installation (ISFSI) physical security, guard training and qualification, and safeguards contingency plans previously approved by the Commission and all amendments made pursuant to the authority of 10 CFR 72.56, 10 CFR 72.44(e), and 72.186.

5.0 DESIGN FEATURES

5.1 GENERAL

The Calvert Cliffs ISFSI design approval was based upon review of specific design drawings, some of which have been deemed appropriate for inclusion in the Calvert Cliffs ISFSI Safety Evaluation Report (SER). Drawings listed in Section 1.5 of the Calvert Cliffs ISFSI SER have been reviewed and approved by the NRC. These drawings may be revised under the provisions of 10 CFR 72.48 as appropriate.

5.2 NUHOMS-32P DRY SHIELDED CANISTER (DSC)

The NUHOMS-32P DSC poison plates shall have a minimum B10 areal density of 0.0100g/cm².

6.0 ADMINISTRATIVE CONTROLS

6.1 GENERAL

The Calvert Cliffs ISFSI is located on the Calvert Cliffs Nuclear Power Plant site and will be managed and operated by the Calvert Cliffs Nuclear Power Plant, ~~Inc.~~ ^{LLC} staff. The administrative controls shall be in accordance with the requirements of the Calvert Cliffs Nuclear Power Plant Facility Operating Licenses (DPR-53, and -69) and associated Technical Specifications as appropriate.

6.2 ENVIRONMENTAL MONITORING PROGRAM

The licensee shall include the Calvert Cliffs ISFSI in the environmental monitoring for Calvert Cliffs Nuclear Power Plant. An environmental monitoring program is required pursuant to 10 CFR 72.44(d)(2).

6.3 ANNUAL ENVIRONMENTAL REPORT

The annual radioactive effluent release reports under 10 CFR 50.36(a)(2) license requirements for the Calvert Cliffs Nuclear Power Plant shall also specify the quantity, if any, of each of the principal radionuclides released to the environment in liquid and gaseous effluents during the ISFSI operation and such other information as may be required by the Commission to estimate maximum potential radiation dose commitment to the public resulting from effluent releases. Copies of these reports shall be submitted to the NRC Region I office and to the Director, Office of Nuclear Material Safety and Safeguards. The report under this specification is required pursuant to 10 CFR 72.44(d)(3).