

Exelon Generation Company, LLC
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RS-09-040

10 CFR 50.80

March 18, 2009

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Exelon Generation Company, LLC

Braidwood Station, Units 1 and 2
Facility Operating License Nos. NPF-72 and NPF-77
NRC Docket Nos. 50-456 and 50-457

Byron Station, Units 1 and 2
Facility Operating License Nos. NPF-37 and NPF-66
NRC Docket Nos. 50-454 and 50-455

Clinton Power Station
Facility Operating License No. NPF-62
NRC Docket No. 50-461

Dresden Nuclear Power Station, Units 1, 2 and 3
Facility Operating License No. DPR-2
Renewed Facility Operating License Nos. DPR-19 and DPR-25
NRC Docket Nos. 50-10, 50-237 and 50-249

LaSalle County Station, Units 1 and 2
Facility Operating License Nos. NPF-11 and NPF-18
NRC Docket Nos. 50-373 and 50-374

Limerick Generating Station, Units 1 and 2
Facility Operating License Nos. NPF-39 and NPF-85
NRC Docket Nos. 50-352 and 50-353

Oyster Creek Generating Station
Facility Operating License No. DPR-16
NRC Docket No. 50-219

Enclosure 2 transmitted herewith contains Proprietary Information. When separated from Enclosure 2, this transmittal document is decontrolled.

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KMS01

NRR

Peach Bottom Atomic Power Station, Units 1, 2 and 3
Facility Operating License No. DPR-12
Renewed Facility Operating License Nos. DPR-44 and DPR-56
NRC Docket Nos. 50-171, 50-277 and 50-278

Quad Cities Nuclear Power Station, Units 1 and 2
Renewed Facility Operating License Nos. DPR-29 and DPR-30
NRC Docket Nos. 50-254 and 50-265

Salem Generating Station, Units 1 and 2
Facility Operating License Nos. DPR-70 and DPR-75
NRC Docket Nos. 50-272 and 50-311

Three Mile Island Nuclear Station, Unit 1
Facility Operating License No. DPR-50
NRC Docket No. 50-289

Zion Nuclear Power Station, Units 1 and 2
Facility Operating License Nos. DPR-39 and DPR-48
NRC Docket Nos. 50-295 and 50-304

NRG South Texas, LP

South Texas Project, Units 1 and 2
Facility Operating License Nos. NPF-76 and NPF-80
NRC Docket Nos. 50-498 and 50-499

Subject: Additional Information - Application for Approval of Indirect Transfer of Control of Licenses

- References:**
- (1) Exelon letter to USNRC, "Application for Approval of Indirect Transfer of Control of Licenses," dated January 29, 2009
 - (2) USNRC letter to Exelon, "Supplemental Information Needed for NRC Acceptance Review of Proposed Indirect Transfer of Licenses," dated March 6, 2009

In Reference 1, Exelon Corporation (Exelon) submitted an application for the NRC approval of the indirect transfer of control of the NRC licenses for NRG South Texas LP's (NRG South Texas) 44% ownership interest in South Texas Project, Units 1 and 2 (STP), and to the extent required, the above Exelon Generation facilities.

In addition to the contents of the application, Exelon is also providing the enclosed supplemental information in support of the review of the referenced application, as requested in Reference 2.

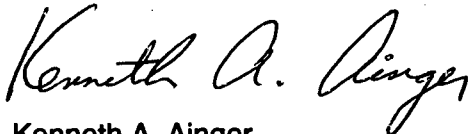
In Reference 1, Exelon committed to keep the NRC apprised of the status of the acquisition of NRG Energy, Inc. (NRG Energy). As described in the referenced application, Exelon plans to acquire control of NRG South Texas' corporate parent NRG Energy through a negotiated agreement or a tender offer. Exelon continues to believe that a negotiated agreement with NRG would provide significant benefits for the combined company and, therefore, Exelon will continue its efforts to reach a negotiated agreement with NRG Energy. At the present time; however, Exelon is pursuing a tender offer pursuant to which Exelon, through Xchange Corp., is offering to exchange 0.485 of a share of Exelon common stock for each share of NRG Energy common stock. As of February 26, 2009, the scheduled expiration date of the initial extension of the tender offer, approximately 51% of NRG Energy's shares of common stock had been tendered. Exelon has extended the expiration date of the tender offer to June 26, 2009. Exelon will continue to keep the NRC apprised of the status of the tender offer.

Enclosure 2 to this submittal contains confidential commercial or financial information. Exelon requests that Enclosure 2 be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4) and 10 CFR 9.17(a)(4), and as described in the attached Affidavit provided in Enclosure 3 to the application. A non-proprietary version of Enclosure 2, suitable for public disclosure, is provided in Enclosure 1.

There are no regulatory commitments in this letter.

If any additional information is needed regarding this indirect license transfer request, please contact David J. Distel at (610) 765-5517.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 18th day of March, 2009.



Kenneth A. Ainger
Director – New Plant Licensing

- Enclosures: (1) Additional Information - Application for Order Approving Indirect Transfer of Control of Licenses (Non-Proprietary Version)
(2) Additional Information - Application for Order Approving Indirect Transfer of Control of Licenses (Proprietary Version)
(3) Affidavit of Jon D. Veurink (10 CFR 2.390 and 10 CFR 9.17)

cc: Regional Administrator - NRC Region I
Regional Administrator - NRC Region III
Regional Administrator - NRC Region IV
NRC Project Manager, NRR - South Texas Project Units 1 and 2
NRC Senior Resident Inspector - South Texas Project Units 1 and 2
NRC Senior Resident Inspector - Braidwood Station, Units 1 and 2
NRC Senior Resident Inspector - Byron Station, Units 1 and 2
NRC Senior Resident Inspector - Clinton Power Station
NRC Senior Resident Inspector - Dresden Nuclear Power Station, Units 1, 2 and 3
NRC Senior Resident Inspector - LaSalle County Station, Units 1 and 2
NRC Senior Resident Inspector - Limerick Generating Station, Units 1 and 2
NRC Senior Resident Inspector - Oyster Creek Generating Station
NRC Senior Resident Inspector - Peach Bottom Atomic Power Station, Units 1, 2 and 3
NRC Senior Resident Inspector - Quad Cities Nuclear Power Station, Units 1 and 2
NRC Senior Resident Inspector - Salem Generating Station, Units 1 and 2
NRC Senior Resident Inspector - Three Mile Island Nuclear Station, Unit 1

Enclosure 1

**Additional Information - Application for Order Approving Indirect Transfer of
Control of Licenses**

(Non-Proprietary Version)

1. NRC Question

The alternative scenario proposed in the application involves NRG Energy, Inc. being the surviving legal entity following a merger with Exelon Corporation. Under this scenario, there would be an indirect transfer of control of the licenses held by Exelon Generation Company, LLC. Therefore, pursuant to 10 CFR 50.33(f)(2), please provide estimates for total annual operating costs for each of the first 5 years of operation of each of the Exelon Generation Company, LLC facilities following the expected date of the closing of the merger and indirect license transfer. In addition, please indicate the source(s) of funds to cover these costs. If you believe the sources of funds have already been provided in the application, please identify the location of this information within the application. Your response should also address the costs associated with independent spent fuel storage installations at the facilities involved in the transfer.

Response

The following tables provide estimates of the total annual operating costs for each of the first five years of operation of each of the Exelon Generation Company, LLC nuclear facilities following the expected date of the closing of the merger and indirect license transfer. The sources of the funds for each station are derived from the operating revenues of the station generated from the sale of electricity. It is noted that the financial projections provided in the following tables only reflect the financial results attributable to the individual nuclear stations and do not include the financial results attributable to Exelon's fossil plants, Power Team, and Exelon Generation Corporate. The consolidated financial projections provided in the January 29, 2009 application included both the individual station financial results and the financial results attributable to Exelon's fossil plants, Power Team, and Exelon Generation Corporate.

Independent Spent Fuel Storage Installations (ISFSIs) are currently installed and in use at the following Exelon stations: Dresden Nuclear Power Station, Limerick Generating Station, Quad Cities Nuclear Power Station, Peach Bottom Atomic Power Station, and Oyster Creek Generating Station. The operating and maintenance costs associated with these ISFSIs, and any potential future Exelon installations, are funded through Exelon's settlement agreement with the Department of Energy. Therefore, these costs have no impact on the individual Exelon station operating and maintenance costs or net income.

2009 ExGen Base Case – Income Statement by Plant (In \$ Millions)

[illegible]

2010 ExGen Base Case – Income Statement by Plant (In \$ Millions)

[illegible]

2011 ExGen Base Case – Income Statement by Plant (In \$ Millions)

[illegible]

2012 ExGen Base Case – Income Statement by Plant (In \$ Millions)

[illegible]

2013 ExGen Base Case – Income Statement by Plant (In \$ Millions)

	Dresden	Quad Cities	LaSalle	Limerick	Peach Bottom	Braidwood	Byron	Three Mile Island	Clinton	Oyster Creek	Salem
Total Revenue Net Fuel											
Total O&M											
Operating Income											
Tax											
Net Income											

Assumptions

2. NRC Question

In addition, please state whether standard contracts (see Section 302 of the Nuclear Waste Policy Act of 1982, as amended) with the Department of Energy exist with respect to each facility involved in the proposed transaction(s), including both the NRG Energy, Inc. related facilities as well as the Exelon Corporation related facilities, and whether such standard contracts will be affected as a result of any of the proposed transactions.

Response

Contracts for Disposal of Spent Nuclear Fuel and/or High Level Radioactive Waste with the United States Department of Energy do exist with respect to South Texas Project Units 1 and 2 and each of the Exelon Facilities. No assignment or other change to these contracts is proposed as a result of the transaction(s) described in the application for approval of indirect license transfer. Accordingly, these contracts will not be affected as a result of such transaction(s).

Enclosure 3

Affidavit of Jon D. Veurink

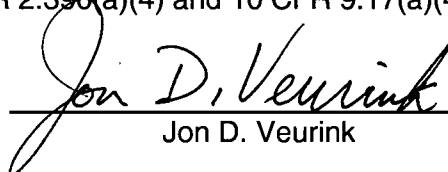
(10 CFR 2.390 and 10 CFR 9.17)

AFFIDAVIT

In the Matter of)
NRG South Texas LP) Docket Nos. 50-498 and 50-499
South Texas Project, Units 1 and 2)

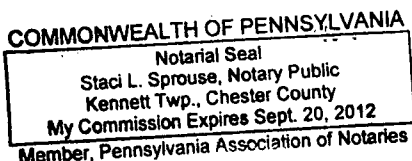
I, Jon D. Veurink, Vice President and Controller, Exelon Generation Company, LLC (Exelon), hereby affirm and state:

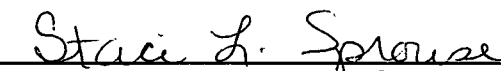
1. I am authorized to execute this affidavit on behalf of Exelon.
2. Exelon is providing information in support of an Application for Order Approving Indirect Transfer of Control of Licenses. Enclosure 2 to this document contains proprietary financial information and financial projections related to the ownership and operation of the generation assets operated by Exelon. Enclosure 2 information constitutes proprietary commercial and financial information that should be held in confidence by the NRC pursuant to 10 CFR 2.390(a)(4) and 10 CFR 9.17(a)(4) because:
 - i. This information is and has been held in confidence by Exelon.
 - ii. This information is of a type that is customarily held in confidence by Exelon and there is a rational basis for doing so because the information contains sensitive financial information concerning projected revenues and operating expenses of Exelon.
 - 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 Exelon by disclosing its internal financial projections.
3. Accordingly, Exelon requests that the designated documents be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4) and 10 CFR 9.17(a)(4).


Jon D. Veurink

STATE OF PENNSYLVANIA)
COUNTY OF CHESTER)

Subscribed and sworn to me, a Notary Public, in and for the State of Pennsylvania, this 17th day of March 2009.




Notary Public in and for the State of Pennsylvania