

From: DAVID E ORTMAN [deortman@msn.com]
Sent: Friday, May 22, 2009 2:28 PM
To: Hearing Docket
Cc: dfstenger@hhlaw.com; jmatthews@morganlewis.com
Subject: RE: NRC-2009-0194: Docket Nos 50-217 and 50-318, 74 FR 21413 (May 7, 2009) Attn: Rulemakings and Adjudications Staff

May 22, 2009

Attn: Rulemakings and Adjudications Staff
Secretary
Nuclear Regulatory Commission
WA D.C. 20555-0001

RE: NRC-2009-0194; Docket Nos. 50-317 and 50-318, 74 FR 21413 (May 7, 2009)

Dear NRC:

I have reviewed a copy of the above referenced notice regarding the Calvert Cliffs Nuclear Power Plant, Inc., Calvert Cliffs Nuclear Power Plant, Unit Nos. 1 and 2; Calvert Cliffs Independent Spent Fuel Storage Installation; Notice of Consideration of Approval of Application Regarding Proposed Restructuring and of Direct Transfer of Licenses Pursuant to 10 CFR 50.80 and 10 CFR 72.50, and of Approval of Conforming License Amendments Pursuant to 10 CFR 50.90 and 10 CFR 72.56 and Opportunity for a Hearing, which appeared in the May 7, 2009, Federal Register.

Deficient Public Notice

Nowhere in the public notice is the location of these nuclear power plants given. In the future, please provide a location for these nuclear power plants in your public notices so that the public does not have to search independently to determine that they are located in Calvert County, Maryland, on the shore of Chesapeake Bay.

Background on Calvert Cliffs Nuclear Station

According to other sources, Units 1 and 2 are pressurized water reactors. Unit 1 went into commercial service in 1975 and Unit 2 in 1977. In 2000, the NRC granted 20-year license extensions to both units.

Because of the age of these reactors, it is virtually certain that accidents and plant failures will occur.

The rate of incident for older reactors is increased due to age related degradation. Troublesome problems have already occurred at Calvert Cliffs. After six years of operation, in 1983, it was discovered that check valves had not been installed in the floor drain system of both units that carries water to the turbine condenser pit in the turbine building. In 1987, the emergency core cooling system was disabled while the reactor was undergoing low power testing. In 1988, due to a fire in an annunciator cabinet, all control room annunciator alarms in Unit 2 failed and were out of service for two days. Later in 1988,

operators of Unit 1 discovered instrument calibration problems following a refueling outage. Other incidents have occurred in 2001 at Unit 1 and in 1994 and 2004 at Unit 2.

Corporate Shells

According to the public notice the Renewed Facility Operating Licenses, Nos. DPR-53 and DPF-69 and Material License No. SNM-2505 are currently held by:

- * Calvert Cliffs Nuclear Power Plant, Inc. (CCNPPI) as owner and licensed operator.
- * Calvert Cliffs Nuclear Power Plant, Inc. is currently owned by Constellation Energy Nuclear Group, LLC (CENG).
- * CENG is a wholly-owned subsidiary of Constellation Energy Group, Inc. (CEG).

Thus, there are four listed entities with some type of operating licensing/ownership responsibility for the Calvert Cliffs Nuclear Power Plant Station.

Proposed Corporate Shell Expansion

According to the public notice, the Applicants, Constellation Energy Nuclear Group (on behalf of Calvert Cliffs Nuclear Power Plant, Inc.) and EDF Development, Inc. (EDF Development), propose the following corporate restructuring:

- * EDF Development would acquire 49.99% ownership interest in CENG. The Public Notice does not disclose why or what advantage EDF Development would gain by acquiring a minority ownership in CENG, rather than CEG. EDF Development is a U.S. corporation organized under the laws of the State of Delaware.
- * EDF Development is a wholly-owned subsidiary of E.D.F. International S.A., a public limited company organized under the laws of France.
- * E.D.F. International S.A. is in turn a wholly-owned subsidiary of [Eacute]lectricit[eacute] de France S.A., a French limited company.
- * In addition, the licenses held by CCNPPI would be transferred to a new legal entity, Calvert Cliffs Nuclear Power Plant, LLC (CCNPP, LLC).
- * CEG, in turn would hold a 50.01% ownership in CENG through two new intermediate parent companies, with an additional intermediate holding company existing between CENG and CCNPP, LLC.

Approval of this restructuring would add seven new corporate entities to the licensing/ownership responsibility for the Calvert Cliffs Nuclear Power Plant Station, including two foreign corporations.

Comment and Request

In summary, no further consideration of the proposed corporate restructuring and indirect transfer of licenses should be undertaken until the NRC has reviewed its facility operation license requirements and determines whether licenses involving multiple levels of wholly-owned subsidiaries provides adequate institutional and corporate control, responsibility, accountability and liability for aging nuclear power plants.

Sincerely,

| signature

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cc: The Honorable Henry Waxman

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