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750 East Pratt Street, Suite 1600
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10 CFR 50.4
10 CFR 52.79
10 CFR 2.390

September 17, 2009

UN#09-354

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

Subject: UniStar Nuclear Energy, NRC Docket No. 52-016
Calvert Cliffs Nuclear Power Plant, Unit 3
Follow-up Response to Environmental Report
RAI No. 124, Estimated Tax Benefit, and Application for Withholding of
Documents

Reference: 1) Thomas Fredrichs (NRC) to George Wrobel (UniStar Nuclear Energy), "RAIs
for Calvert Cliffs Environmental Report," dated May 13, 2008.

The purpose of this letter is to provide a follow-up response to a request for additional information (RAI) identified in Reference 1. This follow-up response supplements the previous response, submitted on June 12, 2008, regarding the estimated tax revenue of Calvert Cliffs Nuclear Power Plant (CCNPP) Unit 3.

Enclosure 1 provides our follow-up response to RAI No. 124, ER Section 5.8.2. Enclosure 1 contains PROPRIETARY (NON-PUBLIC) information concerning CCNPP Unit 3 estimated future tax obligations. Enclosure 2 provides the follow-up response with proprietary financial information redacted (PUBLIC). Enclosure 3 provides an affidavit requesting the withholding of proprietary information contained in Enclosure 1.

The information provided requires a future update to the CCNPP Unit 3 COLA. A Licensing Basis Document Change Request has been initiated to incorporate this change in a future revision of the COLA ER.

GTG/JER/ms

DO96
LRO

This follow-up response to RAI No. 124 does not include any new regulatory commitments.

If there are any questions regarding this transmittal, please contact me at (410) 470-4205, or Mr. Dimitri Lutchenkov at (410) 470-5524.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 17, 2009



Greg Gibson

- Enclosures:
- 1) Follow-up Response to NRC Request for Additional Information, RAI No. 124, ER Section 5.8.2, Calvert Cliffs Nuclear Power Plant Unit 3, PROPRIETARY
 - 2) Follow-up Response to NRC Request for Additional Information, RAI No. 124, ER Section 5.8.2, Calvert Cliffs Nuclear Power Plant Unit 3, PUBLIC
 - 3) Affidavit for withholding of proprietary information in accordance with 10 CFR 2.390

cc: Surinder Arora, NRC Project Manager, U.S. EPR Projects Branch
Laura Quinn, NRC Environmental Project Manager, U.S. EPR COL Application
Getachew Tesfaye, NRC Project Manager, U.S. EPR DC Application (w/o enclosure)
Loren Plisco, Deputy Regional Administrator, NRC Region II (w/o enclosure)
Silas Kennedy, U.S. NRC Resident Inspector, CCNPP, Units 1 and 2
U.S. NRC Region I Office

Enclosure 3
Affidavit for Request for Withholding of Proprietary Information in Accordance with
10 CFR 2.390(a)(4)

Affidavit of Dimitri Lutchenkov

(Page 1 of 2)

Dimitri Lutchenkov, being duly sworn, hereby deposes and states as follows:

1. My name is Dimitri Lutchenkov. I am the Director, Environmental Affairs for UniStar Nuclear Energy, LLC (UniStar).
2. I have been authorized by UniStar to execute this affidavit in support of UniStar's request to withhold proprietary information identified in UniStar's letter to the NRC, UN #09-354, "UniStar Nuclear Energy, Docket No. 52-016, Calvert Cliffs Nuclear Power Plant Unit 3, Follow-up Response to Environmental Report RAI No. 124, Estimated Tax Benefit, and Application for Withholding of Documents," hereafter referred to as the "Proprietary Information," from public disclosure in accordance with the Nuclear Regulatory Commission's (NRC's) regulations appearing at 10 C.F.R. 2.390(a)(4).
3. The proprietary Information is being submitted as proprietary and confidential information as Enclosure 1 to UniStar's letter UN #09-354 from Dimitri Lutchenkov to NRC's Document Control Desk.
4. The Proprietary Information includes detailed financial information regarding taxes and costs associated with the construction and operation of the proposed U.S. EPR nuclear power plant at the Calvert Cliffs Site (i.e., CCNPP Unit 3).
5. The Proprietary Information was prepared with the explicit understanding that the information itself would be treated as proprietary and confidential. The information should therefore be withheld from public disclosure. Indeed, UniStar has refrained from publicly disclosing this information. To the best of my knowledge and belief, the Proprietary Information has not otherwise been knowingly made available in any public source.
6. If the Proprietary Information was publicly disclosed, UniStar and Constellation Energy would suffer irreparable and incalculable harm. Specifically, UniStar competitors would gain valuable insight into otherwise unavailable business strategies, plans, and financial details. By knowing the details included in the Proprietary Information, UniStar competitors would obtain an unfair commercial advantage that would significantly affect UniStar's ability to compete. In addition, the success of the UniStar future plans is governed in large part by the tax information, and thus to publicly disclose this information as reflected in Proprietary Information would result in substantial harm to the competitive position of UniStar.
7. Financial information by its nature is treated as confidential. The specific financial details in the Proprietary Information have not been publicly released for the reasons set forth above. Accordingly, withholding the Proprietary information from disclosure will not adversely affect the public.
8. A redacted version of the Proprietary Information has been provided as Enclosure 2. This version is for public disclosure.

Affidavit of Dimitri Lutchenkov
(continued)

(Page 2 of 2)

9. The proprietary Information is being submitted to the NRC in confidence. The Proprietary Information is of a sort customarily held in confidence by UniStar, and in fact has been held in confidence and not otherwise previously publicly released.

Further Affiant sayeth not.



A handwritten signature in black ink, appearing to read "Dimitri Lutchenkov", is written over a horizontal line.

Dimitri Lutchenkov
Director, Environmental Affairs
UniStar Nuclear Energy, LLC

Subscribed and sworn to before me,
Notary Public, this 17st day of September, 2009:

A handwritten signature in black ink, appearing to read "Tracy L. Fleming", is written over a horizontal line.

My Commission expires:

TRACY L. FLEMING
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires March 22, 2011

UN#09-354

Enclosure 2
Follow-up Response to NRC Request for Additional Information
RAI No. 124, ER Section 5.8.2
Calvert Cliffs Nuclear Power Plant Unit 3
PUBLIC

RAI No 124, ER Section 5.8.2

Need to more clearly state estimated income and tax revenue related to baseline.

Follow-up Response

UniStar letter UN#08-018, dated June 12, 2008, provided the response to RAI 124 above. Subsequently, in a May 27, 2009, teleconference, the NRC posed questions regarding taxes paid to the State in the last five years (for existing Units 1 and 2) and any projections for Calvert Cliffs Nuclear Power Plant (CCNPP) Unit 3. In subsequent telecoms the NRC provided further clarification to the question as follows:

1. Provide property tax payment for Calvert Cliffs Nuclear Power Plant Unit 1 (CC1) & Calvert Cliffs Nuclear Power Plant Unit 2 (CC2) for 10 year period (1999-2008 would be good).
2. What portion of Calvert County tax revenue is from CC1 & CC2?
3. Provide reasonable estimates of annual tax benefit (property taxes) of taxes to be paid during construction and operation.
4. Provide estimated percentage of Calvert County tax revenue from CCNPP Unit 3 construction and operation.

Table 1 below provides the answers to questions 1 and 2. Only nine years of property taxes are provided because taxes before that time frame were done on a more general utility allocation. As noted in the table, the current taxes (for 2008) represent 10.14% of total Calvert County revenues.

Table 1

Calvert Cliffs Nuclear Power Plant, Inc. Calvert County Property Tax Payments on Units 1 and 2	
Tax Year	Tax Payments (\$)
2000	16,747,427
2001	12,787,882
2002	12,670,490
2003	13,911,406
2004	15,465,463
2005	15,768,092
2006	16,205,808
2007	16,869,056
2008	22,442,669
Total General Fund Revenues per FY 2009 Commissioners Budget	221,339,044
(2008 Property Tax Payments)/(Total 2009 Budget) X 100 = 10.14% of the Property Tax Revenue from Calvert Cliffs Nuclear Power Plant Inc.	
Tax Year indicates the year that the Tax Obligation is incurred. Payment is during the following year.	

Table 2 provides the answer to questions 3 and 4. Table 2 also provides the estimated taxes that will be paid by CCNPP Unit 3 during the construction period (2009-2015) and during forty operating years (2016 - 2056). Additionally, Table 2 provides the calculated percentage of contribution this stream of payments would represent of Calvert County's revenues, assuming a flat revenue forecast based on the estimated 2009 figure of [\$] million.

Table 2

ESTIMATED TAXES THAT WILL BE PAID BY CCNPP UNIT 3 DURING CONSTRUCTION AND OPERATION				
Year	Period	Estimate of Property Taxes for CCNPP Unit 3 (U.S. \$ Million)*	Estimate of Calvert County Revenue for 2009 (U.S. \$ Million)	Estimate of Calvert County Revenue from CCNPP Unit 3 Based on "fixed" 2009 Base Year
2009	Construction	[]	[]	[]%
2010	Construction	[]		[]%
2011	Construction	[]		[]%
2012	Construction	[]		[]%
2013	Construction	[]		[]%
2014	Construction	[]		[]%
2015	Construction	[]		[]%
2016	Operating	[]		[]%
2017	Operating	[]		[]%
2018	Operating	[]		[]%
2019	Operating	[]		[]%
2020	Operating	[]		[]%
2021	Operating	[]		[]%
2022	Operating	[]		[]%
2023	Operating	[]		[]%
2024	Operating	[]		[]%
2025	Operating	[]		[]%
2026	Operating	[]		[]%
2027	Operating	[]		[]%
2028	Operating	[]		[]%
2029	Operating	[]		[]%
2030	Operating	[]		[]%
2031	Operating	[]		[]%
2032	Operating	[]		[]%
2033	Operating	[]		[]%
2034	Operating	[]		[]%
2035	Operating	[]		[]%

ESTIMATED TAXES THAT WILL BE PAID BY CCNPP UNIT 3 DURING CONSTRUCTION AND OPERATION				
Year	Period	Estimate of Property Taxes for CCNPP Unit 3 (U.S. \$ Million)*	Estimate of Calvert County Revenue for 2009 (U.S. \$ Million)	Estimate of Calvert County Revenue from CCNPP Unit 3 Based on "fixed" 2009 Base Year
2036	Operating	[]		[]%
2037	Operating	[]		[]%
2038	Operating	[]		[]%
2039	Operating	[]		[]%
2040	Operating	[]		[]%
2041	Operating	[]		[]%
2042	Operating	[]		[]%
2043	Operating	[]		[]%
2044	Operating	[]		[]%
2045	Operating	[]		[]%
2046	Operating	[]		[]%
2047	Operating	[]		[]%
2048	Operating	[]		[]%
2049	Operating	[]		[]%
2050	Operating	[]		[]%
2051	Operating	[]		[]%
2052	Operating	[]		[]%
2053	Operating	[]		[]%
2054	Operating	[]		[]%
2055	Operating	[]		[]%
2056	Operating	[]		[]%

*Nominal 2007 Dollars

COLA Impact

CCNPP Unit 3 COLA Part 1, General and Administrative Information, Tables 1.0-1, 1.0-2, 1.0-4, 1.0-5, 1.0-6, 1.0-7, and 1.0-8; and COLA Part 3 ER Sections 4.4.2.6.2, 4.4.2.8, 5.8.2.4.2, 5.8.2.7.2, 5.8.3.2.3, 10.4.1.4 will be revised as follows in a future revision of the COLA as follows:

ER Chapter 4

4.4.2.6.2 Two County Region of Influence

The total project capital cost estimated for CCNPP Unit 3 is [] billion (in 2007 dollars). In 2007, the CCNPP Unit 3 site is estimated to generate [] million in total property taxes in its current, substantially undeveloped state. Investments in planning, engineering, and an assumed limited work authorization from 2008 through 2010 would result in UniStar paying increased county

total property taxes, from about [] million in 2008, to [] million in 2009, to [] million in 2010. Even more substantial increases in total property tax payments would occur in subsequent years once major construction activities commence, including [] million in 2011, [] million in 2012, [] million in 2013, [] million in 2014, and [] million in 2015. The maximum of [] million would represent a significant [] percent increase in Calvert County's \$78.8 million in annual property (real and personal) tax revenues for fiscal year 2005, and a [] percent increase in total county revenues of \$174.1 million (see Section 2.5.2).

4.4.2.8 Public Services

Educational System

There were 17,431 students enrolled in Calvert County public schools in 2006. St. Mary's had 16,552 students enrolled (ER Section 2.5.2.5.1) (Table 2.5-23). The number of students in Calvert County represents about 20% of the county population and in St. Mary's, about 17%. Applying these percentages to the estimated increase in population due to construction worker in-migration, approximately 490 new students would enroll in Calvert County (an increase of 2.8%) and about 140 in St. Mary's (an increase of about 0.8%).

Assuming that of the 2.6 household members, 0.6 are students and a 20% in-migration during CCNPP Unit 3 construction, there would be a total of about 720 new households in the ROI (ER Section 4.4.2.4). This results in approximately 432 new students in the ROI. Approximately 68% of these, or 294, would reside in Calvert County and 23% in St. Mary's, or about 99 students.

The estimated [] to [] million in increased annual property taxes that would be paid to Calvert County by UniStar during construction of CCNPP Unit 3, which include levies for the Calvert County Public School System, would provide additional funds to meet the educational needs of children for the in-migrating operational workforce. Calvert County Public Schools indicated that some of these current needs include providing additional special services (i.e., special education) for its students. If enrollment levels were to increase as a result of constructing the power plant, the district might seek assistance in recruiting additional teachers and would install modular classrooms. However, in general, the district did not feel that the in-migrating workforce would have an impact on the system. Thus, it is concluded that the impacts to the Calvert County Public School System would be SMALL, and would not require mitigation.

ER Chapter 5

5.8.2.4.2 Two County Region of Influence

The facility qualifies for a 50% reduction in assessed personal property value once operation begins in 2016, reducing the personal property assessed value from [] billion (excluding financing costs) to [] billion. This would result in a drop in total property tax payments for Unit 3 to [] million in 2016, which then would slowly decline in following years as a result of taking allowances for depreciation. This would represent a [] increase in Calvert County's \$78.8 million in annual property (real and personal) tax revenues for fiscal year 2005, and a [] increase in total county revenues of \$174.1 million (see Section 2.5.2). These increased property tax revenues would either provide additional revenues for existing public facility and service needs or for new needs generated by the power plant and associated workforce.

5.8.2.7.2 Educational System

As described above, an estimated 408 new households would in-migrate into Calvert County for operation of CCNPP Unit 3. The estimated [] million in increased property taxes that would be paid to Calvert County annually by UniStar for CCNPP Unit 3, which include levies for the

Calvert County Public School System, would provide additional funds to meet the educational needs of children for the in-migrating operational workforce.

5.8.3.2.3 Tax Revenues

Finally, UniStar would pay an estimated [] million annually in property taxes (all figures are in nominal ~~2005~~2007 dollars) starting in ~~2015~~ 2016 when power plant operation would begin. These revenues would slowly decline in the following years as a result of taking allowances for depreciation. These new property taxes from CCNPP Unit 3 would represent a [] increase in Calvert County's \$78.8 million in annual property (real and personal) tax revenues for fiscal year 2005, and a [] increase in total county revenues of \$174.1 million.

ER Chapter 10

10.4.1.4 Benefits of the Proposed Facility

Locating the proposed new nuclear facility at the existing CCNPP property will afford benefits to the local economy. The CCNPP owners will pay property taxes on the proposed new unit for the duration of the operating licenses. CCNPP owners estimate that annual property tax payments could reach approximately [] million in ~~2015~~ 2016, the year of plant startup and a maximum of [] million as described in Section 4.4.2.6.2. Most people consider large tax payments a benefit to the taxing entity because they support the development of infrastructure that supports further economic development and growth.

Table 1.0-1—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement ^a

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^b	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes ^c	[]				
Decommissioning Expenses ^d	[]	[]	[]	[]	[]
Depreciation	[]	[]	[]	[]	[]
Total Operating Expense	[]	[]	[]	[]	[]
Operating Income	[]	[]	[]	[]	[]
Other income/(expense)					
Interest Expense ^e	[]	[]	[]	[]	[]
Interest Income ^f	[]	[]	[]	[]	[]
Total other income/(expense)	[]	[]	[]	[]	[]
Pretax Income	[]	[]	[]	[]	[]
Income Taxes ^g	[]	[]	[]	[]	[]
Net Income After-Tax	[]	[]	[]	[]	[]

- a. Base Case assumes leverage of approximately 80% Debt/20% Equity with an estimated weighted average [] interest rate.
- b. Includes DOE disposal fees.
- c. Property tax is assessed on a one year lag; therefore, the 2016 property tax was financed and capitalized as part of the project cost.
- d. Includes the amortization and accretion of the Asset Retirement Obligation (ARO) asset and liability, respectively. The ARO is modeled as [] the NRC minimum.
- e. Includes interest expense and amortization of debt fees.
- f. Includes interest income earned from the decommissioning trust fund, debt service reserve and major maintenance reserve accounts.
- g. Income taxes are net of Production Tax Credits (estimated at []), Generation Qualified Deductions, and Net Operating Losses accumulated during the construction period.

Table 1.0-1 – Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement

(\$Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]

Table 1.0-2—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Statement of Operating Cash Flows

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^a	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes	[]				
Decommissioning Trust Contributions ^b	[]	[]	[]	[]	[]
Total Operating Costs	[]	[]	[]	[]	[]
Capital Project Expenditures ^c					
	[]	[]	[]	[]	[]
Operating Cash flows Before					
Income Taxes & Financing Costs	[]	[]	[]	[]	[]

- a. Includes DOE disposal fees and nuclear fuel cash costs.
- b. Contributions made to fund the decommissioning trust fund, modeled at a rate of [] the NRC minimum.
- c. Includes recurring/maintenance capital expenditures and outage capital.

(Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]

**Table 1.0-4—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement
Sensitivity Cost of Borrowing Increased 200 Basis Points^a**

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^b	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes ^c	[]	[]	[]	[]	[]
Decommissioning Expenses ^d	[]	[]	[]	[]	[]
Depreciation	[]	[]	[]	[]	[]
Total Operating Expense	[]	[]	[]	[]	[]
Operating Income	[]	[]	[]	[]	[]
Other income/(expense)					
Interest Expense ^e	[]	[]	[]	[]	[]
Interest Income ^f	[]	[]	[]	[]	[]
Total other income/(expense)	[]	[]	[]	[]	[]
Pretax Income	[]	[]	[]	[]	[]
Income Taxes^g	[]	[]	[]	[]	[]
Net Income After-Tax	[]	[]	[]	[]	[]

- a. Base Case assumes leverage of approximately 80% Debt/20% Equity with an estimated weighted average [] interest rate.
- b. Includes DOE disposal fees.
- c. Property tax is assessed on a one year lag; therefore, the 2016 property tax was financed and capitalized as part of the project cost.
- d. Includes the amortization and accretion of the Asset Retirement Obligation (ARO) asset and liability, respectively. The ARO is modeled as [] the NRC minimum.
- e. includes interest expense and the amortization of debt fees.
- f. Includes interest income earned from the decommissioning trust fund, debt service reserve and major maintenance reserve accounts.
- g. Income taxes are net of Production Tax Credits (estimated at []), Generation Qualified Deductions, and Net Operating Losses accumulated during the construction period.

(\$Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]

**Table 1.0-5—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement
Sensitivity, 10% Reduction in Projected Market Prices ^a**

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^b	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes ^c	[]	[]	[]	[]	[]
Decommissioning Expenses ^d	[]	[]	[]	[]	[]
Depreciation	[]	[]	[]	[]	[]
Total Operating Expenses	[]	[]	[]	[]	[]
Operating Income	[]	[]	[]	[]	[]
Other (income)/expense					
Interest expense ^e	[]	[]	[]	[]	[]
Interest income ^f	[]	[]	[]	[]	[]
Total other (income)/expense	[]	[]	[]	[]	[]
Pretax Income	[]	[]	[]	[]	[]
Income Taxes ^g	[]	[]	[]	[]	[]
Net Income After-Tax	[]	[]	[]	[]	[]

- a. Base Case assumes leverage of approximately 80% Debt/20% Equity with an estimated weighted average [] interest rate.
- b. Includes DOE disposal fees.
- c. Property tax is assessed on a one year lag; therefore, the 2016 property tax was financed and capitalized as part of the project cost.
- d. Includes the amortization and accretion of the Asset Retirement Obligation (ARO) asset and liability, respectively. The ARO is modeled as [] the NRC minimum.
- e. Includes interest expense and the amortization of debt fees.
- f. Includes interest income earned from the decommissioning trust fund, debt service reserve and major maintenance reserve accounts.
- g. Income taxes are net of Production Tax Credits (estimated at []), Generation Qualified Deductions, and Net Operating Losses accumulated during the construction period.

**Table 1.0-5 – Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement
Sensitivity 10% Reduction in Projected Market Prices ^a**

(\$Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]

**Table 1.0-6—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement
Sensitivity, 10% Reduction in Capacity Factor ^a**

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^b	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes ^c	[]	[]	[]	[]	[]
Decommissioning Expenses ^d	[]	[]	[]	[]	[]
Depreciation	[]	[]	[]	[]	[]
Total Operating Expense	[]	[]	[]	[]	[]
Operating Income	[]	[]	[]	[]	[]
Other income/(expense)					
Interest Expense ^e	[]	[]	[]	[]	[]
Interest Income ^f	[]	[]	[]	[]	[]
Total other income/(expense)	[]	[]	[]	[]	[]
Pretax Income	[]	[]	[]	[]	[]
Income Taxes ^g	[]	[]	[]	[]	[]
Net Income After-Tax	[]	[]	[]	[]	[]

- a. Base Case assumes leverage of approximately 80% Debt/20% Equity with an estimated weighted average [] interest rate.
- b. Includes DOE disposal fees.
- c. Property tax is assessed on a one year lag; therefore, the 2016 property tax was financed and capitalized as part of the project cost.
- d. Includes the amortization and accretion of the Asset Retirement Obligation (ARO) asset and liability, respectively. The ARO is modeled as [] the NRC minimum.
- e. Includes interest expense and the amortization of debt fees.
- f. Includes interest income earned from the decommissioning trust fund, debt service reserve and major maintenance reserve accounts.
- g. Income taxes are net of Production Tax Credits (estimated at []), Generation Qualified Deductions, and Net Operating Losses accumulated during the construction period.

**Table 1.0-6 – Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement
Sensitivity 10% Reduction in Capacity Factor ^a**

(\$Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]

Table 1.0-7—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement Sensitivity, No Receipt of Production Tax Credits ^a

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^b	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes ^c	[]	[]	[]	[]	[]
Decommissioning Expenses ^d	[]	[]	[]	[]	[]
Depreciation	[]	[]	[]	[]	[]
Total Operating Expenses	[]	[]	[]	[]	[]
Operating Income	[]	[]	[]	[]	[]
Other income/(expense)					
Interest Expense ^e	[]	[]	[]	[]	[]
Interest Income ^f	[]	[]	[]	[]	[]
Total other (income)/expense	[]	[]	[]	[]	[]
Pretax Income	[]	[]	[]	[]	[]
Income Taxes ^g	[]	[]	[]	[]	[]
Net Income After-Tax	[]	[]	[]	[]	[]

- a. Base Case assumes leverage of approximately 80% Debt/20% Equity with an estimated weighted average [] interest rate.
- b. Includes DOE disposal fees.
- c. Property tax is assessed on a one year lag; therefore, the 2016 property tax was financed and capitalized as part of the project cost.
- d. Includes the amortization and accretion of the Asset Retirement Obligation (ARO) asset and liability, respectively. The ARO is modeled as [] the NRC minimum.
- e. Includes interest expense and the amortization of debt fees.
- f. Includes interest income earned from the decommissioning trust fund, debt service reserve and major maintenance reserve accounts.
- g. Income taxes are net of Generation Qualified Deductions, and Net Operating Losses accumulated during the construction period.

(\$Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]

**Table 1.0-8—Calvert Cliffs Nuclear Power Plant Unit 3 Projected Income Statement
Sensitivity, 10% Higher Capital Cost^a**

(\$Millions)	2016	2017	2018	2019	2020
Revenue					
Market	[]	[]	[]	[]	[]
Total Revenues	[]	[]	[]	[]	[]
Operating Expenses					
Nuclear Fuel ^b	[]	[]	[]	[]	[]
O&M, Non-Outage	[]	[]	[]	[]	[]
O&M, Refueling Outage	[]	[]	[]	[]	[]
Property Taxes ^c	[]	[]	[]	[]	[]
Decommissioning Expense ^d	[]	[]	[]	[]	[]
Depreciation	[]	[]	[]	[]	[]
Total Operating Expenses	[]	[]	[]	[]	[]
Operating Income	[]	[]	[]	[]	[]
Other (income)/expense					
Interest Expense ^e	[]	[]	[]	[]	[]
Interest Income ^f	[]	[]	[]	[]	[]
Total other (income)/expense	[]	[]	[]	[]	[]
Pretax Income	[]	[]	[]	[]	[]
Income Taxes ^g	[]	[]	[]	[]	[]
Net Income After-Tax	[]	[]	[]	[]	[]

- a. Base Case assumes leverage of approximately 80% Debt/20% Equity with an estimated weighted average [] interest rate.
- b. Includes DOE disposal fees.
- c. Property tax is assessed on a one year lag; therefore, the 2016 property tax was financed and capitalized as part of the project cost.
- d. Includes the amortization and accretion of the Asset Retirement Obligation (ARO) asset and liability, respectively. The ARO is modeled as [] the NRC minimum.
- e. Includes interest expense and the amortization of debt fees.
- f. Includes interest income earned from the decommissioning trust fund, debt service reserve and major maintenance reserve accounts.
- g. Income taxes are net of Production Tax Credits (estimated at []), Generation Qualified Deductions, and net operating losses accumulated during the construction period.

(\$Millions)	2016	2017	2018	2019	2020
Property Taxes ^c	[]	[]	[]	[]	[]