April 06, 2011

Mr. George Vanderheyden
President and CEO
UniStar Nuclear Energy
150 East Pratt Street
Suite 1600
Baltimore, MD 21202

SUBJECT: CALVERT CLIFFS NUCLEAR POWER PLANT UNIT 3 COMBINED LICENSE APPLICATION – FINANCIAL REVIEW

On November 3, 2010, Calvert Cliffs Nuclear Power Plant Unit 3 (CCNPP3), on behalf of UniStar, filed a letter with the Atomic Safety and Licensing Board panel indicating that Electricite de France (EDF), a foreign business entity, had acquired Constellation's 50 percent interest in UniStar. On November 4, 2010, Constellation filed a Schedule 13D with the U.S. Securities and Exchange Commission confirming this transaction. Due to this change in UniStar's ownership structure, the NRC staff issued request for additional information (RAI) 281 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML103360352), asking UniStar to justify how it met the requirements of Title 10 of the *Code of Federal Regulation* (10 CFR) 50.38. By letter dated January 31, 2011 (ADAMS Accession No. ML110380423), UniStar submitted its response to NRC staff's request for additional information along with revisions to the ownership and financial information provided in the CCNPP3 combined license (COL) application. UniStar's response also included its Negation Action Plan for the NRC staff's review.

The NRC staff has completed the review of UniStar's response to RAI 281. NRC staff has determined that UniStar's application does not meet the requirements of 10 CFR 50.38. The basis of the determination is: (1) UniStar is 100 percent owned by a foreign corporation (EDF), which is 85 percent owned by the French government; (2) EDF has the power to exercise foreign ownership, control, or domination over UniStar; and (3) the Negation Action Plan submitted by UniStar does not negate the foreign ownership, control or domination issues discussed above. If requested, NRC staff will support a public meeting with UniStar to discuss the results of its review.

While UniStar considers its options to move forward, the review of the remaining portions of the COL application will continue in accordance with the schedule provided to UniStar by letter dated March 4, 2011 (ADAMS Accession No. ML110310554). In addition, the NRC will continue to finalize the final environmental impact statement as discussed in our letter dated January 20, 2011 (ADAMS Accession No. ML103640002). However, a license will not be issued unless the requirements of 10 CFR 50.38 are met.

If you have any questions or comments, please contact Mr. Surinder Arora, the NRC lead project manager for review of the CCNPP3 COL application, by telephone at 301-415-1421 or via email to surinder.arora@nrc.gov.

Sincerely,

/RA/

David B. Matthews, Director
Division of New Reactor Licensing
Office of New Reactors

Docket No. 52-016

cc: See next page

If you have any questions or comments, please contact Mr. Surinder Arora, the NRC lead project manager for review of the CCNPP3 COL application, by telephone at 301-415-1421 or via email to surinder.arora@nrc.gov.

Sincerely,

/RA/

David B. Matthews, Director
Division of New Reactor Licensing
Office of New Reactors

Docket No. 52-016

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ADAMS Accession No.: ML110760596 **NRC-002**

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