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10 CFR 50.4
10 CFR 52.79

March 28, 2011

UN#11-108

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

Subject: UniStar Nuclear Energy, NRC Docket No. 52-016
Supplemental Response to Request for Additional Information for the
Calvert Cliffs Nuclear Power Plant, Unit 3,
RAI No. 281, Part 1: Introduction and Interfaces

- References:
- 1) Surinder Arora (NRC) to Robert Poche (UniStar Nuclear Energy), "FINAL RAI 281 PFPB 5278" email dated December 2, 2010
 - 2) UniStar Nuclear Energy Letter UN#11-014, from Greg Gibson to Document Control Desk, U.S. NRC, Response to Request for Additional Information for the Calvert Cliffs Nuclear Power Plant, Unit 3, RAI 281, Foreign Ownership, dated January 31, 2011

The purpose of this letter is to provide a supplemental response to the request for additional information (RAI) identified in the NRC e-mail correspondence to UniStar Nuclear Energy (Reference 1). This RAI addresses ownership and corporate organizational structure for Calvert Cliffs Nuclear Power Plant (CCNPP) Unit 3, as discussed in Part 1 of the CCNPP Unit 3 Combined License Application (COLA), Revision 7.

Reference 2 transmitted the UniStar response to RAI 281, defining the revised UniStar Nuclear Energy organization, the establishment of the Security Subcommittee, and the development of the Negation Action Plan, in recognition of the recent corporate ownership change.

The purpose of this supplemental response is to provide additional information on the facts and circumstances of activities surrounding the UniStar Nuclear Energy Negation Action Plan and Security Subcommittee that have transpired since our January 31, 2011 submittal.

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Enclosure 1 provides supplemental information to our previous response to RAI 281 and includes revised COLA content. Enclosure 2 provides the associated COLA page markups for these changes. A Licensing Basis Document Change Request has been initiated to incorporate these changes into a future revision of the COLA. Enclosure 3 provides certificates for the independent directors and Chairman of UniStar Nuclear Energy, LLC.

This submittal does not include any new regulatory commitments. It does not contain information considered proprietary or SUNSI.

If there are any questions regarding this transmittal, please contact me at (410) 470-4205, or Mr. Wayne A. Massie at (410) 470-5503.

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

Executed on March 28, 2011



Greg Gibson

- Enclosures:
- 1) Supplemental Response to NRC Request for Additional Information 281, Question 01-13, Calvert Cliffs Nuclear Power Plant, Unit 3
 - 2) Supplemental Response to NRC Request for Additional Information 281, Calvert Cliffs Nuclear Power Plant, Unit 3, COLA Page Markups
 - 3) Supplemental Response to NRC Request for Additional Information 281, Calvert Cliffs Nuclear Power Plant, Unit 3, Certificates of Independent Directors and Chairman

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)
Charles Casto, 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 1

**Supplemental Response to NRC Request for Additional Information 281,
Question 01-13,
Calvert Cliffs Nuclear Power Plant, Unit 3,**

RAI No. 281

Question 01-13

Follow-up to RAI 263, Question 01-12

On July 13, 2007, UniStar Nuclear Operating Services, LLC (UniStar) and Constellation Generation Group (Constellation) applied for a reference combined license for Calvert Cliffs Unit 3 Nuclear Project. On November 3, 2010, on behalf of UniStar, counsel for Calvert Cliffs Unit 3 Nuclear Project 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 United States Securities and Exchange Commission confirming that this transaction between Constellation and EDF had been completed on November 3, 2010.

Prior to this transaction the U.S. Nuclear Regulatory Commission (NRC) issued request for additional information (RAI) 263, Question 01-12 (ML102640034) that requested, among other items, clarifying information on foreign ownership, control and domination. Given the information discussed above, the staff intends to request the following information:

In view of the fact that EDF is a foreign entity and apparently now possesses 100% ownership of UniStar, please justify how UniStar complies with the requirements of 10 CFR § 50.38, "Ineligibility of Certain Applicants."

Response

This response is supplemental to our previous response to RAI 281¹ and augments the original RAI response. This information serves to update recent activities and provide additional information surrounding the UniStar Nuclear Energy Negation Action Plan and Security Subcommittee.

Governance

The following activities have been taken relative to the UniStar Nuclear Energy organization and Negation Action Plan:

- Appointed and elected for a two-year term, the Nuclear Advisory Committee members identified in FSAR Section 1A.2.4.
- The independent directors who sit on the Security Subcommittee, as identified in FSAR Section 1A.2.2, were re-appointed by EDF for a one-year term, extending from February 1, 2011 to January 31, 2012.

¹ UniStar letter UN#11-014, Greg Gibson to U.S. NRC Document Control Desk, "Response to Request for Additional Information for the Calvert Cliffs Nuclear Power Plant, Unit 3, RAI No. 281, Part 1: Introduction and Interfaces," dated January 31, 2011

- Approved minor reorganization changes for UniStar Nuclear Energy which will result in changes to the company officers identified in COLA Part 1, Sections 1.1.2.6 and 1.1.2.7. These changes will be provided as an update to COLA Part 1 once they become effective.

Security Subcommittee: Foreign Control or Domination Prevention

The independent directors, who together with the Chairman constitute the Security Subcommittee, completed an annual "Independent Directors Questionnaire" providing information pertinent to their continued independence from UniStar Nuclear Energy and EDF.

The Security Subcommittee members have participated in all Board of Directors (BOD) meetings held following their appointments. During these meetings, the Security Subcommittee members executed their duties and responsibilities, and participated in a meaningful way to ensure there is no Foreign Control or Domination as specified under FSAR Section 1A.2.2.

Following the February 22, 2011 BOD meeting, the Security Subcommittee met in separate session to deliberate upon the BOD meeting and address any identified issues for the Security Subcommittee. The Security Subcommittee concluded there were no identified items requiring their exercise of authority pursuant to FSAR Section 1A.2.2.

On February 16 and 17, 2011, the Security Subcommittee members executed the required annual certificates for independent directors acknowledging their special role and protective measures required by FSAR Section A1.2.2(g). Chairman Steve Wolfram executed a certificate dated December 3, 2010. As contemplated by Section 3.1(d)(vii) of the Second Amended Limited Liability Company Agreement of UniStar Nuclear Energy LLC dated as of November 3, 2010, copies of the certificates are attached for delivery to the NRC as Enclosure 3.

FOCD Flowchart Clarification

In our previous response to RAI 281¹, UniStar Nuclear Energy provided two organization charts (COLA Part 1 Figure 1.0-1 and FSAR Figure 13.1-1) which, upon further review, have been deemed to be incomplete (and potentially implying inaccurate information) on the role of the Security Subcommittee in preventing foreign ownership control and domination (FOCD).

Enclosure 2 provides new figures for COLA Part 1 and FSAR Section 13.1 that explicitly depict the autonomy of the Security Subcommittee.

Nuclear Advisory Committee

The Nuclear Advisory Committee (NAC) met on February 21, 2011. The NAC reviewed the Negotiation Action Plan (NAP) and the January 31, 2011, RAI response regarding Foreign Ownership, Control, and Domination.

The NAC received briefings and discussed the NAP, including the December 8, 2010 public meeting discussing the new UniStar organization and EDF ownership.

The NAC had no additional questions or concerns for the Security Subcommittee.

COLA Impact

The organization charts identified in Enclosure 2 (COLA Part 1, Figure 1.0-1A and COLA Part 2, Figure 13.1-1A) depicting the role of the Security Subcommittee will be incorporated into a future COLA revision.

Enclosure 2

**Supplemental Response to NRC Request for Additional Information (RAI) 281
Calvert Cliffs Nuclear Power Plant, Unit 3**

COLA Page Markups

Figure 1.0-1A -- Organizational Structure for Items and Issues Related to Nuclear Safety, Security and Reliability, Pursuant to the Negation Action Plan

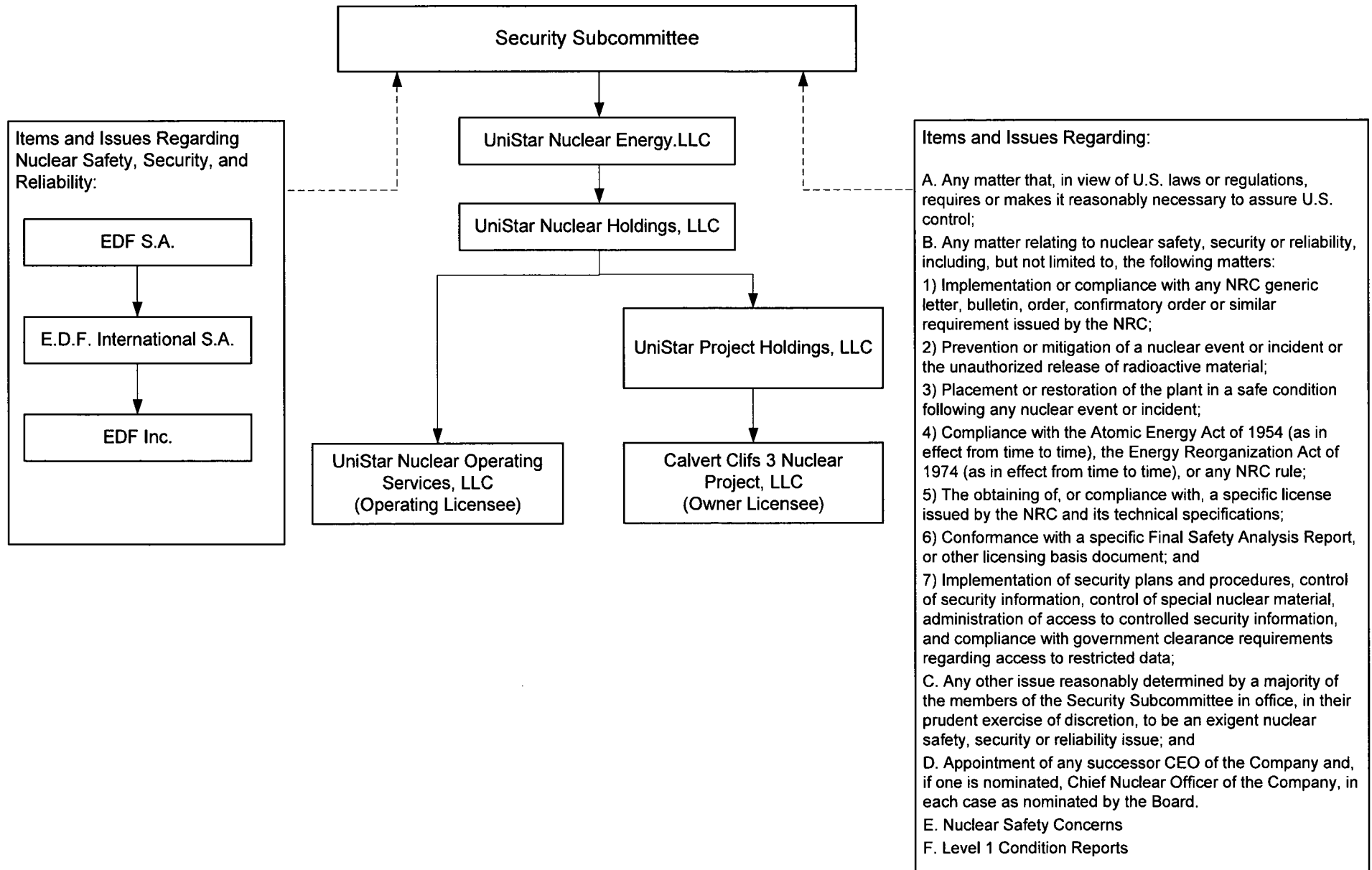
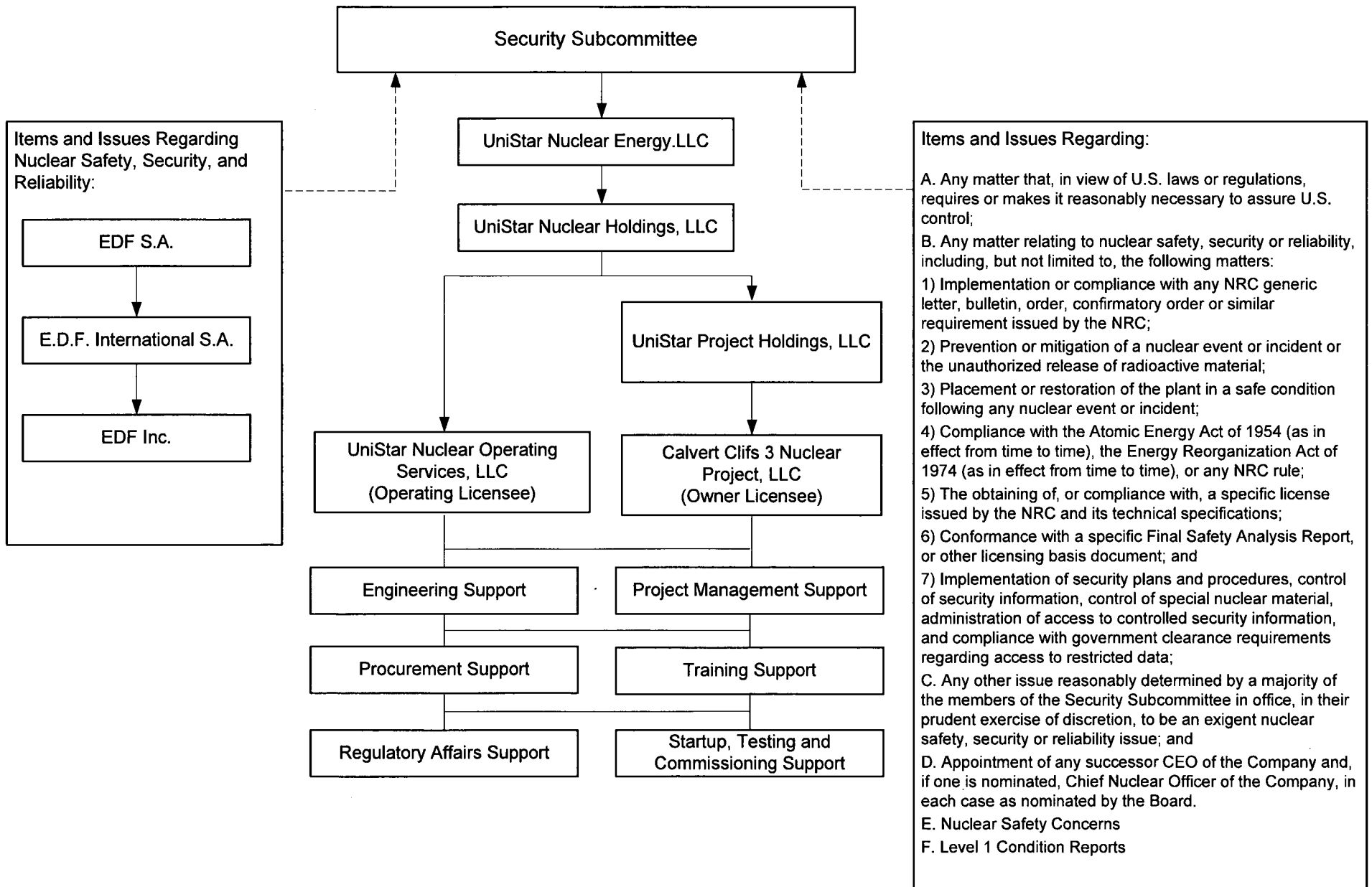


Figure 13.1-1A -- Organizational Structure for Items and Issues Related to Nuclear Safety, Security and Reliability, Pursuant to the Negation Action Plan



Enclosure 3

**Supplemental Response to NRC Request for Additional Information (RAI) 281
Calvert Cliffs Nuclear Power Plant, Unit 3**

Certificates of Independent Directors and Chairman

Security Subcommittee Member Certificate

By execution of this Certificate, I acknowledge the protective measures that have been taken by UniStar Nuclear Energy LLC ("UNE") through adoption and implementation of the provisions of Section 3.1(d) of its Second Amended and Restated Limited Liability Company Agreement dated as of November 3, 2010 ("Agreement"), in order to protect against and negate the potential of any foreign ownership, control or domination of UNE within the meaning of Section 103 of the Atomic Energy Act of 1954, as amended.

I further acknowledge that the United States Government has placed its reliance on me as a United States citizen to exercise all of the responsibilities provided for in Section 3.1(d) of the Agreement; to assure that members of the UNE Board of Directors, the officers of UNE, and the employees of UNE comply with the provisions of the Section 3.1(d) of the Agreement; and to assure that the Nuclear Regulatory Commission is advised of any violation of, attempt to violate, or attempt to circumvent any of the provisions of Section 3.1(d) of the Agreement, of which I am aware.

Dated: 02/17/2011

Signature: 

Bruce S. Mallett
Name printed or typed

Security Subcommittee Member Certificate

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Dated: 2/16/11

Signature: Neil E. Todreas

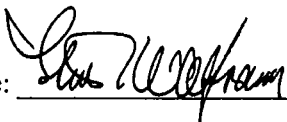
NEIL E. TODREAS
Name printed or typed

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Dated: 3 December 2010

Signature: 

Name printed or typed