

Steven L. Miller
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Baltimore, MD 21202

CENG

a joint venture of



Constellation
Energy



edf

June 17, 2011

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

ATTENTION: Document Control Desk

SUBJECT: **Calvert Cliffs Nuclear Power Plant, Units 1 and 2**
Renewed Facility Operating License Nos. DPR-53 and DPR-69
Docket Nos. 50-317 and 50-318
Calvert Cliffs Independent Spent Fuel Storage Installation
Materials License No. SNM-2505
Docket No. 72-8
Nine Mile Point Nuclear Station, Units 1 and 2
Renewed Facility Operating License Nos. DPR-63 and NPF-69
Docket Nos. 50-220 and 50-410
R.E. Ginna Nuclear Power Plant
Renewed Facility Operating License No. DPR-18
Docket No. 50-244
R.E. Ginna Independent Spent Fuel Storage Installation
General License
Docket No. 72-67

Supplement to Application for Approval of Indirect Transfer of Control of Licenses

REFERENCE: (a) Letter from C. M. Crane (Exelon Generation Company, LLC) and H. B. Barron (Constellation Energy Nuclear Group, LLC) to Document Control Desk (NRC), dated May 12, 2011, Application for Approval of Indirect Transfer of Control of Licenses

On Page 9 of Attachment (1) to Reference (a), we noted that the existing support agreements will be updated and amended as necessary to assure that the total amount of funding available under the support agreements is sufficient in light of changes in estimated fixed operating and maintenance costs for a six-month outage for the facilities.

The form of the new support agreement is included as Attachment (1) to this letter. Please note that the NRC Orders from October 2009 approving EDF Inc.'s investment in Constellation Energy Nuclear

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Group, LLC (CENG) contain a condition requiring U.S. Nuclear Regulatory Commission (NRC) written consent before the support agreements can be materially modified.¹ Attachment (1) is submitted in accordance with that condition. The form of the new support agreement is substantively the same as the existing Constellation Energy Group, Inc. (CEG) support agreement except that the amount provided under the support agreement is being increased in light of the changes in the estimated fixed operating and maintenance costs for a six-month outage.

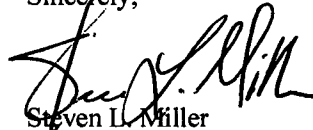
The corporate parent for the Exelon/CEG side of the CENG parent structure that will provide this support agreement upon completion of the merger has not yet been determined. We will notify the NRC once the Applicants have identified the appropriate parent entity. In any event, the support agreement maintained by EDF, Inc.'s direct parent company, E.D.F. International SAS, will remain unchanged and the increased six-month outage cost, based on the May 12, 2011 submittal (Reference a) will be covered by the entity on the Exelon/CEG side of the parent structure.

In Attachment (5) to Reference (a), we provided a list of state and federal regulatory filings or approvals that are needed in connection with the merger. We committed to update that information to reflect the identification numbers assigned for each filing once the information became known. Attachment (2) provides the updated information.

This letter contains no new regulatory commitments.

If any additional information is needed regarding this supplemental information, please contact Bruce Montgomery at 410-470-3777 (Bruce.Montgomery@cengllc.com) or David J. Distel, at 610-765-5517 (David.Distel@exeloncorp.com).

Sincerely,



Steven L. Miller

SLM/EMT/bjd

Attachments: (1) Draft [Exelon/CEG Entity To Be Named] Support Agreement
(2) Table of State and Federal Regulatory Filings or Approvals

¹ See, e.g., Order Superseding October 9, 2009, Order Approving the Transfer of Renewed Facility Operating License Nos. DPR-53 and DPR-69 for the Calvert Cliffs Nuclear Power Plant, Unit Nos. 1 and 2, and Materials License No. SNM-2505 for the Calvert Cliffs Independent Spent Fuel Storage Installation, and Conforming Amendments (TAC Nos. ME0443 AND ME0444) (October 30, 2009) at Section III.B(3)(b)

Document Control Desk

June 17, 2011

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cc: D. V. Pickett, NRC
R. V. Guzman, NRC
E. A. Brown, NRC
Susan Uttal, NRC
Thomas Fredrichs, NRC
C. Haney, NMSS
Resident Inspector, NRC (Calvert Cliffs)
Resident Inspector, NRC (Nine Mile Point)
Resident Inspector, NRC (Ginna)
S. Gray, Maryland DNR
A. L. Peterson, NYSERDA
P. D. Eddy, NYSDPS
M. Padula, NYSDPS

ATTACHMENT (1)

DRAFT [Exelon/CEG Entity To Be Named] SUPPORT AGREEMENT

Constellation Energy Nuclear Group, LLC
June 17, 2011

ATTACHEMENT (1)
DRAFT [Exelon/CEG Entity To Be Named] SUPPORT AGREEMENT

Form of SUPPORT AGREEMENT

Between

[Exelon/CEG Entity To Be Named]

and

Calvert Cliffs Nuclear Power Plant, LLC
Nine Mile Point Nuclear Station, LLC, and
R. E. Ginna Nuclear Power Plant, LLC

THIS SUPPORT AGREEMENT, dated as of _____, 2011 between [Exelon/CEG Entity To Be Named], and Calvert Cliffs Nuclear Power Plant, LLC, Nine Mile Point Nuclear Station, LLC and R. E. Ginna Nuclear Power Plant, LLC, each individually herein referred to as a "Subsidiary Licensee" and all collectively herein referred to as "Subsidiary Licensees."

WITNESSETH:

WHEREAS, through its intermediate subsidiary companies, [Exelon/CEG Entity To Be Named] is the indirect owner of 50.01% of the Subsidiary Licensees;

WHEREAS, EDF International, SAS ("EDFI"), through its intermediate subsidiary companies, is the indirect owner of 49.99% of the Subsidiary Licensees;

WHEREAS, the Subsidiary Licensees are the corporate entities that hold the NRC licenses for Calvert Cliffs Nuclear Power Plant, Unit Nos. 1 & 2, Operating Licenses DPR-53 & DPR-69, Nine Mile Point Nuclear Station, Unit Nos. 1 & 2, Operating Licenses DPR-63 & NPF-69, and R. E. Ginna Nuclear Power Plant, Operating License DPR-18 (individually, each a "Facility," and collectively the "Facilities");

WHEREAS, [Exelon/CEG Entity To Be Named] and the Subsidiary Licensees desire to take certain actions to assure the ability of the Subsidiary Licensees to pay their respective approved expenses of maintaining the Facilities safely and reliably and of protecting the public health and safety (the "Operating Expenses") and to meet Nuclear Regulatory Commission ("NRC") requirements during the life of each Facility (the "NRC Requirements");

WHEREAS, EDFI is entering into a separate agreement with the Subsidiary Licensees that has substantially the same terms and purposes as this Support Agreement (hereafter, the "EDFI Agreement");

WHEREAS, [Exelon/CEG Entity To Be Named], through its subsidiary Constellation Energy Group, Inc. (CEG)] and EDFI, as provided in the Second Amended and Restated Operating Agreement for Constellation Energy Nuclear Group, LLC dated as of November 6, 2009 ("Operating Agreement"),

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DRAFT [Exelon/CEG Entity To Be Named] SUPPORT AGREEMENT

plan to provide the Subsidiary Licensees with adequate resources for approved working capital and other needs on an ongoing basis through various mechanisms such as capital contributions, member loans or advances, or other mutually approved funding mechanisms as discussed in the Operating Agreement; however, if these funding sources, at any time, cannot meet those needs, then [Exelon/CEG Entity To Be Named] and EDFI have agreed to provide credit to the Subsidiary Licensees, in the manner as described below, to allow the Subsidiary Licensees to meet their obligations to protect public health and safety.

NOW, THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

1. *Availability of Funding.* Upon the written request of a Subsidiary Licensee, [Exelon/CEG Entity To Be Named] shall provide or cause to be provided to such Subsidiary Licensee such funds as the Subsidiary Licensee determines to be necessary to pay Operating Expenses or meet NRC Requirements at the same time or times as the same amount is paid by EDFI under the EDFI Agreement up to the limits set forth in that agreement; provided, however, that [Exelon/CEG Entity To Be Named]'s maximum liability to provide funding hereunder shall not exceed (x) 50.01 percent of the total funding required by the Subsidiary Licensee pursuant to this Support Agreement and the EDFI Agreement, or (y) \$205.029 million cumulatively over the life of this Support Agreement, unless, and to the extent that, advances of funds under this Support Agreement have been reimbursed in whole or part through repayments by the Subsidiary Licensee to [Exelon/CEG Entity To Be Named]. As such, the aggregate amount outstanding under this Support Agreement at any one time shall not exceed \$205.029 million, and this shall be the maximum unreimbursed amount [Exelon/CEG Entity To Be Named] is obligated to provide under this Support Agreement.
2. *Request for an Advance.* If the funding mechanisms as described under the Operating Agreement, at any time, are not sufficient to allow a Subsidiary Licensee to meet its needs, the Subsidiary Licensee may submit to [Exelon/CEG Entity To Be Named] a request for an advance of funds under this Support Agreement. Each request for an advance of funds under this Support Agreement shall be made not later than noon Eastern Time (USA) on the tenth business day prior to the proposed drawdown by notice from the Subsidiary Licensee to [Exelon/CEG Entity To Be Named] (pursuant to procedures that may be changed from time to time by mutual agreement) specifying the amount of the advance and a certification that such advance is for the purpose specified in Section 6.
3. *Substitution.* [Exelon/CEG Entity To Be Named] can terminate funding provided under this Support Agreement upon 45 days' written notice to the Subsidiary Licensee if [Exelon/CEG Entity To Be Named] has procured a substitute loan facility and/or letter of credit for the Subsidiary Licensee that is mutually agreed to by [Exelon/CEG Entity To

ATTACHEMENT (1)
DRAFT [Exelon/CEG Entity To Be Named] SUPPORT AGREEMENT

Be Named] and EDFI and meets the financial assurance requirements of the NRC to protect the public health and safety.

4. *Interest.* Interest on any principal amount outstanding shall accrue daily at such rate, and shall be payable at such times, as mutually established by [Exelon/CEG Entity To Be Named] and EDFI at the time of an advance under this Support Agreement. The interest rate applicable to any advance and the time of payment shall be noted in a note or other writing. Such notation shall be conclusive absent manifest error.
5. *Optional Prepayments.* The Subsidiary Licensee, at its option, may repay all or any part of the principal amount outstanding from time to time without penalty or premium, upon notice to [Exelon/CEG Entity To Be Named] made not later than noon Eastern Time (USA) on at least the second business day prior to such prepayment (which notice, if oral, shall be confirmed promptly in writing); provided, however, that if the interest rate is LIBOR based, a prepayment penalty may be assessed against the Subsidiary Licensee. Any prepayment penalty would be mutually established by [Exelon/CEG Entity To Be Named] and EDFI at the time of an advance. [Exelon/CEG Entity To Be Named], at its option, may waive such notice requirements as to any prepayment.
6. *Use of Proceeds.* In order to provide financial assurance, any advance may be used by a Subsidiary Licensee only to meet its approved Operating Expenses and NRC Requirements, including payments for nuclear property damage insurance and a retrospective premium pursuant to Title 10, Part 140, Section 21 of the Code of Federal Regulations (10 CFR 140.21).
7. *No Guarantee.* This Support Agreement is not, and nothing herein contained, and no action taken pursuant hereto by [Exelon/CEG Entity To Be Named] shall be construed as, or deemed to constitute, a direct or indirect guarantee by [Exelon/CEG Entity To Be Named] to any person of the payment of the Operating Expenses or of any liability or obligation of any kind or character whatsoever of the Subsidiary Licensees. This Agreement may, however, be relied upon by the NRC in determining the financial qualifications of each Subsidiary Licensee to hold the operating license for a Facility.
8. *Waivers.* [Exelon/CEG Entity To Be Named] hereby waives any failure or delay on the part of the Subsidiary Licensees in asserting or enforcing any of their rights or in making any claims or demands hereunder.
9. *Amendments and Termination.* This Agreement may not be amended or modified at any time without 30 calendar days prior written notice to the NRC. This Agreement shall terminate at such time as [Exelon/CEG Entity To Be Named] is no longer the direct or

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DRAFT [Exelon/CEG Entity To Be Named] SUPPORT AGREEMENT

indirect owner of any of the shares or other ownership interests in a Subsidiary Licensee. This Agreement shall also terminate with respect to the Operating Expenses and NRC Requirements applicable to a Facility whenever such Facility permanently ceases commercial operations and certification is made as to the permanent removal of fuel from the reactor vessel; provided, however, that this Agreement may be extended for successive periods of two years each upon the mutual agreement of the parties.

10. *Successors.* This Agreement shall be binding upon the parties hereto and their respective successors and assigns.
11. *Third Parties.* Except as expressly provided in Sections 3 and 6 with respect to the NRC, this Agreement is not intended for the benefit of any person other than the parties hereto, and shall not confer or be deemed to confer upon any other such person any benefits, rights, or remedies hereunder.
12. *Other Financial Support Arrangements.* This Agreement supersedes any other support arrangement relating to NRC requirements, if any exists prior to the date hereof, between [Exelon/CEG Entity To Be Named] and a Subsidiary Licensee to provide funding when necessary to pay Operating Expenses and meet NRC Requirements for the Facilities, and any such other financial support arrangement is hereby voided, revoked and rescinded. Accordingly, the total available funding provided for in this Support Agreement shall be limited as set forth in Section 1 herein and shall not be cumulative with any other financial support arrangement for purposes of meeting NRC Requirements. For avoidance of doubt, the parties agree that this section does not apply to financial guarantees or commitments made to third parties, even where such agreements may relate to compliance with NRC requirements.
13. *Governing Law.* This Agreement shall be governed by the laws of the State of Maryland.
14. *Dispute Resolution.* In the event of any dispute arising out of or in connection with this Support Agreement, executives of [Exelon/CEG Entity To Be Named] and the Subsidiary Licensee will exercise good faith efforts to resolve the dispute in a timely manner. In the event that the executives of [Exelon/CEG Entity To Be Named] and the Subsidiary Licensee are unable to reach a resolution, the dispute, including any dispute regarding the existence, termination or validity of this Support Agreement, each Party shall have the right to have recourse to and shall be bound by the pre-arbitral referee procedure of the applicable rules of the American Arbitration Association. All disputes arising out of or in connection with this Support Agreement (including as to existence, termination and validity) shall be finally settled under the applicable rules of the American Arbitration Association (the "Rules") by three arbitrators appointed in accordance with said Rules.

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The place of the pre-arbitral referee procedure and of the arbitration procedure shall be Baltimore, Maryland, United States of America. The proceedings before the arbitral tribunal (including with respect to the Pre-Arbitral Referee Procedure) shall be governed by the Rules. The rules of law to be applied by the arbitral tribunal to the merits of the dispute shall be the rules of law of the State of Maryland. The language of the arbitration shall be English. Evidence shall be provided in English and pleadings shall be done in English. The arbitral tribunal shall render its decision within six months from the date of signature of the terms of reference. Any decision or award of the arbitral tribunal shall be final and binding upon the parties to the arbitration proceeding. The parties waive to the extent permitted by applicable law any rights to appeal or to review of such award by any court or tribunal. The parties agree that the arbitral award may be enforced against the parties to the arbitration proceeding or their assets wherever they may be found and that a judgment upon the arbitral award may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

ACKNOWLEDGED AND AGREED

/Exelon/CEG Entity To Be Named/

By: _____
Name: _____
Title: _____

Nine Mile Point Nuclear Station, LLC

By: _____
Name: _____
Title: _____

Calvert Cliffs Nuclear Power Plant, LLC

By: _____
Name: _____
Title: _____

R. E. Ginna Nuclear Power Plant LLC

By: _____
Name: _____
Title: _____

ATTACHMENT (2)

**TABLE OF STATE AND FEDERAL REGULATORY FILINGS OR
APPROVALS**

ATTACHEMENT (2)
TABLE OF STATE AND FEDERAL REGULATORY FILINGS OR APPROVALS

Filing	Identification Number
Maryland Public Service Commission	Case No. 9271
New York Public Service Commission	Case No. 11-E-0245
Public Utility Commission of Texas	Case No. 39413
Federal Energy Regulatory Commission	Docket No. EC11-83-000
Notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976	The required notification was submitted to 2011-0950 on May 31, 2011.
Massachusetts Department of Public Utilities	Docket No. 11-47