

CENG

a joint venture of



CALVERT CLIFFS
NUCLEAR POWER PLANT

July 29, 2013

U. S. Nuclear Regulatory Commission
Washington, DC 20555

ATTENTION: Document Control Desk

SUBJECT: Calvert Cliffs Nuclear Power Plant
Unit Nos. 1 & 2; Docket Nos. 50-317 & 50-318
Guarantee of Payment of Deferred Premiums

Pursuant to the requirements of 10 CFR 140.21(e), enclosed is the Consolidated Statements of Cash Flows, from the Constellation Energy Group, Inc., Form 10K (Annual Report) to the Securities and Exchange Commission for the fiscal year ended December 31, 2012.

This enclosure shows that Constellation Energy Nuclear Group has a cash flow that can be generated and would be available for payment of the Calvert Cliffs Nuclear Power Plant, LLC retrospective premiums of \$15 million per unit.

There are no regulatory commitments contained in this correspondence.

Should you have questions regarding this matter, please contact me at (410) 495-5219.

Very truly yours,

A handwritten signature in black ink that reads "D E Lauer".

Douglas E. Lauer
Director – Licensing

DEL/PSF/bjd

Enclosure: (1) Consolidated Statements of Cash Flows

cc: NRC Project Manager, Calvert Cliffs
NRC Regional Administrator, Calvert Cliffs

Resident Inspector, NRC
S. Gray, MD-DNR

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NRR

ENCLOSURE (1)

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended December 31,
2012 2011 2010

(In Thousands of U.S. Dollars)

Cash Flows From Operating Activities

Net Income	\$ 172,643	\$ 299,807	\$ 441,589
Adjustments to reconcile to net cash provided by operating activities:			
Amortization of nuclear fuel	166,136	166,678	160,096
Depreciation	133,625	125,211	114,312
Write-off of construction work in progress	2,796	2,641	3,242
Amortization of CECG and Ginna power purchase agreements	3,205	(398,702)	(369,830)
Accretion of asset retirement obligations	76,476	71,061	73,613
Net pre-tax earnings on nuclear decommissioning trust funds	(46,307)	(39,132)	(48,304)
Income taxes on nuclear decommissioning trust funds	7,575	6,485	7,638
Defined benefit obligation expense	49,108	61,059	42,772
Defined benefit obligation payments	(50,790)	(62,691)	(51,683)
Long-term incentive plan (LTIP) compensation	334	2,405	5,082
Changes in:			
Trade and other accounts receivable	(72,734)	12,791	21,956
Spare parts, materials, and supplies	(15,396)	(8,776)	(8,793)
Prepaid expenses and other current assets	1,487	(3,976)	(2,020)
Other noncurrent assets	(289)	(1,399)	(2,875)
Accounts payable and accrued liabilities	25,385	(16,348)	46,088
CECG power services agency agreement	8,454	2,545	(25,955)
Other noncurrent liabilities	(3,883)	2,988	4,126
Net cash provided by operating activities	457,825	222,647	411,054

Cash Flows From Investing Activities

Investments in property, plant, and equipment (PP&E)	(193,060)	(209,631)	(203,540)
Purchases of nuclear fuel	(211,427)	(205,789)	(203,903)
Investments in nuclear decommissioning trust fund securities	(203,528)	(155,039)	(204,397)
Proceeds from the sale of nuclear decommissioning trust fund securities	203,528	155,039	204,397
Net cash used in investing activities	(404,487)	(415,420)	(407,443)

Cash Flows From Financing Activities

Net proceeds from (repayments of) short-term borrowings:			
Member credit facilities	(60,000)	60,000	-
Bank credit facility	19,544	-	-
Member capital contribution for LTIP compensation	4,799	-	-
Net cash provided by (used in) financing activities	(35,657)	60,000	-

Net Increase (Decrease) in Cash and Cash Equivalents	17,681	(132,773)	3,611
Cash and Cash Equivalents at Beginning of Period	93,281	226,054	222,443
Cash and Cash Equivalents at End of Period	\$ 110,962	\$ 93,281	\$ 226,054

Other Cash Flow Information

Cash paid for income taxes on nuclear decommissioning trust funds	\$ 5,960	\$ 7,187	\$ 4,932
Accrued investments in PP&E	35,719	34,493	25,180
Accrued purchases of nuclear fuel	25,716	16,591	26,227