



10 CFR 50.80  
10 CFR 50.90  
10 CFR 72.50

February 25, 2021

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

Braidwood Station, Units 1 and 2  
Renewed Facility Operating License Nos. NPF-72 and NPF-77  
NRC Docket Nos. STN 50-456, STN 50-457, and 72-73

Byron Station, Units 1 and 2  
Renewed Facility Operating License Nos. NPF-37 and NPF-66  
NRC Docket Nos. STN 50-454, STN 50-455, and 72-68

Calvert Cliffs Nuclear Power Plant, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-53 and DPR-69  
NRC Docket Nos. 50-317 and 50-318

Calvert Cliffs Nuclear Power Plant, Units 1 and 2  
Independent Spent Fuel Storage Installation  
Materials License No. SNM-2505  
NRC Docket No. 72-08

Clinton Power Station, Unit 1  
Facility Operating License No. NPF-62  
NRC Docket No. 50-461 and 72-1046

Dresden Nuclear Power Station, Units 1, 2 and 3  
Facility Operating License No. DPR-2  
Renewed Facility Operating License Nos. DPR-19 and DPR-25  
NRC Docket Nos. 50-10, 50-237, 50-249, and 72-37

James A. FitzPatrick Nuclear Power Plant  
Renewed Facility Operating License No. DPR-59  
NRC Docket Nos. 50-333 and 72-012

LaSalle County Station, Units 1 and 2  
Renewed Facility Operating License Nos. NPF-11 and NPF-18  
NRC Docket Nos. 50-373, 50-374, and 72-70

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Limerick Generating Station, Units 1 and 2  
Renewed Facility Operating License Nos. NPF-39 and NPF-85  
NRC Docket Nos. 50-352, 50-353, and 72-65

Nine Mile Point Nuclear Station, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-63 and NPF-69  
NRC Docket Nos. 50-220, 50-410, and 72-1036

Peach Bottom Atomic Power Station, Units 1, 2 and 3  
Facility Operating License No. DPR-12  
Subsequent Renewed Facility Operating License Nos. DPR-44 and DPR-56  
NRC Docket Nos. 50-171, 50-277, 50-278, and 72-29

Quad Cities Nuclear Power Station, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-29 and DPR-30  
NRC Docket Nos. 50-254, 50-265, and 72-53

R.E. Ginna Nuclear Power Plant  
Renewed Facility Operating License No. DPR-18  
NRC Docket Nos. 50-244 and 72-67

Salem Generating Station, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-70 and DPR-75  
NRC Docket Nos. 50-272, 50-311, and 72-48

Three Mile Island Nuclear Station, Unit 1  
Renewed Facility License No. DPR-50  
NRC Docket No. 50-289 and 72-77

Zion Nuclear Power Station, Units 1 and 2  
Facility Operating License Nos. DPR-39 and DPR-48  
NRC Docket Nos. 50-295, 50-304, and 72-1037

**Subject: Application for Order Approving License Transfers and Proposed Conforming License Amendments**

In accordance with Section 184 of the Atomic Energy Act of 1954, as amended (the “Act”), 10 CFR 50.80, 10 CFR 50.90, and 10 CFR 72.50, Exelon Generation Company, LLC (“Exelon Generation”), on behalf of itself and Exelon Corporation, Exelon FitzPatrick, LLC (“Exelon

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**FitzPatrick, LLC**”), Nine Mile Point Nuclear Station, LLC (“**NMP LLC**”), R.E. Ginna Nuclear Power Plant, LLC (“**Ginna LLC**”), and Calvert Cliffs Nuclear Power Plant, LLC (“**Calvert LLC**”) (collectively, “**Applicants**”), hereby requests certain written consents related to a proposed transaction in which Exelon Corporation will transfer its 100% ownership of Exelon Generation to a newly-created subsidiary that will then be spun-off to Exelon Corporation shareholders, becoming Exelon Generation’s new ultimate parent company, so that neither the new ultimate parent company nor Exelon Generation nor its subsidiaries will be affiliated with Exelon Corporation (“**Spin Transaction**”). As part of the Spin Transaction, Exelon Generation will remain the same Pennsylvania limited liability company as today, but will be renamed (consistent with its complete separation from Exelon Corporation). The new name of Exelon Generation is yet to be determined and therefore is described using the generic name “**SpinCo.**”

Applicants request that the NRC approve this application by November 30, 2021, so that they can implement the Spin Transaction before the end of calendar year 2021. An effective date of January 1, 2022 for the Spin Transaction will ensure that both companies post-Spin Transaction can efficiently produce financial statements without the need to account for stub periods, saving considerable expense and avoiding business disruption.

As of the date of this Application, Exelon Generation is the licensed operator and a full or partial direct or indirect owner of the following facilities and their corresponding Independent Spent Fuel Storage Installations (“**ISFSIs**”):

- Braidwood Station, Units 1 and 2 (“**Braidwood**”);
- Byron Station, Units 1 and 2 (“**Byron**”);
- Calvert Cliffs Nuclear Power Plant, Units 1 and 2 (“**Calvert Cliffs**”);
- Clinton Power Station, Unit 1 (“**Clinton**”);
- Dresden Nuclear Power Station, Units 1, 2, and 3 (“**Dresden**”);
- James A. Fitzpatrick Nuclear Power Plant (“**FitzPatrick**”);
- LaSalle County Station, Units 1 and 2 (“**LaSalle**”);
- Limerick Generating Station, Units 1 and 2 (“**Limerick**”);
- Nine Mile Point Nuclear Station, Units 1 and 2 (“**NMP**”);
- Peach Bottom Atomic Power Station, Units 1, 2, and 3 (“**Peach Bottom**”);
- Quad Cities Nuclear Power Station, Units 1 and 2 (“**Quad Cities**”);
- R.E. Ginna Nuclear Power Plant (“**Ginna**”); and
- Three Mile Island Nuclear Station, Unit 1 (“**TMI**”), a shutdown unit.

Exelon Generation also is a partial direct owner, but not the licensed operator, of the following facilities and their corresponding ISFSI:

- Salem Generating Station, Units 1 and 2 (“**Salem**”).

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Prior to the closing of the Spin Transaction, Exelon Generation is expected to be the direct owner and licensed operator with possession, maintenance, and decommissioning authority of the generally licensed ISFSI on the site of the former:

- Zion Nuclear Power Station, Units 1 and 2 (“**Zion**”) (ISFSI only site).

Collectively, these are referred to as the “**Facilities**.”

In the enclosed “**Application**,” Applicants are requesting all necessary NRC consents to complete the Spin Transaction as to the Facilities. More specifically, the Application requests NRC approval of the following:

- The indirect transfer of the Applicants’ respective ownership interests in the Facilities to a newly-created holding company that will become the parent company of Exelon Generation. The name of the new holding company is yet to be determined and therefore is described using the generic name “**HoldCo**.” Exelon Corporation will then spin-off HoldCo and its subsidiaries (including Exelon Generation/SpinCo) as a publicly-held company. At the time of the spin-off, the shareholders of HoldCo will be the same as the shareholders of Exelon Corporation. After the spin-off, HoldCo and its subsidiaries will no longer be affiliates of Exelon Corporation.
- The indirect transfers of Exelon FitzPatrick, LLC’s, NMP LLC’s, and Ginna LLC’s respective ownership interests in FitzPatrick, NMP, and Ginna (collectively the “**New York Facilities**”), whereby these entities and, as applicable, parent entities, would become subsidiaries of a newly-created, wholly-owned subsidiary of SpinCo. The name of the new subsidiary is yet to be determined and therefore is described using the generic name “**New York HoldCo**.”
- Conforming administrative amendments to the licenses and the technical specifications for the Facilities to reflect the new names of Exelon Generation (i.e., SpinCo) and Exelon FitzPatrick, LLC (its new name is yet to be determined and therefore it is described using the generic name “**New FitzPatrick, LLC**”) after they are spun-off from Exelon Corporation.
- Approval to replace existing master demand notes and cash pooling arrangements in which Calvert LLC, Ginna LLC, and NMP LLC (collectively, the “**Constellation Subsidiary Owner LLCs**,” and together with Exelon FitzPatrick, LLC, the “**Subsidiary Owner LLCs**”) participate and existing financial support arrangements among the Applicants with a new financial arrangement and financial support agreements consistent with the new organizational structure, and conforming administrative amendments to the licenses for FitzPatrick, NMP, Ginna and Calvert Cliffs to reflect the same.

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- Approval to delete conditions in the NMP, Ginna, and Calvert Cliffs licenses referencing the Constellation Energy Nuclear Group, LLC (“CENG”) Board and its operating agreement, consistent with the internal reorganization described in the Application.
- Approval to transfer the qualified trust and the non-qualified trust for FitzPatrick from Exelon Generation Consolidation, LLC (a subsidiary of Exelon Generation that will also be renamed as a result of the Spin Transaction) to New FitzPatrick, LLC.
- Approval to replace the existing Nuclear Operating Services Agreements (“NOSA”) between Exelon Generation and Exelon FitzPatrick, LLC, NMP LLC, Ginna LLC, and Calvert LLC with NOSAs between SpinCo and the Subsidiary Owner LLCs that contain materially the same terms as the existing NOSAs.

No other changes to the subject licenses are requested in the Application. The license amendments should be approved, but not issued until the Spin Transaction occurs. Applicants will notify the NRC when the Spin Transaction is scheduled to occur and will provide updated conforming license amendment information consistent with the Spin Transaction, so that the NRC can issue the conforming amendments. This is a regulatory commitment.

In accordance with 10 CFR 50.91, “Notice for public comment; State consultation,” subsection (b), Exelon Generation is notifying the Commonwealth of Pennsylvania and the States of Illinois, Maryland, New Jersey, and New York of this application for license amendments by transmitting a copy of this letter and noted enclosures to designated State Officials.

Enclosures 1 through 12 provide the basis for this request and required documentation.

Enclosures 4 and 5 of the enclosed Application provide simplified pre- and post-transaction corporate organizational charts.

This Application contains regulatory commitments as noted in Enclosure 12.

Service upon the Applicants of any public comments, hearing requests, intervention petitions or other pleadings should be made to:

Tamra Domeyer, Esq.  
EXELON GENERATION COMPANY, LLC  
4300 Winfield Road  
Warrenville, Illinois 60555  
Telephone: (630) 657-3753  
E-mail: [Tamra.Domeyer@exeloncorp.com](mailto:Tamra.Domeyer@exeloncorp.com)

Alex Polonsky, Esq.  
MORGAN, LEWIS & BOCKIUS LLP  
1111 Pennsylvania Ave., N.W.  
Washington, D.C. 20004  
Telephone: (202) 739-5830  
E-mail: [Alex.Polonsky@morganlewis.com](mailto:Alex.Polonsky@morganlewis.com)

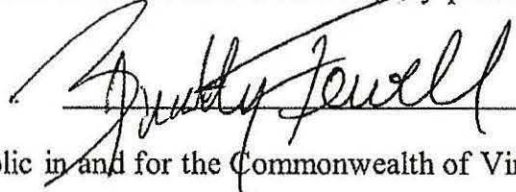
Please contact me if you have any questions or require additional information.

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J. Bradley Fewell  
Senior Vice President, Nuclear Security &  
Regulatory Affairs  
EXELON GENERATION COMPANY, LLC


COMMONWEALTH OF VIRGINIA :  
: To wit:  
COUNTY OF York :

I, J. Bradley Fewell, state that I am a Senior Vice President of Exelon Generation Company, LLC and that I am duly authorized to execute and file this application on behalf of Exelon Generation, its subsidiaries, and Exelon Corporation. To the best of my knowledge and belief, the statements contained in this document with respect to Exelon Generation, its subsidiaries, and Exelon Corporation are true and correct. To the extent that these statements are not based on my personal knowledge, they are based upon information provided by employees and/or consultants of Exelon Generation. Such information has been reviewed in accordance with company practice, and I believe it to be reliable.

  
\_\_\_\_\_

Subscribed and sworn before me, a Notary Public in and for the Commonwealth of Virginia this 25 day of February, 2021.

WITNESS my Hand and Notarial Seal:

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 11/30/2022  
Date



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**Enclosures:**

**Enclosure 1**, Application for Order Approving License Transfers and Proposed Conforming License Amendments

**Enclosure 1, Attachment A**, License Amendment Requests

**Enclosure 2**, Form of Nuclear Operating Services Agreements

**Enclosure 3**, General Corporate Information

**Enclosure 4**, Current Organization Chart

**Enclosure 5**, New Organization Chart

**Enclosure 6**, Projected Financial Statements for SpinCo Consolidated (Non-Proprietary Version)

**Enclosure 6A**, Projected Financial Statements for SpinCo Consolidated (Proprietary Version)

**Enclosure 7**, 10 CFR 2.390 Affidavit

**Enclosure 8**, Projected Financial Statements for Nuclear Fleet and Subsidiary Owner LLCs (Non-Proprietary Version)

**Enclosure 8A**, Projected Financial Statements for Nuclear Fleet and Subsidiary Owner LLCs (Proprietary Version)

**Enclosure 9**, Form of Financial Support Agreement

**Enclosure 10**, Alternate Decommissioning Funding Analysis (Non-Proprietary Version)

**Enclosure 10A**, Alternate Decommissioning Funding Analysis (Proprietary Version)

**Enclosure 11**, Form of Decommissioning Trust Agreements for New FitzPatrick, LLC

**Enclosure 12**, List of Regulatory Commitments

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cc: (w/Enclosures, except Enclosures 6A, and 8A and 10A)

Regional Administrator - NRC Region I

Regional Administrator - NRC Region III

NRC Senior Resident Inspector - Braidwood Station

NRC Senior Resident Inspector - Byron Station

NRC Senior Resident Inspector - Calvert Cliffs Nuclear Power Plant

NRC Senior Resident Inspector - Clinton Power Station

NRC Senior Resident Inspector - Dresden Nuclear Power Station

NRC Senior Resident Inspector - LaSalle County Station

NRC Senior Resident Inspector - Limerick Generating Station

NRC Senior Resident Inspector - Nine Mile Point Nuclear Station

NRC Senior Resident Inspector - Peach Bottom Atomic Power Station

NRC Senior Resident Inspector - Quad Cities Nuclear Power Station

NRC Senior Resident Inspector - R. E. Ginna Nuclear Power Plant

NRC Senior Resident Inspector - Salem Generating Station

NRC Project Manager, NMSS - Three Mile Island Nuclear Station

NRC Project Manager, NMSS - Zion Nuclear Power Station

NRC Project Manager, NRR - Exelon Generation Fleet

Illinois Emergency Management Agency - Division of Nuclear Safety  
Director, Bureau of Radiation Protection - Pennsylvania Department of  
Environmental Resources

W. DeHaas - Pennsylvania Bureau of Radiation Protection

S. Seaman - State of Maryland

P. Mulligan - New Jersey Bureau of Nuclear Engineering

A. L. Peterson, NYSERDA

B. Frymire, NYSPSC



~~INCLUDES PROPRIETARY INFORMATION - WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 1**

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**APPLICATION FOR ORDER APPROVING LICENSE TRANSFERS AND  
CONFORMING LICENSE AMENDMENTS**

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**Application for Order Approving License Transfers  
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## I. INTRODUCTION

In accordance with Section 184 of the Atomic Energy Act of 1954, as amended (the “**Act**”), 10 CFR 50.80, 10 CFR 50.90, and 10 CFR 72.50, Exelon Generation Company, LLC (“**Exelon Generation**”), on behalf of itself and Exelon Corporation, Exelon FitzPatrick, LLC (“**Exelon FitzPatrick, LLC**”), Nine Mile Point Nuclear Station, LLC (“**NMP LLC**”), R.E. Ginna Nuclear Power Plant, LLC (“**Ginna LLC**”), and Calvert Cliffs Nuclear Power Plant, LLC (“**Calvert LLC**”) (collectively, “**Applicants**”), hereby requests certain written consents related to a proposed transaction in which Exelon Corporation will transfer its 100% ownership of Exelon Generation to a newly-created subsidiary that will then be spun-off to Exelon Corporation shareholders, becoming Exelon Generation’s new ultimate parent company, so that neither the new ultimate parent company nor Exelon Generation nor its subsidiaries will be affiliated with Exelon Corporation (“**Spin Transaction**”). As part of the Spin Transaction, Exelon Generation will remain the same Pennsylvania limited liability company as today, but will be renamed (consistent with its complete separation from Exelon Corporation). The new name of Exelon Generation is yet to be determined and therefore is described using the generic name “**SpinCo.**”

Applicants request that the NRC approve this application by November 30, 2021, so that they can implement the Spin Transaction before the end of calendar year 2021. An effective date of January 1, 2022 for the Spin Transaction will ensure that both companies post-Spin Transaction can efficiently produce financial statements without the need to account for stub periods, saving considerable expense and avoiding business disruption.

As of the date of this Application, Exelon Generation is the licensed operator and a full or partial direct or indirect owner of the following facilities and their corresponding Independent Spent Fuel Storage Installations (“**ISFSIs**”):

- Braidwood Station, Units 1 and 2 (“**Braidwood**”);
- Byron Station, Units 1 and 2 (“**Byron**”);
- Calvert Cliffs Nuclear Power Plant, Units 1 and 2 (“**Calvert Cliffs**”);
- Clinton Power Station, Unit 1 (“**Clinton**”);
- Dresden Nuclear Power Station, Units 1, 2, and 3 (“**Dresden**”);
- James A. Fitzpatrick Nuclear Power Plant (“**FitzPatrick**”);
- LaSalle County Station, Units 1 and 2 (“**LaSalle**”);
- Limerick Generating Station, Units 1 and 2 (“**Limerick**”);
- Nine Mile Point Nuclear Station, Units 1 and 2 (“**NMP**”);
- Peach Bottom Atomic Power Station, Units 1, 2, and 3 (“**Peach Bottom**”);
- Quad Cities Nuclear Power Station, Units 1 and 2 (“**Quad Cities**”);
- R.E. Ginna Nuclear Power Plant (“**Ginna**”); and
- Three Mile Island Nuclear Station, Unit 1 (“**TMI**”), a shutdown unit.

Exelon Generation also is a partial direct owner, but not the licensed operator, of the following facilities and their corresponding ISFSI:

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- Salem Generating Station, Units 1 and 2 (“**Salem**”).

Prior to the closing of the Spin Transaction, Exelon Generation is expected to be the direct owner and licensed operator with possession, maintenance, and decommissioning authority of the generally licensed ISFSI on the site of the former:

- Zion Nuclear Power Station, Units 1 and 2 (“**Zion**”) (ISFSI only site).

Collectively, these are referred to as the “**Facilities**.”

In the enclosed “**Application**,” Applicants are requesting all necessary NRC consents to complete the Spin Transaction as to the Facilities. More specifically, the Application requests NRC approval of the following:

- The indirect transfer of the Applicants’ respective ownership interests in the Facilities to a newly-created holding company that will become the parent company of Exelon Generation. The name of the new holding company is yet to be determined and therefore is described using the generic name “**HoldCo**.” Exelon Corporation will then spin-off HoldCo and its subsidiaries (including Exelon Generation/SpinCo) as a publicly-held company. At the time of the spin-off, the shareholders of HoldCo will be the same as the shareholders of Exelon Corporation. After the spin-off, HoldCo and its subsidiaries will no longer be affiliates of Exelon Corporation.
- The indirect transfers of Exelon FitzPatrick, LLC’s, NMP LLC’s, and Ginna LLC’s respective ownership interests in FitzPatrick, NMP, and Ginna (collectively the “**New York Facilities**”), whereby these entities and, as applicable, parent entities, would become subsidiaries of a newly-created, wholly-owned subsidiary of SpinCo. The name of the new subsidiary is yet to be determined and therefore is described using the generic name “**New York HoldCo**.”
- Conforming administrative amendments to the licenses and the technical specifications for the Facilities to reflect the new names of Exelon Generation (i.e., SpinCo) and Exelon FitzPatrick, LLC (its new name is yet to be determined and therefore it is described using the generic name “**New FitzPatrick, LLC**”) after they are spun-off from Exelon Corporation.
- Approval to replace existing master demand notes and cash pooling arrangements in which Calvert LLC, Ginna LLC, and NMP LLC (collectively, the “**Constellation Subsidiary Owner LLCs**,” and together with Exelon FitzPatrick, LLC, the “**Subsidiary Owner LLCs**”) participate and existing financial support arrangements among the Applicants with a new financial arrangement and financial support agreements consistent with the new organizational structure, and conforming administrative amendments to the licenses for FitzPatrick, NMP, Ginna and Calvert Cliffs to reflect the same.

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- Approval to delete conditions in the NMP, Ginna, and Calvert Cliffs licenses referencing the Constellation Energy Nuclear Group, LLC (“CENG”) Board and its operating agreement, consistent with the internal reorganization described in the Application.
- Approval to transfer the qualified trust and the non-qualified trust for FitzPatrick from Exelon Generation Consolidation, LLC (a subsidiary of Exelon Generation that will also be renamed as a result of the Spin Transaction) to New FitzPatrick, LLC.
- Approval to replace the existing Nuclear Operating Services Agreements (“NOSA”) between Exelon Generation and Exelon FitzPatrick, LLC, NMP LLC, Ginna LLC, and Calvert LLC with NOSAs between SpinCo and the Subsidiary Owner LLCs that contain materially the same terms as the existing NOSAs.

No other changes to the subject licenses are requested in the Application. The license amendments should be approved, but not issued until the Spin Transaction occurs. Applicants will notify the NRC when the Spin Transaction is scheduled to occur and will provide updated conforming license amendment information consistent with the Spin Transaction, so that the NRC can issue the conforming amendments. This is a regulatory commitment.

In accordance with 10 CFR 50.91, “Notice for public comment; State consultation,” subsection (b), Exelon Generation is notifying the Commonwealth of Pennsylvania and the States of Illinois, Maryland, New Jersey, and New York of this application for license amendments by transmitting a copy of this letter and noted enclosures to designated State Officials.

## II. PURPOSE OF THE TRANSFER

Exelon Corporation is currently comprised of two distinct businesses: a rate-regulated, traditional utility business and a competitive business composed of merchant nuclear and non-nuclear generation facilities located throughout the United States and a customer-serving business serving power and gas customers in more than forty states and the District of Columbia. Due to regulatory and market developments, the electric utility industry has generally moved away from integrating competitive power generation with regulated utility transmission and distribution (a so-called “hybrid” approach). To achieve greater fit and focus for both its competitive power generation and regulated utility transmission and distribution businesses, Exelon Corporation plans to separate these businesses. As explained above, the basic steps of the proposed Spin Transaction would consist of Exelon Corporation transferring its 100% ownership interest in Exelon Generation to a newly-formed subsidiary, HoldCo, and then distributing the stock of HoldCo to Exelon Corporation’s existing shareholders on a *pro rata* basis. Following the Spin Transaction, Exelon Generation, as SpinCo, will be poised to engage in innovative business initiatives consistent with its focus on the competitive merchant generation business and the opportunities arising thereunder.

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### III. GENERAL CORPORATE INFORMATION

#### A. Exelon Corporation

Exelon Corporation, headquartered in Chicago, Illinois, is a U.S.-based energy company with power production, distribution operations, and related diversified services. Its stock is publicly traded on the Nasdaq Stock Market and widely held. Exelon Corporation's six utilities deliver electricity and, in some cases, natural gas to millions of customers in Delaware, the District of Columbia, Illinois, Maryland, New Jersey, and Pennsylvania through Atlantic City Electric Company, Baltimore Gas and Electric Company, Commonwealth Edison Company, Delmarva Power & Light Company, PECO Energy Company, and Potomac Electric Power Company.

#### B. HoldCo

As part of the Spin Transaction, Exelon Corporation will form a new, direct, wholly-owned subsidiary—HoldCo—as a Delaware or Pennsylvania C-Corporation. Exelon Generation will become a direct, wholly-owned subsidiary of HoldCo. Thereafter, HoldCo will be spun-off from Exelon Corporation (i.e., distributed *pro rata* to Exelon Corporation's existing shareholders via a dividend), resulting in two unaffiliated publicly-traded companies: Exelon Corporation and HoldCo, both of which will be publicly traded on the Nasdaq Stock Market.

#### C. Exelon Generation / SpinCo

Exelon Generation, a Pennsylvania limited liability company and wholly-owned subsidiary of Exelon Corporation, directly and through its subsidiaries, is one of the largest competitive power generators of electric power and suppliers of competitive electricity in the United States. Exelon Generation and its subsidiaries operate one of the nation's cleanest and lowest-cost power generation fleets, with generation facilities located in a number of organized markets across the country. Exelon Generation has a current owned power generation portfolio of approximately 31,300 megawatts from nuclear, natural gas and oil, and renewable generation. Exelon Generation owns and, through its ownership or under contract, operates the largest nuclear fleet in the United States comprising approximately 18,800 megawatts, which includes approximately 1,000 megawatts from a co-owned nuclear plant operated by the co-owner (Salem Units 1 and 2). Exelon Generation's customer serving business unit, Constellation, is one of the nation's leading marketers of electricity, natural gas, and related products in both wholesale and retail markets. Exelon Generation serves as a supplier of energy to, among others, utilities and municipalities to meet their native load obligations. Through itself and various subsidiaries, Exelon Generation is also a retail competitive energy provider. As part of the Spin Transaction, Exelon Generation will be spun-off as a direct, wholly-owned subsidiary of HoldCo, and will be renamed. Exelon Generation is investment grade. It maintains an open dialogue with the credit rating agencies related to the Spin Transaction and, for Exelon Generation (as SpinCo), anticipates investment grade credit ratings and continued access to ample liquidity following separation.

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D. Subsidiary Owner LLCs and New York HoldCo

Exelon Generation directly or indirectly owns four subsidiary entities that are direct owners of NRC-licensed nuclear power plants:

- Exelon FitzPatrick, LLC (which owns 100% of FitzPatrick);
- Calvert LLC (which owns 100% of Calvert Cliffs);
- NMP LLC (which owns 100% of NMP Unit 1 and 82% of NMP Unit 2);<sup>1</sup> and
- Ginna LLC (which owns 100% of Ginna).

CENG is a joint venture between Exelon Generation and EDF Inc., a Delaware corporation. As of the date of this Application, Exelon Generation indirectly owns 50.01% of CENG through its subsidiaries, Constellation Nuclear, LLC (“CN”) and CE Nuclear, LLC (“CEN”), and EDF Inc. owns the remaining 49.99%. In turn, CENG indirectly owns (through its wholly-owned subsidiary, Constellation Nuclear Power Plants, LLC (“CNPP”)) 100% of the Constellation Subsidiary Owner LLCs. As noted in an April 24, 2020 letter to the NRC (“**Put Letter**”), EDF Inc. has exercised a contractual option to sell its 49.99% interest in CENG to Exelon Generation or its subsidiaries (“**Put Transaction**”).<sup>2</sup> The Put Transaction is expected to<sup>3</sup> close before the Spin Transaction occurs. Thereafter, Exelon Generation (and following the Spin Transaction, SpinCo) will, directly and/or through subsidiaries, own 100% of CENG and, thus, will indirectly own 100% of the Constellation Subsidiary Owner LLCs.

Exelon Generation’s 100% indirect ownership interest in CENG, CCNPP, and the Constellation Subsidiary Owner LLCs eliminates the need for the CENG Board of Directors (currently comprised of five Directors appointed by CN and five Directors appointed by EDF Inc.) and the Fourth Amended and Restated Operating Agreement between CENG and CN, CEN, and EDF Inc. as Members of CENG. Accordingly, Exelon Generation and the Constellation Subsidiary Owner LLCs plan to terminate this unnecessary agreement and dissolve the CENG Board as part of the Spin Transaction, and hereby request the NRC’s written consent to eliminate the corresponding license conditions that reference the CENG Board and the Fourth Amended and Restated Operating Agreement. Following termination of the Fourth Amended and Restated Operating Agreement, Exelon Generation, as itself or renamed as SpinCo, will continue to hold decision making authority over safety, security, and reliability. As explained further below, the Applicants also seek the NRC’s written consent to eliminate the CENG cash pooling arrangement.

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<sup>1</sup> The remaining 18% interest in Nine Mile Point Unit 2 is owned by Long Island Power Authority (“LIPA”).

<sup>2</sup> Letter from J. B. Fewell, Exelon Generation, to NRC Document Control Desk, “Constellation Energy Nuclear Group, LLC; Notification of Change in Indirect Ownership” (Apr. 24, 2020) (ML20115E609).

<sup>3</sup> The Application assumes that the Put will close before the Spin Transaction, and the Staff should assume the Put closes before the Spin Transaction.

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As shown in **Enclosure 5**, as part of the Spin Transaction, CEN, CENG, and CNPP will be removed from the upstream ownership chain of Calvert LLC.<sup>4</sup>

Likewise, CN and CEN will be removed from the upstream ownership chain of CENG, CNPP, NMP LLC, and Ginna LLC.<sup>5</sup> CENG, instead, will become a direct, wholly-owned subsidiary of New York HoldCo—a New York limited liability company—that will be created as a new, direct, wholly owned subsidiary of SpinCo. Thus, the ownership of NMP and Ginna will be indirectly transferred to New York HoldCo. [See Enclosure 5.]

At present, Exelon Generation directly owns 100% of Exelon FitzPatrick, LLC. After the Spin Transaction, New York HoldCo will become the direct owner of New FitzPatrick, LLC. Thus, the ownership of FitzPatrick will be indirectly transferred to New York HoldCo. [See Enclosure 5.]

Other than the name change for Exelon FitzPatrick, LLC, the corporate organizational restructuring of Exelon Generation subsidiaries and creation of a subsidiary (New York HoldCo) described in this Application, and potential for new officers to be named for the Subsidiary Owner LLCs, there will be no material changes to the Subsidiary Owner LLCs as part of the Spin Transaction. Nor will there be any changes to the licensed operator. Exelon Generation currently operates FitzPatrick, Calvert, NMP, and Ginna pursuant to NOSAs with the respective Subsidiary Owner LLCs of these units, and SpinCo will continue to operate these same units pursuant to new NOSAs between SpinCo and each of the Subsidiary Owner LLCs. [A Form of Nuclear Operating Services Agreement is included at **Enclosure 2**.] The new NOSAs contain materially the same provisions as the current NOSAs.

\* \* \*

The general corporate information required by 10 CFR 50.33(d)(3) regarding HoldCo, SpinCo, New York HoldCo, the Subsidiary Owner LLCs, CN, CENG, and CNPP is provided in Enclosure 3. Other than as noted in III(D) above, no material changes to the Subsidiary Owner LLCs are contemplated as part of the Spin Transaction.

#### **IV. FOREIGN OWNERSHIP, CONTROL, OR DOMINATION**

New York HoldCo will be a wholly owned subsidiary of SpinCo, and SpinCo will be a wholly owned subsidiary of HoldCo. As part of the Spin Transaction, shares of HoldCo will be distributed to current shareholders of Exelon Corporation. Exelon Corporation's securities are

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<sup>4</sup> This is not a “transfer of control” for purposes of 10 CFR 50.80. *See, e.g.*, Letter from J. Giitter, NRC, to M. Kansler, Entergy, Request for Threshold Determination Under 10 CFR 50.80, Encl. at 2 (Oct. 29, 2009) (ML092870647) (“the removal of intermediary companies has not been considered a transfer, direct or indirect, under 10 C.F.R. 50.80 on the grounds that the indirect control exercised by the parent company is not affected.”).

<sup>5</sup> The removal of CN and CEN is not a “transfer of control” for purposes of 10 CFR § 50.80 for the same reason as noted in footnote 4.



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widely held and publicly traded on the Nasdaq Stock Market (symbol: EXC). Section 13(d) of the Securities Exchange Act of 1934, 15 U.S.C. 78m(d), as amended, requires that a person or entity that owns or controls more than five percent of the securities of a company must file notice with the Securities and Exchange Commission (“SEC”). Based upon filings with the SEC, there is no alien, foreign corporation, or foreign government that holds or may hold more than five percent of the securities of Exelon Corporation.

As indicated in **Enclosure 3**, the directors of HoldCo are yet to be determined. Applicants will supplement this application prior to the Spin Transaction to identify the directors. This is a regulatory commitment. Most or a majority of the directors and the Chairman of the Board will be United States citizens. Unless otherwise indicated in **Enclosure 3**, the executive officers of the corporate entities at the time of the Spin Transaction will be United States citizens. In submitting this Application, none of these entities is acting as an agent or a representative of an unaffiliated entity.

Accordingly, the proposed Spin Transaction does not raise any issues related to foreign ownership, control, or domination within the meaning of the Atomic Energy Act of 1954, as amended.

## V. TECHNICAL QUALIFICATIONS

In terms of technical qualifications, no changes to the operating licenses of the Facilities are being sought with respect to operating authority, other than the minor name change for Exelon Generation and Exelon FitzPatrick, LLC noted above. Following the Spin Transaction, SpinCo (the re-named Exelon Generation) will remain the licensed operator of the Facilities it currently operates. SpinCo will remain technically qualified to operate these Facilities. Exelon Generation sets the standard for world-class power plant operations and producing safe, reliable electricity. It currently is—and, after being re-named, will remain—the largest licensed nuclear operator in the United States. It operates and will continue to operate, through ownership or under contract, 21 active nuclear units at 12 sites in Illinois, Maryland, New York, and Pennsylvania. It also owns and is the decommissioning operator of three shutdown reactors (Three Mile Island Unit 1, Dresden Unit 1, and Peach Bottom Unit 1) and, at the time of the Spin Transaction, is expected to be the licensee for the Zion ISFSI-only site. At the time of the Spin Transaction, SpinCo will employ Exelon Generation’s employees working at the Facilities just before the Spin Transaction. As a result, the proposed transaction will have no significant impact on staffing, management, or organization of the Facilities. No physical changes will be made to, and there will be no adverse changes in day-to-day operations of, the Facilities by the Spin Transaction.

## VI. FINANCIAL QUALIFICATIONS

Neither SpinCo, New FitzPatrick, LLC, NMP LLC, Ginna LLC, nor Calvert LLC will qualify as electric utilities under 10 CFR 50.2. Therefore, the following information is provided for each of those entities in order to demonstrate financial qualifications in accordance with Section 50.33(f)(2).

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A. SpinCo

Exelon maintains an open dialogue with the credit rating agencies related to the Spin Transaction and anticipates investment grade credit ratings and continued access to ample liquidity following separation. Pursuant to longstanding NRC financial qualifications guidance in NUREG-1577, Revision 1, if an applicant “has an ‘investment-grade’ rating or equivalent from at least two of these sources [*Moody’s*, *Standard and Poors*, and *Value Line*], . . . the reviewer will find such applicant financially qualified.”<sup>6</sup>

Additionally, a five-year<sup>7</sup> *pro forma* consolidated financial statement (projected income statement, balance sheet, and statement of cash flows) for SpinCo (including nuclear and non-nuclear generation and Constellation) is provided in Enclosures 6 (non-proprietary) and 6A (proprietary). In addition, a consolidated financial statement (projected income statement and net cash flows) for all of the Facilities (revenues and costs from nuclear generation assets only) is provided in Enclosures 8 (non-proprietary) and 8A (proprietary). In each case, the financial statements include projections for the years 2022 through 2026.<sup>8</sup> The enclosures reflect the conservative assumption that four of Exelon Generation’s plants in Illinois prematurely retire due to flaws in the electricity market leading to revenue shortfalls.<sup>9</sup> On August 27, 2020, Exelon Generation announced that Byron Units 1 and 2 will close in September 2021, Dresden Units 2 and 3 will close in November 2021,<sup>10</sup> and Braidwood and LaSalle were at high risk of premature closure.<sup>11</sup> While Exelon Generation has not decided to close Braidwood and LaSalle, absent

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<sup>6</sup> NUREG-1577, “Standard Review Plan on Power Reactor Licensee Financial Qualifications and Decommissioning Funding Assurance” at 10 (Rev. 1, Feb. 1999), *available at* <https://www.nrc.gov/reading-rm/doc-collections/nuregs/staff/sr1577/r1/sr1577r1.pdf>.

<sup>7</sup> Because the Spin Transaction is not scheduled to occur until the end of this calendar year, the five-year periods discussed below cover calendar year 2022 through calendar year 2026.

<sup>8</sup> Enclosures 6A and 8A are proprietary because they contain Applicants’ confidential commercial and financial information as described in the 2.390 Affidavit provided in Enclosure 7. Applicants request that Enclosures 6A and 8A be withheld from public disclosure pursuant to 10 CFR 9.17(a)(4) and 10 CFR 2.390(a)(4). Non-proprietary versions of Enclosures 6A and 8A suitable for public disclosure are provided as Enclosures 6 and 8, respectively.

<sup>9</sup> As reflected in the *pro formas*, the units at Quad Cities and Clinton currently receive zero emission standard payments that recognize each of those units for their unique environmental attributes.

<sup>10</sup> Letter from J. B. Fewell, Exelon Generation, to NRC Document Control Desk, RS-20-107, “Certification of Permanent Cessation of Power Operations for Byron Station, Units 1 and 2 (Sept. 2, 2020) (ML20246G613). Letter from J. B. Fewell, Exelon Generation, to NRC Document Control Desk, RS-20-108, “Certification of Permanent Cessation of Power Operations for Dresden Nuclear Power Station, Units 2 and 3 (Sept. 2, 2020) (ML20246G627).

<sup>11</sup> [Exelon Generation to Retire Illinois’ Byron and Dresden Nuclear Plants in 2021 \(exeloncorp.com\), https://exeloncorp.com/newsroom/exelon-generation-to-retire-illinois-byron-and-dresden-nuclear-plants-in-2021](https://exeloncorp.com/newsroom/exelon-generation-to-retire-illinois-byron-and-dresden-nuclear-plants-in-2021). In its 2019 Annual Report (SEC Form 10-K), Exelon Generation disclosed that Dresden, Byron, and Braidwood were at risk of early retirement due to economic distress caused by energy markets that do not compensate these units for their unique environmental attributes and contributions to grid resiliency. Form 10-K Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the Fiscal Year Ended December 31, 2019, pp.67, 267, available at:

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market reform or legislative action that would enable these units to realize the value of their zero-carbon, reliable, baseload generation, they remain at risk of premature retirement. Accordingly, the enclosures herein conservatively assume that all of the foregoing units retire.<sup>12</sup>

At Enclosures 6 and 8 (non-proprietary) and 6A and 8A (proprietary), the Applicants have also provided a sensitivity analysis that assumes a 10% reduction in the market prices for energy and capacity for the nuclear generating units.

Collectively, this information demonstrates that SpinCo will remain financially qualified to own and operate the Facilities as described in this Application. More specifically, under both the expected scenario and the sensitivity analysis, the projected revenues from sales of energy and capacity from the Facilities (the nuclear units) alone (Enclosures 8 and 8A) are expected to provide sufficient income to cover the total operating costs of the Facilities and provide reasonable assurance of an adequate source of operating funds for SpinCo to meet its anticipated operating expenses of the Facilities. Furthermore, SpinCo's strong consolidated operating net income, balance sheet, and cash from operations from all sources (nuclear and non-nuclear generation and Constellation) (Enclosures 6 and 6A) provide additional assurance that SpinCo will continue to possess the requisite financial qualifications to operate the Facilities in accordance with NRC requirements.

Moreover, SpinCo's projected assets, revenues, and cash flows are sufficient to cover its share of fixed operating and maintenance ("Fixed O&M")<sup>13</sup> costs that might be associated with simultaneous six-month shutdowns of several of the nuclear units that it owns. As reflected in the financial statements, during each year of the 5-year period, SpinCo will have substantial cash from operations, net operating revenue, total current assets, and total assets. Furthermore, SpinCo anticipates maintaining a substantial revolving credit facility, in addition to other sources of short-term liquidity and open access to capital markets consistent with its anticipated investment grade

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<https://www.sec.gov/Archives/edgar/data/0001168165/000110935720000053/exc-20191231X10k.htm> or at [2c5a8871-dfd3-4457-997e-13def10a6394 \(exeloncorp.com\)](https://www.sec.gov/Archives/edgar/data/0001168165/000110935720000053/exc-20191231X10k.htm). In its 2020 Annual Report (SEC Form 10-K), Exelon Generation again referred to continued economic distress for Braidwood as well as growing concerns regarding the economic viability of LaSalle due to the same flawed energy market rules as referenced in its 2019 Annual Report. Form 10-K Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the Fiscal Year Ended December 31, 2020, p. 270. The 2020 Annual Report was filed February 24, 2021 and will be available at [https://www.sec.gov/Archives/edgar/data](https://www.sec.gov/Archives/edgar/data/0001168165/000110935720000053/exc-20191231X10k.htm) or at <https://investors.exeloncorp.com/sec-filings>.

<sup>12</sup> Applicants recognize that market reforms or legislative action that would enable these units to realize the value of their zero-carbon, reliable, baseload generation could address the economic distress being experienced by the Illinois units and avoid early retirements. To the extent such reforms or legislation are adopted, Exelon Generation will reevaluate the retirement assumptions reflected herein and, as relevant, provide updated financial scenarios that assume continued operations of one or more of these units. Exelon Generation anticipates that continued operation of these units under market reforms or legislative action would not materially adversely impact the financials and would not require additional financial support beyond what is reflected in this Application.

<sup>13</sup> These include: "O&M Non-Outage," "O&M Outage," and "Property Taxes."

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credit rating. Collectively, this information demonstrates that SpinCo will remain financially qualified to continue owning and operating the Facilities as described in this Application.

B. Subsidiary Owner LLCs

Five-year *pro forma* financial statements (projected income statements and net cash flows) for each of the Subsidiary Owner LLCs are provided in Enclosures 8 (non-proprietary) and 8A (proprietary) for the calendar years 2022 through 2026. This information shows the projected revenues from sales of energy and capacity (and for New FitzPatrick, LLC, NMP LLC, and Ginna LLC, additional projected revenues from the sales of zero-emission credits (“ZEC”) under the New York Clean Energy Standard Tier 3 program), and the respective projected costs incurred by SpinCo in operating the respective Facilities pursuant to the NOSAs for the five-year period summarized in the projections.

Additionally, SpinCo will maintain separate support agreements for the benefit of each of the Subsidiary Owner LLCs in the collective amount of \$457 million, which is sufficient to cover the greater of (1) negative net income over the five-year period or (2) estimated Fixed O&M costs that might be associated with simultaneous six-month shutdowns of all units owned by a Subsidiary Owner LLC. More specifically, the agreements will provide support in the following amounts: FitzPatrick (\$85 million), Calvert Cliffs (\$126 million), NMP (\$128 million), and Ginna (\$118 million). These new support agreements will replace the existing financial support terms referenced in the licenses for these facilities. As noted in the Put Letter, the EDF Support Agreement for Calvert Cliffs, NMP, and Ginna will automatically terminate when the Put Transaction closes. And as part of this Application, Applicants request the NRC’s consent to terminate the existing Exelon Corporation Support Agreement, Exelon Corporation Guarantee,<sup>14</sup> and CENG cash pool arrangement and associated Master Demand Notes for Calvert Cliffs, NMP, and Ginna<sup>15</sup> and the Exelon Generation Support Agreement for FitzPatrick<sup>16</sup>—and instead implement the updated SpinCo support agreements discussed above. A form of the SpinCo Financial Support Agreement is provided in **Enclosure 9**.

Furthermore, pursuant to a settlement that was entered into with the U.S. Department of Energy, substantially all of the operating costs for the Calvert Cliffs specific-licensed ISFSI (the only specific-licensed ISFSI among the Facilities) are recovered from the U.S. Government each year. That settlement expires every three-years, but has been renewed at each expiration. The current settlement expires at the end of calendar year 2022.

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<sup>14</sup> In the aggregate, the financial support from the Exelon Corporation Support Agreement (\$245 million) and Exelon Corporation Guarantee (\$165M) for Calvert, NMP, and Ginna totals \$410 million. ML14063A125 at p. 4.

<sup>15</sup> As explained in this Application and demonstrated in the post-spin corporate organizational structure in Enclosure 5, New FitzPatrick, LLC will become a direct subsidiary and Ginna LLC and NMP LLC will become indirect subsidiaries of New York HoldCo.

<sup>16</sup> Exelon Generation currently provides a Support Agreement to Exelon FitzPatrick, LLC in the amount of \$100 million.

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Collectively, this information demonstrates that each of the Subsidiary Owner LLCs will remain financially qualified to own its respective Facilities, as described in this Application.

## **VII. DECOMMISSIONING FUNDING ASSURANCE**

The proposed license transfers will not result in any adverse changes to the decommissioning funding assurance for the Facilities. Exelon Generation, through its direct wholly owned subsidiary, Exelon Generation Consolidation, LLC, currently maintains and will continue to maintain the external decommissioning trust funds for all units it directly owns in accordance with the requirements of 10 CFR 50.75(e)(1)(i). Similarly, the Constellation Subsidiary Owner LLCs currently maintain and will continue to maintain the external decommissioning trust funds for Calvert Cliffs, Ginna, and NMP, respectively, in accordance with the requirements of 10 CFR 50.75(e)(1)(i). As explained in more detail below, the trust currently held by Exelon Generation Consolidation for FitzPatrick will be transferred to New FitzPatrick, LLC. The Spin Transaction will not impact the trust funds or reasonable assurance that Exelon Generation and the Subsidiary Owner LLCs have or will obtain the funds necessary to cover the estimated costs of decommissioning.

The status of decommissioning funding for the Facilities, except for Zion, is shown in the decommissioning funding status report submitted by Exelon Generation for all units on February 24, 2021.<sup>17</sup> As noted in the decommissioning funding status report, Byron Units 1 and 2 and Dresden Units 2 and 3 are scheduled for shutdown later this year. The trust fund balances, with projected growth, are sufficient to provide decommissioning funding assurance for Dresden Units 1 (already shutdown), 2, and 3. However, a shortfall exists for Byron Units 1 and 2. If these shortfalls remain as of the earlier of the date the Spin Transaction closes or the permanent end of Byron Units 1 and 2 operations, then in conjunction with the Spin Transaction, SpinCo plans to provide surety bonds in the full amount(s) of the remaining shortfall(s) that, when combined with the decommissioning trust funds, will provide the required decommissioning funding assurance for Byron Units 1 and 2.

Exelon Generation expects that, prior to the Spin Transaction, it will become the direct owner and licensed operator of the Zion ISFSI pursuant to the NRC's approval of the transfer of the license to own and possess, maintain, and decommission the generally licensed Zion ISFSI from ZionSolutions to Exelon Generation.<sup>18</sup> Exelon Generation submitted an updated spent fuel management plan, with cash flow analysis, and updated decommissioning funding plan for the

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<sup>17</sup> Letter from Patrick R. Simpson, Report on Status of Decommissioning Funding for Reactors and Independent Spent Fuel Storage Installations, dated February 24, 2021 (ML21055A776).

<sup>18</sup> Order Approving Transfer of Licenses and Conforming Amendments, Docket Nos. 50-295, 50-304, 72-1037, License Nos. DPR-39 and DPR-48, November 26, 2019; *see also*, Order Extending the Effectiveness of the Approval of the Transfer of Licenses and Conforming Amendments, Docket Nos. 50-295, 50-304, 72-1037, License Nos. DPR-39 and DPR-48, October 21, 2020 (extending to May 26, 2021 date by which transfer of licenses must occur).

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ISFSI on February 8, 2019.<sup>19</sup> As of December 31, 2018, the trust fund balance for the Zion ISFSI was \$60,551,000. Of that amount, \$12,909,000 was allocated to decommission the ISFSI, which when accounting for growth, would cover estimated costs of \$17,030,000. As of December 31, 2020, the trust fund balance is approximately \$66,100,000. Exelon Generation will submit its updated decommissioning funding plan for the ISFSI no later than February 8, 2022, three years after submission of the most recent plan, in accordance with 10 CFR 72.30(b) and (c).

The trust agreements currently held by Exelon Generation's subsidiary, Exelon Generation Consolidation, LLC, for Exelon Generation's percent ownership in the Facilities, or the beneficial interest in those funds, will be revised to reflect the new name of SpinCo and/or Exelon Generation Consolidation, LLC. The only other anticipated change related to decommissioning funding as a result of the Spin Transaction pertains to the nuclear decommissioning trust fund for FitzPatrick. Currently, Exelon Generation maintains the FitzPatrick non-qualified trust and qualified trust under trust agreements between Exelon Generation Consolidation, LLC, a subsidiary of Exelon Generation, and Northern Trust. As part of the Spin Transaction, New FitzPatrick, LLC, as the direct owner of FitzPatrick, will assume sole responsibility for the costs to decommission FitzPatrick; thus, New FitzPatrick, LLC will enter into a non-qualified trust agreement and a qualified trust agreement with Northern Trust that are materially the same as the existing trust agreements between Exelon Generation Consolidation and Northern Trust and the FitzPatrick trusts will be transferred to New FitzPatrick, LLC. The trust fund assets will remain with Northern Trust. Exelon Generation will remain responsible for carrying out all decommissioning activities as the licensed operator of FitzPatrick and pursuant to the NOSA. The proposed transfer of the FitzPatrick trusts to agreements held by New FitzPatrick, LLC will not impact the trust fund values or reasonable assurance that New FitzPatrick, LLC has or will obtain the funds necessary to cover the estimated costs of decommissioning. A form of the trust agreements for the qualified fund and non-qualified fund is provided at **Enclosure 11**.<sup>20</sup>

Furthermore, the Applicants are providing additional decommissioning funding analyses, attached hereto in **Enclosure 10** (non-proprietary) and **10A** (proprietary),<sup>21</sup> to reflect alternate assumptions regarding the assumed dates for permanent termination of operations (shutdown) for certain plants under the financial scenario discussed in the financial qualifications discussion above. Although Applicants have not made any decisions to shutdown additional plants, as explained in Section VI(A), Applicants anticipate that ongoing economic stressors may result in

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<sup>19</sup> Letter from Patrick R. Simpson, Response to Request for Additional Information Related to the Application for License Transfers and Conforming Administrative Amendments, dated February 8, 2019, Att. 1 and Att. 3 (ML19043A673).

<sup>20</sup> The form of the trust agreements refer to Master Terms as an exhibit. The Master Terms were previously provided to the NRC in a letter from Patrick R. Simpson regarding Proposed Changes to Decommissioning Trust Agreements, dated October 30, 2020 (Att. 1) (ML20304A418).

<sup>21</sup> Enclosure 10A is proprietary because it contains Applicants' confidential commercial and financial information regarding a potential alternate decommissioning scenario as described in the 2.390 Affidavit provided in Enclosure 7. Applicants request that Enclosure 10A be withheld from public disclosure pursuant to 10 CFR 9.17(a)(4) and 10 CFR 2.390(a)(4). A non-proprietary version of Enclosure 10A suitable for public disclosure is provided as Enclosure 10.

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two additional Illinois plants (Braidwood and LaSalle) shutting down before the end of their licensed terms, resulting in potential assumed decommissioning funding shortfalls for certain units. If that scenario comes to fruition, SpinCo would address any shortfall(s) by evaluating the alternate funding mechanisms allowed by 10 CFR 50.75(e) and guidance provided in Regulatory Guide 1.159, "Assuring Availability of Funds for Decommissioning Nuclear Reactors," Revision 2.

Collectively, this information demonstrates that, after the Spin Transaction, there will continue to be reasonable assurance of decommissioning funds necessary to cover the estimated decommissioning costs of the Facilities at the end of licensed operations.

### **VIII. STANDARD CONTRACT FOR DISPOSAL OF SPENT NUCLEAR FUEL**

Following completion of the Spin Transaction, SpinCo will remain responsible for the management and interim storage of spent nuclear fuel at the Facilities it operates.

SpinCo will be the party to the Standard Contracts for the Disposal of Spent Nuclear Fuel and/or High Level Radioactive Waste ("**DOE Standard Contracts**") at all of the Facilities it operates except for those owned by the Subsidiary Owner LLCs (DE-CR01-83NE44372, DE-CR01-83NE44470, DE-CR01-83NE44405, DE-CR-01-83NE44476, and DE-CR-01-84RW00008). Those contracts will be revised to reflect the new name of SpinCo.

Calvert LLC, NMP LLC, and Ginna LLC each will remain the party to their respective DOE Standard Contracts for Calvert Cliffs (DE-CR01-83NE44367), NMP Unit 1 (DE-CR01-83NE44398), NMP Unit 2 (DE-CR-01-84RW00048), and Ginna (DE-CR01-83NE44419).

Exelon Generation and Exelon FitzPatrick, LLC are currently parties to the DOE Standard Contract for FitzPatrick (DE-CR01-83NE44407-FTZ). As a result of the Spin Transaction, the Standard Contract will be revised to reflect SpinCo as the new name of Exelon Generation and New FitzPatrick, LLC as the new name of Exelon FitzPatrick, LLC.

### **IX. RESTRICTED DATA AND CLASSIFIED NATIONAL SECURITY INFORMATION**

The Spin Transaction does not involve any Restricted Data or other Classified National Security Information or result in any change in access to such Restricted Data or Classified National Security Information. The existing restrictions on access to Restricted Data and Classified National Security Information are unaffected by the proposed transfer. In compliance with Section 145(a) of the Act and 10 CFR 95.35, Applicants agree that restricted or classified defense information will not be provided to any individual until the Office of Personnel Management investigates and reports to the NRC on the character, associations, and loyalty of such individual, and the NRC determines that permitting such person to have access to Restricted Data will not endanger the common defense and security of the United States.

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## **X. ANTITRUST INFORMATION**

This Application post-dates the issuance of the Licenses, and therefore no antitrust review is required or authorized. Based upon the NRC's decision in *Kansas Gas and Electric Co., et al.* (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (1999), the Atomic Energy Act of 1954, as amended, does not require or authorize NRC antitrust reviews of post-operating license transfer applications.

## **XI. PRICE-ANDERSON INDEMNITY AND NUCLEAR INSURANCE**

The Spin Transaction does not affect the existing Price-Anderson indemnity agreements for the Facilities or the required nuclear property damage insurance pursuant to 10 CFR 50.54(w) and nuclear energy liability insurance pursuant to Section 170 of the Atomic Energy Act and 10 CFR Part 140. However, Applicants hereby request that the Price-Anderson indemnity be amended to reflect the new names for Exelon Generation (SpinCo) and Exelon FitzPatrick, LLC (New FitzPatrick, LLC) as discussed in this Application.

Applicants will maintain all required nuclear property damage insurance and nuclear energy liability insurance. In addition, the Exelon Generation/SpinCo annual reporting in compliance with 10 CFR 140.21(e) provides reasonable assurance regarding its ongoing ability to pay any annual retrospective premium for the Facilities. Also, SpinCo's financial information submitted with or referenced in this Application provide assurance of the ability of SpinCo to pay deferred premiums for the Facilities in accordance with 10 CFR 140.21.

## **XII. ENVIRONMENTAL REVIEW**

This Application is exempt from environmental review because the proposed action falls within the categorical exclusion contained in 10 CFR 51.22(c)(21) for which neither an Environmental Assessment nor an Environmental Impact Statement is required. Moreover, the proposed action does not directly affect the actual operation of the reactor sites in any substantive way. The proposed action also does not involve an increase in the amounts, or a change in the types, of any radiological effluents that may be allowed to be released off-site, and involves no increase in the amounts or change in the types of non-radiological effluents that may be released off-site. Further, there is no increase in the individual or cumulative operational radiation exposure, and the proposed action has no environmental impact.

## **XIII. EFFECTIVE DATE AND OTHER REQUIRED REGULATORY APPROVALS**

Subject to the receipt of the required regulatory approvals, Applicants wish to proceed with the Spin Transaction promptly and have targeted a completion by December 31, 2021. Accordingly, Applicants respectfully request that the NRC review this Application on a schedule that will permit the NRC to issue an Order consenting to the Spin Transaction and approving the conforming license amendment as promptly as possible and in any event no later than November 30, 2021. Applicants will maintain regular contact with the NRC to keep it apprised of schedule changes that could impact the targeted closing date. Once approved, Applicants will provide at



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least two business days' notice prior to the date planned to consummate the Spin Transaction so that NRC can issue the license amendments on that date. This is a regulatory commitment.

The Applicants are prepared to work closely with the NRC staff to help expedite the review of the Application. The Applicants further request that the consent to the transfer of ownership be immediately effective upon issuance and that it permit the Spin Transaction to be implemented at any time within one year of the date of approval of this Application or such later date as the NRC may approve.

The Spin Transaction requires approvals and/or actions from other regulatory agencies, including the Federal Energy Regulatory Commission and the New York Public Service Commission with respect to the Facilities located in New York. These approvals and/or actions are being sought separately under each agency's regulatory requirements.

#### **XIV. CONCLUSION**

Based upon the foregoing information, Applicants respectfully request that the NRC issue an Order approving the actions requested in this Application, consenting to the Spin Transaction, and approving the conforming administrative license amendments.

#### **Attachments:**

**Attachment A** – License Amendment Requests

## ENCLOSURE 1, ATTACHMENT A

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### LICENSE AMENDMENT REQUESTS

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- 1.0 SUMMARY DESCRIPTION**
- 2.0 DETAILED DESCRIPTION**
- 3.0 TECHNICAL EVALUATION**
- 4.0 REGULATORY EVALUATION**
  - 4.1 Applicable Regulatory Requirements/Criteria**
  - 4.2 Significant Hazards Consideration Determination**
  - 4.3 Conclusions**
- 5.0 ENVIRONMENTAL CONSIDERATION**

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## **1.0 SUMMARY DESCRIPTION**

Pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (the “Act”), 10 CFR 50.80, 10 CFR 50.90, and 10 CFR 72.50, Exelon Generation Company LLC (“**Exelon Generation**”), on behalf of itself and Exelon Corporation, Exelon FitzPatrick, LLC (“**Exelon FitzPatrick, LLC**”), Nine Mile Point Nuclear Station, LLC (“**NMP LLC**”), R.E. Ginna Nuclear Power Plant, LLC (“**Ginna LLC**”), and Calvert Cliffs Nuclear Power Plant, LLC (“**Calvert LLC**”) (collectively, “**Applicants**”) hereby request certain written consents related to a proposed transaction in which Exelon Corporation will transfer its 100% ownership of Exelon Generation to a newly-created subsidiary that will then be spun-off, becoming Exelon Generation’s new ultimate parent company, so that neither the new ultimate parent company nor Exelon Generation nor its subsidiaries will be affiliated with Exelon Corporation (“**Spin Transaction**”). As part of the Spin Transaction, Exelon Generation will remain the same Pennsylvania limited liability company as today, but will be renamed (consistent with its complete separation from Exelon Corporation). The new name of Exelon Generation is yet to be determined and, therefore, is described using the generic name “**SpinCo**” in this application.

The proposed changes will revise the Licenses to reflect the new legal name of the licensed owner and/or operator, and revise corresponding financial conditions.

The requested amendments will conform the Licenses consistent with the Spin Transaction for which NRC consent is being requested (see the remainder of this license transfer transmittal package).

## **2.0 DETAILED DESCRIPTION**

The proposed change is a request to:

(1) replace all references to Exelon FitzPatrick, LLC, with New FitzPatrick, LLC, in the license and technical specifications for James A. FitzPatrick Nuclear Power Plant, License No. DPR-59;

(2) replace all references to Exelon Generation Company, LLC, with SpinCo for each of the following licenses and corresponding technical specifications:

<b>Facility</b>	<b>License Nos.</b>
Braidwood Station, Units 1 and 2	NPF-72 and NPF-77
Byron Station, Units 1 and 2	NPF-37 and NPF-66
Calvert Cliffs Nuclear Power Plant, Units 1 and 2	DPR-53 and DPR-69
Calvert Cliffs Nuclear Power Plant, Units 1 and 2 ISFSI	SNM-2505
Clinton Power Station, Unit 1	NPF-62
Dresden Nuclear Power Station, Units 1, 2 and 3	DPR-2, DPR-19, and DPR-25
James A. FitzPatrick Nuclear Power Plant	DPR-59
LaSalle County Station, Units 1 and 2	NPF-11 and NPF-18
Limerick Generating Station, Units 1 and 2	NPF-39 and NPF-85

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Nine Mile Point Nuclear Station, Units 1 and 2	DPR-63 and NPF-69
Peach Bottom Atomic Power Station, Units 1, 2 and 3	DPR-12, DPF-44, and DPR-56
Quad Cities Nuclear Power Station, Units 1 and 2	DPR-29 and DPR-30
R.E. Ginna Nuclear Power Plant	DPR-18
Salem Generating Station, Units 1 and 2	DPR-70 and DPR-75
Three Mile Island Nuclear Station, Unit 1	DPR-50
Zion Nuclear Power Station, Units 1 and 2	ISFSI-only License Nos. [TBD]

(3) delete the license conditions referencing the CENG Board, Fourth Amended and Restated Operating Agreement, Support Agreements, Parent Guarantees, and cash pool agreements associated with prior license transfers and replace them with revised license conditions referencing the updated SpinCo Support Agreement, as detailed in the Application, for each of the following:

Facility	License Nos.
Calvert Cliffs Nuclear Power Plant, Units 1 and 2	DPR-53 and DPR-69
Nine Mile Point Nuclear Station, Units 1 and 2	DPR-63 and NPF-69
R.E. Ginna Nuclear Power Plant	DPR-18

(4) delete the license conditions referencing the Support Agreement associated with a prior license transfer and replace it with revised license conditions referencing the updated SpinCo Support Agreement, as detailed in the Application, for the following:

Facility	License Nos.
James A. FitzPatrick Nuclear Power Plant	DPR-59

Markups of each of the licenses listed above will be provided by Applicants within approximately thirty days from submission of this Application. This is a regulatory commitment.

### **3.0 TECHNICAL EVALUATION**

There will be no adverse changes in the day-to-day operations of the Facilities or to the direct owners of those facilities. The only change will be a change in name from Exelon Generation to SpinCo. The Spin Transaction will have no impact on the design, function, or operation of any plant structure, system, or component, either technically or administratively, nor will it have a programmatic effect on the affected facilities' Quality Assurance Programs.

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#### **4.0 REGULATORY EVALUATION**

##### **4.1 Applicable Regulatory Requirements/Criteria**

The proposed license amendments are administrative in nature. These changes correspond to a name change for the licensed owner and/or operator of the affected facilities. No physical changes will be made and there will be no adverse change in the day-to-day operations of the affected facilities or any change in the scope of operating authority under the Licenses. Therefore, the proposed license amendments do not adversely affect nuclear safety or safe plant operations.

*10 CFR 2.1315, Generic Determination Regarding License Amendments to Reflect Transfers.*

This regulation states that the NRC has determined that license amendments that conform the license to reflect a transfer action involve no significant hazards consideration and do not adversely affect the health and safety of the public.

*10 CFR 50.80 and 10 CFR 72.50, Transfer of Licenses.*

These regulations provide the basis for NRC approval of license transfers. The proposed license amendments requested are based on the request for the license transfer described in this transmittal package.

##### **4.2 No Significant Hazards Consideration Determination**

Exelon Generation has evaluated the proposed changes to the Licenses and technical specifications using the criteria in 10 CFR 50.92 and has determined that the proposed changes do not involve a significant hazards consideration.

The proposed changes to the Licenses and technical specifications are primarily administrative in nature.

In its regulations, at 10 CFR 2.1315, the NRC has made a generic determination regarding no significant hazards consideration determinations required by 10 CFR 50.92. The determination is applicable to license amendments involving license transfers. In brief, the rule states that the NRC has determined generically that any amendment to the license of a utilization facility which does no more than conform the license to reflect the transfer action, involves no significant hazards consideration. The proposed changes contained in this license amendment application are intended solely to conform the Licenses to reflect the new names of Exelon Generation and Exelon FitzPatrick, LLC, and update the financial conditions as discussed in the Application, as a result of the Spin Transaction. Thus, the amendments meet the criteria specified by 10 CFR 2.1315.

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### **4.3 Conclusions**

In conclusion, based upon the analysis provided, the proposed license amendments will neither have any adverse impact on the public health and safety, nor be inimical to the common defense and security. Therefore, the proposed license amendments meet the requirements of 10 CFR 2.1315 and 10 CFR 50.90 and do not involve a significant hazards consideration.

### **5.0 ENVIRONMENTAL CONSIDERATION**

The proposed license amendments are a direct result of an approval of the Spin Transaction. Therefore, the proposed amendments are eligible for categorical exclusion as set forth in 10 CFR 51.22(c)(21). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment is needed in connection with the proposed amendments.

## ENCLOSURE 2

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### FORM OF NUCLEAR OPERATING SERVICES AGREEMENT

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Includes:

**Enclosure 2, Exhibit A – Characterization of Costs**

Note: The highlighted **text** in Enclosure 2 are designated place holders reflecting information that will be changed or updated as discussed in the application.

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**Form of**  
**NUCLEAR OPERATING SERVICES AGREEMENT**

This Nuclear Operating Services Agreement (this “**Agreement**” or “**NOSA**”) dated as of \_\_\_\_\_, 2021 (the “**Commencement Date**”) is entered into by and among [SpinCo], a Pennsylvania limited liability company (“**SpinCo**” or “**Operator**”), and [insert Owner], a [insert state] limited liability company (“**Owner**”). SpinCo/Operator and Owner are referred to individually herein as a “**Party**” and collectively herein as the “**Parties**.”

**RECITALS**

**WHEREAS**, Owner is a direct [or indirect] wholly owned subsidiary of SpinCo;

**WHEREAS**, SpinCo, as Exelon Generation Company, LLC (“**Operator**”), currently owns and operates the [insert name of plant] and related facilities [insert plant] (the “**Facility**”);

**WHEREAS**, as a result of a spin transaction, Operator will be spun off and renamed to “SpinCo” effective [insert date];

**WHEREAS**, following the spin transaction, SpinCo will directly or indirectly own and will continue to be licensed by the Nuclear Regulatory Commission to operate the Facility;

**WHEREAS**, Owner desires to continue engaging the services of a qualified operator to provide corporate, operational and managerial support services and other services for the **Facility**;

**WHEREAS**, Operator has the requisite experience and expertise in providing corporate, operational and managerial support services and possesses the resources and capabilities to continue providing such services for the Facility under Owner’s ownership and to operate the Facility as part of Operator’s Fleet of nuclear power plants; and

**WHEREAS**, Owner desires to continue engaging SpinCo to perform the Services (as defined herein) and SpinCo desires to continue performing such Services as provided herein;

**NOW THEREFORE**, in consideration for the premises and the representations, warranties, and covenants contained herein, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties, intending to be legally bound hereby, agree as follows:

**ARTICLE I**  
**DEFINITIONS**

**1.1 Definitions.** As used in this Agreement, the following terms shall have the meanings indicated:



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“**Act**” means the Atomic Energy Act of 1954, as amended.

“**Affiliate**” means, with respect to any Person, any other Person directly or indirectly Controlled by, Controlling or under common Control with such Person.

“**Agreement**” has the meaning set forth in the preamble.

“**Allocated Costs**” means the costs incurred by Operator associated with providing the Services (other than Direct Costs) allocated to each nuclear facility in Operator’s Fleet in accordance with Section 7.1(b).

“**Applicable Law**” means any federal, state or local statute, law, rule, regulation, code, ordinance, judgment, decree or writ of any Governmental Authority, and any official interpretations thereof, regulating, relating to or imposing liability or standards of conduct concerning Owner, Operator, the Site, the Facility or the performance of the Services.

“**Commencement Date**” has the meaning set forth in the Preamble.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of securities, by contract or otherwise. The terms “Controlled” and “Controlling” shall have correlative meanings.

“**Decommission**” and “**Decommissioning**” mean (1) the complete retirement and removal of the Facility from service and the restoration of the Site to a status that permits the Site and spent fuel storage installation to be released for unrestricted use in accordance with the NRC regulations, as well as any planning and administrative activities incidental thereto, including (a) reducing residual radioactivity at the Site and spent fuel storage installation to levels meeting the NRC radiological release criteria and any other actions necessary to obtain termination of the NRC License and (b) all other activities necessary for the retirement, dismantlement, and decontamination of the Facility to comply with all applicable requirements of the Act, the NRC rules, regulations, orders and pronouncements thereunder and any related decommissioning plan, environmental laws and other laws; and (2) any other environmental remediation and Site restoration of or relating to the Site or the Facilities as required by Applicable Law.

“**Direct Cost**” has the meaning set forth in Section 7.1(a).

“**Facility**” has the meaning set forth in the Whereas clauses hereof.

“**Good Utility Practice**” means at any time those practices, methods, techniques and standards in effect at the time of performance of the Services hereunder that are commonly used in the United States in prudent management and maintenance of equipment of, and the provision of operational support services for, nuclear generating stations. Without limiting the foregoing, “Good Utility Practice” is also intended to be the practices, methods, techniques and standards utilized by Operator in operational and managerial support services for its owned, affiliated, managed or operated nuclear generating facilities located in the United States, and as generally accepted in the

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industry with respect to the management and maintenance of, and the provision of services for, nuclear generating stations located in the United States and the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected at such time from a skilled and experienced provider of services similar to the Services.

**“Governmental Approval”** means any authorization, consent, approval, license, ruling, waiver, permit, certification, exemption, filing, declaration or registration by or with any Governmental Authority having jurisdiction over any of the Site, the Facility, the Services or the Parties.

**“Governmental Authority”** means all federal, state and local governments and all agencies, authorities, departments, instrumentalities, courts, or other subdivisions of each having executive, legislative, judicial, regulatory or administrative jurisdiction over any of the Site, the Facility, the Services or the Parties.

**“INPO Allocation Method”** means the method for allocating costs incurred by Operator in respect of Operator’s Fleet to each nuclear facility in Operator’s Fleet in the same manner as the Institute of Nuclear Power Operations allocates its fees, whereby the Site with an operating reactor is allocated three (3) points and each operating reactor in Operator’s Fleet is allocated one (1) point (*e.g.*, four (4) points for single units, five (5) points for dual units). For each billing period, the Allocated Costs charged to the Facility will be equal to (a) the aggregate amount of Allocated Costs incurred by Operator during such billing period; multiplied by (b) a fraction, the numerator of which is the INPO points attributed to the Facility, and the denominator of which is the total number of INPO points attributed to all facilities in Operator’s Fleet.

**“IP”** means any information and any other intellectual property of any type whatsoever, in any tangible or intangible form or medium, and all rights associated therewith in any jurisdiction, including any proprietary management processes of Operator and its Affiliates, and the SpinCo Nuclear Management Model.

**“NRC”** means the United States Nuclear Regulatory Commission and any successor agency established in the United States for the regulation of civilian nuclear power.

**“NRC Licenses”** means the licenses for the Facility issued to Owner and Operator pursuant to the regulations of the NRC.

**“Operator Personnel”** means the personnel from Operator’s or any of its Affiliates or Subcontractors’ organizations, agents, counsel, and advisors performing Services under this Agreement.

**“Operator’s Fleet”** means the Facility taken together with each other nuclear facility for which SpinCo is the NRC licensed operator under contract or by ownership.

**“Owner’s Contracts”** means any other contracts to which Owner is a party for (1) procuring engineering or materials, tools, supplies, or equipment necessary for capital expenditures or repairs of the Facility, (2) construction of any capital expenditures with respect to the Facility, (3) the

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repair of the Facility, (4) the purchasing or leasing of equipment with respect to the Facility, (5) utilities necessary for the operation of the Facility, or (6) any other material services; *provided* that “Owner Contracts” do not include this Agreement, the Subcontracts, or any of Owner’s commercial agreements not directly related to operations (such as financing and power purchase agreements).

“**Party**” or “**Parties**” has the meaning set forth in the preamble.

“**Person**” means an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or any federal, state, local or other governmental entity, body or authority.

“**Records**” has the meaning set forth in Article XI.

“**Reimbursable Costs**” has the meaning set forth in Section 7.2.

“**Services**” has the meaning set forth in Section 3.1.

“**Site**” means the real property on which the Facility is located including surrounding land owned by the Owner or its Affiliates.

“**SpinCo**” has the meaning set forth in the preamble.

“**SpinCo Nuclear Management Model**” means Operator’s proprietary nuclear management model and related management systems, including software programs, policies, processes and procedures relative to the management, operation and maintenance of Operator’s nuclear generating facilities, as updated by Operator from time to time.

“**Subcontract**” means any agreement by Operator with a Subcontractor for the performance of any portion of the Services.

“**Subcontractor**” means any vendor, supplier, manufacturer, material man, Operator or subcontractor (other than Operator or its Affiliates) that is contracted directly with Operator to perform any part of the Services or providing other services or supplies in connection with the Services.

“**Taxes**” means all fees, taxes (including sales taxes, use taxes, stamp taxes, value-added taxes, ad valorem taxes and property taxes (personal and real, tangible and intangible)), levies, assessments, customs duties, withholdings and other charges and impositions of any nature, other than taxes based on net income or net worth, plus all related interest, penalties, fines and additions to tax, now or hereafter imposed by any Governmental Authority or other taxing authority.

“**Term**” has the meaning set forth in Section 2.1.

“**Termination Date**” has the meaning set forth in Section 10.3(a).

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“**Transition Period**” has the meaning set forth in Section 10.4.

## ARTICLE II TERM; COMMENCEMENT OF SERVICES

**2.1 Term.** The term of this Agreement (the “**Term**”) shall begin on the Commencement Date and shall continue through Decommissioning unless terminated earlier as provided herein.

## ARTICLE III OPERATOR RESPONSIBILITIES; SCOPE OF RELATIONSHIP

**3.1 Services.** Subject to the terms of this Agreement, Operator shall (a) provide corporate and administrative services necessary for the operation of the Facility as the NRC licensed operator and to operate its business, in accordance with historic practice, Applicable Law, and contractual obligations, (b) manage, operate, maintain and Decommission the Facility as the NRC licensed operator in accordance with the NRC Licenses and Applicable Law, and on behalf of Owner on a basis consistent in all material respects with Good Utility Practices and the SpinCo Nuclear Management Model and (c) be responsible for the management and interim storage of spent nuclear fuel at the Facility in accordance with Applicable Law relating to the use, handling and disposal of radioactive materials, including obligations under the Nuclear Waste Policy Act of 1982 (together, the “**Services**”).

**3.2 Contract Management Services.** Without limit the foregoing, Operator will assist Owner with the implementation and management of any Owner Contracts. Notwithstanding the foregoing, Owners shall remain solely responsible and liable for the Owner Contracts. Operator may from time to time act as Owner’s agent on Owner’s behalf with respect to managing and overseeing the Owner contracts.

**3.3 Relationship of the Parties.** In performing the Services, Operator shall be an independent contractor of Owner.

**3.4 Subcontractors.** Operator or its Affiliates may contract a Subcontractor to perform any part or parts of the Services. Notwithstanding the foregoing, Operator shall at all times remain solely responsible for the quality, timeliness and professionalism of all Subcontractors and the performance of the Services. Operator shall be fully responsible for the acts and omissions of its Subcontractors. For the avoidance of doubt, Operator shall remain solely responsible and liable for any Subcontractor contracts to which Operator, and not Owner, is a party.

**3.5 Reports.** At the request of Owner, Operator shall provide Owner with and submit in accordance with Applicable Law standard operational and financial reports in accordance with its SpinCo Nuclear Management Model.

**3.6 Employees.** Services will be performed by employees of Operator or its Affiliates. Operator may, subject to the terms hereof, elect to transfer employees from employment by Owner

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to employment by Operator, loan Operator employees to provide Services to Owner, or transfer employees from employment by Operator to employment by Owner (*provided* that if Operator transfers Operator employees to employment by Owner, Operator will indemnify Owner for liabilities arising solely from such employment, other than Allocated Costs or Direct Costs chargeable under the terms of this Agreement). Operator may elect to assign employees of Owner on a short-term basis to provide services to operations of Operator other than the Facility, so long as such costs are allocated in a manner consistent with the allocation of Direct Costs in this Agreement, for the use of those employees and Operator indemnifies Owner solely for any liability arising from the performance of Owner's employees at a location other than the Facility.

#### ARTICLE IV OWNER'S RESPONSIBILITIES

**4.1 Ownership and Operation of Facility.** On the Commencement Date, Owner will continue to own the Facility and Operator will continue to operate the Facility, *provided* that Owner and Operator have all approvals required by Applicable Law for Operator to continue performing the Services as the NRC licensed operator. After the Commencement Date, Owner will ensure that Operator has access to (a) all original equipment manufacturer instructions and manuals relating to the equipment at the Facility, (b) all specifications, analyses, operating manuals and instructions, drawings (including as-built drawings), (c) all information necessary to comply with Owner' quality assurance plan, and (d) all records related to the construction of the Facility necessary for Operator to perform the Services.

**4.2 Liabilities.** Owner shall be responsible for the performance or discharge of any liabilities relating to the Facility arising prior to the Commencement Date, except for those liabilities for which Operator is expressly liable under the terms of this Agreement. From and after the Commencement Date, each Party shall be responsible for the performance or discharge of their respective liabilities relating to the Facility.

**4.3 Cooperation.** As necessary, Owner shall furnish to Operator the information or assistance as may be required for Operator to comply with the terms of this Agreement and for the expeditious and orderly performance of the Services by Operator.

**4.4 Access to the Facility and the Site.** Subject to applicable security and access rules and regulations, Owner shall provide Operator access to the Facility and Site as required for performance of the Services and copies of all licenses, easements or other agreements Owner has entered or may enter into regarding access to the Facility and the Site that affect Operator or the Services. Owner shall ensure that Operator has the full and uninterrupted benefit of all such licenses, easements or other agreements and shall ensure that such licenses, easements or other agreements do not adversely affect Operator's performance of the Services.

**4.5 Owner Information.** Owner shall act in good faith to assure that all information and materials given by Owner to Operator are accurate when given in all material respects.

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**4.6 Appointment as Agent.** Owner does hereby grant to Operator and its Affiliates, as agent for Owner, individually or collectively, the power and authority to exercise in accordance with Applicable Laws the rights of Owner under, and to execute, modify, amend or terminate, any contracts, including without limitation, leases easements, agreements, purchase orders, licenses, permits and privileges relating to the operation and maintenance of, and making capital improvements to, the Facility. Nonetheless, unless otherwise agreed in writing, Owner shall remain solely responsible for each of the contracts to which Owner, and not Operator, is a party.

## **ARTICLE V OPERATOR'S RESPONSIBILITIES**

**5.1 Continued Operation of Facility** On the Commencement Date, Operator shall continue to be responsible for day-to-day management activities and operation of the Facility, *provided* that Owner and Operator have (i) all approvals required by Applicable Law for Operator to continue performing the Services as the NRC licensed operator and (ii) all equipment, materials, spare parts and consumables necessary for Operator to provide the Services. After the Commencement Date, Operator shall retain access to (a) all original equipment manufacturer instructions and manuals relating to the equipment at the Facility, (b) all specifications, analyses, operating manuals and instructions, drawings (including as-built drawings), (c) all information necessary to comply with Owner's quality assurance plan and (d) all records related to the construction of the Facility necessary for Operator to perform the Services.

**5.2 Governmental Approvals.** Operator shall support and assist Owner as may be reasonably required in order for Owner to obtain and maintain all Governmental Approvals (a) required by Applicable Law for Owner to own and Operator to operate the Facility and (b) required by Applicable Law for Operator to perform the Services, including, without limitation, the NRC Licenses and those related to nuclear safety.

**5.3 NRC Licenses.** Operator will hold and maintain the NRC Licenses required to operate the Facility for the duration of the Term.

**5.4 Assistance to Owner.** Operator shall furnish to Owner the information or assistance as may be reasonably necessary in order to enable Owner to comply with its obligations under Article IV and for the expeditious and orderly operation of the Facility.

**5.5 Performance Standards.** Operator shall perform the Services: (a) in compliance with the terms of this Agreement; (b) in compliance with the standards and objectives of the SpinCo Nuclear Management Model as adapted to the Facility, as the same may change from time to time; and (c) in a good and workmanlike manner in accordance with the NRC Licenses and Applicable Law, and consistent with Good Utility Practice.

**5.6 Taxes and Benefits.** During the Term of this Agreement, Operator shall be solely responsible for providing or causing to be provided to each member of Operator Personnel his or her compensation and benefits, and shall further be solely responsible to issue or cause to issue

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IRS W-2 forms for Operator Personnel and for all taxes, workers' compensation, social security, unemployment, and other contributions for benefits measured by salary payable to Operator Personnel.

**5.7 Operator Employees.** Except as provided in Section 7.1, Operator shall be solely responsible for (a) all compensation, benefits and other employer obligations in respect of employees of Operator or its Affiliates providing Services under this Agreement, (b) training and oversight of employees of Operator or its Affiliates providing Services under this Agreement and (c) all employment decisions with respect to employees of Operator or its Affiliates providing Services under this Agreement.

## ARTICLE VI BUDGET

**6.1 Annual Budget.** Operator shall prepare and propose an annual budget and a business plan.

## ARTICLE VII COST REIMBURSEMENT

**7.1 Cost Reimbursement.** From and after the Commencement Date and continuing throughout the Term, Operator shall be entitled to be reimbursed for the following costs incurred by Operator, its Subcontractors, or its Affiliates in performance of the Services:

(a) Direct Costs. All direct costs of Operator of providing any Service that would not constitute Allocated Cost pursuant to Section 7.1(b), including without limitation: (i) the costs of Operator Personnel performing the Services at the Facility, including travel and relocation expenses where applicable; (ii) any costs incurred by Operator associated with improvements to existing systems, integration into Operator systems, and software programs required to implement the SpinCo Nuclear Management Model and "CFAM" (Corporate Functional Area Manager) philosophy at each Facility; and (iii) all costs incurred by Operator (including the cost of any Subcontractors) related to materials, services, equipment, Taxes (other than those imposed in respect of income or revenues of Operator) and other expenditures (as an agent of the Owner) that are required in the good faith judgment of Operator to operate the Facility in accordance with Good Utility Practice, in each case as described in Exhibit A (such costs collectively, the "**Direct Costs**"). The Direct Costs will be allocated on a basis consistent with Operator's similar costs as allocated to other nuclear facilities in Operator's Fleet (as such costs are in effect from time to time).

(b) Allocated Costs. All Allocated Costs based on the INPO Allocation Method, calculated based on the Facility being part of Operator's Fleet as described in Exhibit A; *provided* that such allocation is non-discriminatory and on a basis consistent with Operator's allocation of similar costs as invoiced to other nuclear facilities in Operator's Fleet (as such costs are in effect from time to time). For avoidance of doubt, certain personnel-related reimbursements

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may be classified as Allocated Costs, including the travel and relocation expenses of certain personnel. For the avoidance of doubt, in no event shall Allocated Costs include any item to the extent such item is also invoiced as a Direct Cost.

**7.2 Settlement.** On a monthly basis, Owner and Operator shall settle all Direct Costs and Allocated Costs (together the “**Reimbursable Costs**”) incurred during the preceding month by intercompany accounting. Notwithstanding any other provision in this Agreement, all costs associated with Decommissioning the Facility are the responsibility of Owner and, to the extent such costs are allowed by Applicable Law to be reimbursed from any Decommissioning trust funds maintained for the Facility, shall be paid for from such funds.

## ARTICLE VIII TAXES

**8.1 Taxes.** Each Party shall be responsible for all Taxes to which it is subject, which Taxes arise out of or are in any way connected with this Agreement. If, under Applicable Law, Operator is required to collect any such Taxes from Owner, Operator shall settle the collection of such Taxes by intercompany accounting.

## ARTICLE IX INSURANCE

**9.1 Operator Insurance.** Operator shall procure and maintain insurance coverage during the Term in the type and amount consistent with insurance covering Operator’s Fleet and in accordance with Good Utility Practice.

## ARTICLE X TERMINATION

**10.1 Termination.** During the Term, this Agreement may be terminated by Owner, at its discretion, provided that Owner obtains all required Governmental Approvals required to transfer operation of the Facility to Owner or another Person selected by Owner. Operator shall continue to perform all Services contemplated by this Agreement until Owner has secured all such required Governmental Approvals, including approval from the NRC.

**10.2 Actions upon Termination.** Prior to the effective date of any termination under this Article X, the Parties shall work in good faith to ensure a satisfactory transfer of responsibility in process and cooperate to obtain all Governmental Approvals (if any and to the extent allowed) required for such transfer. Upon a termination in accordance with Section 10.1, Operator shall:

(a) discontinue performance of the Services on the date agreed upon by the parties (the “**Termination Date**”),



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- (b) place no further orders or enter into any Subcontracts for items or Services unless required for standby, demobilization, remobilization or as otherwise provided in this Article 10;
- (c) subject to the terms of this Agreement, cooperate with Owner in the transfer to Owner of items or information and disposition of the Services in progress;
- (d) inventory and turn over to Owner all equipment and materials purchased by Operator and reimbursed by Owner in accordance with the terms of this Agreement and any other equipment or other items provided by Owner for performance of the terminated or suspended Services;
- (e) cooperate with Owner and their agents and representatives in the turnover of the Services and transition of the employees, as appropriate, to Owner (or their designated successor Operator in the event of termination) who shall provide operational support services for the Facility; and
- (f) up to and including the Termination Date, Operator shall continue to perform the Services hereunder in accordance with Good Utility Practices and in accordance with the terms of this Agreement; *provided* that Operator shall be entitled to and shall collect all compensation in accordance with this Agreement (including Reimbursable Costs payable under the terms of this Agreement and any additional reasonable out-of-pocket costs incurred in providing transition assistance to Owner or their successor Operator during such time) through intercompany accounting.

**10.3 Post-Termination Transition Period.** Owner's right to use the IP will automatically cease at the Termination Date; *provided* that Owner will be entitled to continue to use the IP on a transitional period for a period of 12 months following the Termination Date (such period, the "**Transition Period**") to the extent necessary to provide an orderly transition off of Operator's systems and software platforms. During the Transition Period, Operator shall cooperate and provide reasonable assistance to Owner in effecting such IP transition; *provided* that Owner reimburses Operator for Operator's actual cost of providing such transition services and permitting continued use of IP, determined in the same manner that costs are allocated and charged pursuant to Article VII of this Agreement.

## ARTICLE XI RECORDS

In accordance with its standard corporate practices, Operator will at all times operate a system of accounting and maintain complete and accurate records and supporting documentation in relation to the performance of its obligations under this Agreement, *provided* that documentation related to the provision and performance of the Services shall be maintained for the greater of five years or as required by Applicable Law. Operator shall collaborate with and assist Owner to operate a system of accounting and maintain complete and accurate records in relation to the

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operation of the Facility, including Services rendered by Operator (the “**Records**”). The intent is for the Records to be in accordance with Good Utility Practice to ensure that the Records will be at least sufficient to enable Owner and/or their authorized representatives to conduct thorough operational, technical, and regulatory audits related to the Facility. The Records will be maintained for the greater of (a) Operator’s document retention program requirements or (b) as is required by Applicable Laws.

## ARTICLE XII MISCELLANEOUS

**12.1 Notices.** Any notice pertaining to this Agreement shall be in writing and sent via facsimile transmittal, registered or certified mail (postage prepaid), hand delivery or by commercial overnight courier, to the other Party, at its respective address designated in this Agreement as set forth below. Each Party shall have the right to change the contact information set forth herein by sending a similar notice to the other Party in like manner. Notices, demands, offers or other written instruments shall be deemed to have been duly given on the date actually received by the intended recipient.

If to Operator:

[To be determined]

If to Owner:

[Insert]

**12.2 Complete Agreement.** This Agreement sets forth the entire understanding of the Parties and supersedes any and all prior agreements, arrangements, or understandings relating to the subject matter hereof.

**12.3 Construction of Agreement.** The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

**12.4 Amendments.** The terms of this Agreement shall be modified only by a written document signed by an authorized representative of each Party, which authorizes a change in this Agreement. No purported oral modification, waiver, or rescission of this Agreement by an employee or agent of any Party shall operate as a modification, waiver, or rescission of any of the provisions of this Agreement. No course of prior dealing, usage of trade, and course of performance shall be used to modify, supplement, or explain any terms of this Agreement.

**12.5 No Third Party Beneficiaries.** A person who is not a Party to this Agreement may not enforce any of its terms and the provisions of this Agreement are intended for the sole benefit

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of Owner and Operator and there are no third party beneficiaries hereof, other than their permitted successors and assigns pursuant to the relevant provisions hereof.

**12.6 Governing Law; Interpretation; Severability.** This Agreement shall be interpreted, governed and construed in accordance with the laws of **State of New York**, and excluding any conflict of laws rule or principle that might refer the governance or the construction of this Agreement to the law of another jurisdiction. The provisions of this Agreement shall be interpreted where possible in a manner to sustain their legality and enforceability. The unenforceability of any provision of this Agreement in a specific situation shall not affect the enforceability of that provision in another situation or the remaining provisions of this Agreement. Subject to the terms of this Agreement, the Parties shall have all rights and remedies at law or in equity.

**12.7 Assignment.** No Party may assign its right, title, and interest in this Agreement to any other Person without the prior written consent of the other Party.

**12.8 Execution; Counterparts.** This Agreement shall not be binding or effective until properly executed by each Party. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same Agreement, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully executed counterpart.

**12.9 Survival.** The following Articles and Sections shall survive termination of this Agreement: Articles VIII and IX in addition to any other provisions which by their nature should, or by their express terms do, survive or extend beyond the Term of this Agreement.

**12.10 Waiver.** Either Party's waiver of any breach or failure to enforce any of the terms, covenants, conditions, or other provisions of this Agreement at any time shall not in any way affect, limit, modify, or waive that Party's right thereafter to enforce or compel strict compliance with every term, covenant, condition, or other provision hereof, any course of dealing or custom of the trade notwithstanding. All waivers of any term, covenant, condition or other provision of this Agreement must be given in writing.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their duly authorized officers as of the Commencement Date.

**OPERATOR: [SpinCo]**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Enclosure 2  
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**OWNER:** **[Insert Owner]**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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## EXHIBIT A

### Characterization of Costs

For avoidance of doubt, the Services may include, but will not be limited to, those described under the subheadings below:

**The following corporate nuclear support functions at Operator's Nuclear Division will be allocated costs through the INPO formula as Nuclear Corporate Services**

- Chief Nuclear Officer and staff
- Nuclear oversight
- Nuclear human resources
  - Talent development
  - Recruiting
- Labor relations
- Engineering and technical services governance and oversight
  - Programs and design engineering
  - Nuclear fuel procurement
  - Project management
  - Asset management
- Operational support services governance and oversight
  - Operations oversight and nuclear duty office
  - Maintenance and work management
  - Radiation protection, chemistry and environmental
  - Industrial safety
  - Training
- Outage services
  - Reactor and turbine maintenance
  - Inspection services
  - Vendor alliance management
  - Outage planning and scheduling
- Decommissioning and spent fuel management
- Security
- Emergency preparedness
- Nuclear finance and accounting
  - Financial reports
  - Business planning
- Licensing and regulatory
  - Common regulatory and industry fees
  - Government affairs

Enclosure 2, Exhibit A  
Page 2 of 3

- Payroll and associated employee costs and benefits of allocated employees
- Travel and living for business expenses of allocated employees
- Facility rent and utilities

**The following nuclear support functions will be performed at the Site and be direct costs**

- Payroll and associated site employee costs and benefits
- Travel and living for business expenses of site employees
- Materials, parts, equipment and chemicals
- Service contracts performed at the site
- Waste disposal
- Outage services
- Facility cost

**The following Nuclear Services will not be performed at the Site and will be direct costs**

- Corporate managed site specific projects (e.g. license amendments, large equipment replacements)
- Nuclear fuel design and analysis
- Financial support for financial reports and reporting
- Roving outage services support

**The following administrative functions will be allocated costs through the INPO formula as Nuclear Corporate Services**

- Strategic supply and procurement
- IT support and development for fleet wide systems and equipment
- Payroll and accounts payable processing
- General legal support
- Benefits administration

**The following administrative functions will be performed at the Site and will be direct costs**

- IT staff and equipment
- Supply procurement and materials management functions
- Communications staff
- Human resources

**The following administrative functions will not be performed at the Site and will be direct costs**

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 2, Exhibit A  
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- Legal support on specific matters relating to a site
- Property tax negotiation
- Labor negotiations
- Corporate managed site-specific projects

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

## ENCLOSURE 3

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### GENERAL CORPORATE INFORMATION

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION

GENERAL CORPORATE INFORMATION REGARDING  
HOLDCO

<b>NAME:</b>	HoldCo (name to be determined)
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Delaware or Pennsylvania  Corporation
<b>BUSINESS ADDRESS:</b>	To be determined
<b>BOARD OF DIRECTORS:</b>	To be determined Substantially all or a majority will be U.S. citizens
<b>OFFICERS:</b>	To be determined  All officers will be U.S. citizens  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
EXELON GENERATION COMPANY, LLC/SPINCO

<b>NAME:</b>	Exelon Generation Company, LLC to be renamed (referred to as "SpinCo" until name is determined)
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Pennsylvania  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	300 Exelon Way Kennett Square, PA 19348-2473
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (to be member managed by HoldCo)
<b>PARTIAL LIST OF EXECUTIVE PERSONNEL:</b>  Unless otherwise noted, all named personnel are U.S. citizens	Bryan C. Hanson – Executive Vice President and Chief Generation Officer  David P. Rhoades – Senior Vice President and President and Chief Nuclear Officer, Nuclear  Scot A. Greenlee – Senior Vice President, Nuclear Engineering & Technical Services  Shane Marik – Senior Vice President, Nuclear Midwest Operations  Mark Newcomer – Senior Vice President, Nuclear Mid-Atlantic Operations  Joseph Pacher – Senior Vice President, Nuclear Northeast Operations  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
NEW YORK HOLDCO

<b>NAME:</b>	New York HoldCo, LLC (name to be determined)
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	New York  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	To be determined
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (to be member managed or manager managed)
<b>OFFICERS:</b>	To be determined  All officers will be U.S. citizens  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
CONSTELLATION NUCLEAR, LLC

<b>NAME:</b>	CONSTELLATION NUCLEAR, LLC
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Delaware  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	1310 Point Street, 8 <sup>th</sup> Floor Baltimore, Maryland 21231
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	Christopher M. Crane – Chairman of the Board and Director  Bryan C. Hanson – Director
<b>OFFICERS:</b>  Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens	Bryan C. Hanson – President  Robert A. Kleczynski – Vice President, Taxes  Denis M. Eischen – Assistant Vice President, Taxes  Benjamin Haas – Assistant Vice President, Taxes  Elisabeth J. Graham – Assistant Treasurer  Katherine A. Smith -- Secretary  J. Bradley Fewell – Assistant Secretary  David O. Dardis – Assistant Secretary  Carter C. Culver – Assistant Secretary  Brian Buck – Assistant Secretary   NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
CONSTELLATION ENERGY NUCLEAR GROUP, LLC

<b>NAME:</b>	Constellation Energy Nuclear Group, LLC
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Maryland  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	1310 Point Street, 8 <sup>th</sup> Floor, Baltimore, Maryland 21231

<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	<p>The Board is currently comprised of 5 directors appointed by Exelon entities and 5 appointed by EDF Inc. and Electricité de France S.A. ("EDF"), governed by French law and registered in France, entities:</p> <p>Patrick Blandin (EDF) – Director Philippe Castanet (EDF) – Vice Chairman and Director Michael Hill (EDF) – Director Jeffrey M. Johnson (EDF) – Director Dominique Miniere (EDF) – Director</p> <p>William A. Von Hoene, Jr. (Exelon) – Chairman of the Board and Director J. Bradley Fewell (Exelon) – Director Carol R. Peterson (Exelon) – Director Exelon Director (to be appointed) Bryan P. Wright (Exelon) – Director</p> <p>Post-Spin Transaction, the Board will be eliminated, and CENG will become member managed or manager managed</p>
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<p><b>OFFICERS:</b></p> <p>Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens</p>	<p>William A. Von Hoene, Jr. – President and Chief Executive Officer</p> <p>Bryan C. Hanson – Chief Nuclear Officer</p> <p>Joseph Pacher – Senior Vice President Nuclear Northeast Operations (to be appointed)</p> <p>Site Vice President, Calvert Cliffs (to be appointed)</p> <p>Paul Swift – Site Vice President, Ginna</p> <p>Peter Orphanos – Site Vice President, Nine Mile Point</p> <p>Kevin Garrido – Chief Financial Officer</p> <p>Jennifer Franco – Vice President</p> <p>Peter J. Kavanagh – Vice President</p> <p>Elisabeth J. Graham –Treasurer</p> <p>Ryan Brown – Assistant Treasurer</p> <p>Carter C. Culver – Secretary</p> <p>William D. Jozaitis – Assistant Vice President, Taxes</p> <p>Peter J. Kavanagh – Vice President</p> <p>NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.</p> <p>This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.</p>
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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
CONSTELLATION NUCLEAR POWER PLANTS, LLC

<b>NAME:</b>	CONSTELLATION NUCLEAR POWER PLANTS, LLC
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Delaware  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	1310 Point Street, 8 <sup>th</sup> Floor Baltimore, Maryland 21231
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (member or manager managed)
<b>OFFICERS:</b>  Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens	William A. Von Hoene, Jr. – President Bryan C. Hanson – Senior Vice President Robert A. Kleczynski – Vice President, Taxes William D. Jozaitis – Assistant Vice President, Taxes Elisabeth J. Graham – Treasurer Ryan Brown – Assistant Treasurer Carter C. Culver – Secretary  NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
 CALVERT CLIFFS NUCLEAR POWER PLANT, LLC

<b>NAME:</b>	Calvert Cliffs Nuclear Power Plant, LLC
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Maryland  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	1310 Point Street, 8 <sup>th</sup> Floor Baltimore, Maryland 21231
<b>PHYSICAL ADDRESS OF FACILITY:</b>	1650 Calvert Cliffs Parkway Lusby, Maryland 20657
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (member or manager managed)
<b>OFFICERS:</b>  Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens	William A. Von Hoene, Jr. – President  Bryan C. Hanson – Senior Vice President  Elisabeth J. Graham –Treasurer  Ryan Brown – Assistant Treasurer  Carter C. Culver – Secretary  Robert A. Kleczynski – Vice President, Taxes  Denis M. Eischen – Assistant Vice President, Taxes  William D. Jozaitis – Assistant Vice President, Taxes  Peter J. Kavanagh – Vice President  NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.



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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
NINE MILE POINT NUCLEAR STATION, LLC

<b>NAME:</b>	Nine Mile Point Nuclear Station, LLC
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Delaware  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	1310 Point Street, 8th Floor Baltimore, Maryland 21231
<b>PHYSICAL ADDRESS OF FACILITY:</b>	348 Lake Road Oswego, New York 13126
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (member or manager managed)

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<p><b>OFFICERS:</b></p> <p>Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens</p>	<p>William A. Von Hoene, Jr. – President</p> <p>Bryan C. Hanson – Senior Vice President</p> <p>Peter M. Orphanos – Vice President</p> <p>Elisabeth J. Graham –Treasurer</p> <p>Ryan Brown – Assistant Treasurer</p> <p>Carter C. Culver – Secretary</p> <p>Robert A. Kleczynski – Vice President, Taxes</p> <p>Denis M. Eischen – Assistant Vice President, Taxes</p> <p>William D. Jozaitis – Assistant Vice President, Taxes</p> <p>Peter J. Kavanagh – Vice President</p> <p>NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.</p> <p>This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.</p>
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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
R.E. GINNA NUCLEAR POWER PLANT, LLC

<b>NAME:</b>	R.E. Ginna Nuclear Power Plant, LLC
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Maryland  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	1310 Point Street, 8th Floor Baltimore, Maryland 21231
<b>PHYSICAL ADDRESS OF FACILITY:</b>	1503 Lake Road Ontario, New York 14519
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (member or manager managed)
<b>OFFICERS:</b>  Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens	William A. Von Hoene, Jr. – President  Bryan C. Hanson – Senior Vice President  Paul Swift – Vice President  Elisabeth J. Graham –Treasurer  Ryan Brown – Assistant Treasurer  Carter C. Culver – Secretary  Robert A. Kleczynski – Vice President, Taxes  Denis M. Eischen – Assistant Vice President, Taxes  William D. Jozaitis – Assistant Vice President, Taxes  Peter J. Kavanagh – Vice President  NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.  This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.

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ENCLOSURE 3

GENERAL CORPORATE INFORMATION REGARDING  
EXELON FITZPATRICK, LLC

<b>NAME:</b>	Exelon FitzPatrick, LLC (to be renamed and referred to as New FitzPatrick, LLC for this filing)
<b>STATE OF INCORPORATION &amp; CORPORATE FORM:</b>	Delaware  Limited Liability Company
<b>BUSINESS ADDRESS:</b>	10 South Dearborn Street, 49 <sup>th</sup> Floor Chicago, Illinois 60603
<b>PHYSICAL ADDRESS OF FACILITY:</b>	268 Lake Road Oswego, New York 13126
<b>BOARD OF DIRECTORS OR MANAGEMENT COMMITTEE:</b>	None (member or manager managed)

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<p><b>OFFICERS:</b></p> <p>Unless otherwise noted, all named officers are U.S. citizens and all officers named as a result of the Spin Transaction will be U.S. citizens</p>	<p>Bryan C. Hanson – President</p> <p>Bryan P. Wright – Chief Financial Officer</p> <p>Patrick Navin – Vice President</p> <p>Elisabeth J. Graham –Treasurer</p> <p>Ryan Brown – Assistant Treasurer</p> <p>Katherine A. Smith – Secretary</p> <p>Robert A. Kleczynski – Vice President, Taxes</p> <p>William D. Jozaitis – Assistant Vice President, Taxes</p> <p>Denis M. Eischen – Assistant Vice President, Taxes</p> <p>Benjamin Haas – Assistant Vice President, Taxes</p> <p>J. Bradley Fewell – Senior Vice President and Assistant Secretary</p> <p>Elizabeth Hensen – Assistant Secretary</p> <p>Brian Buck – Assistant Secretary</p> <p>David O. Dardis – Assistant Secretary</p> <p>Tamra Domeyer – Assistant Secretary</p> <p>Carter C. Culver – Assistant Secretary</p> <p>NOTE: Changes will be made as a result of the Spin Transaction insofar as any of the listed officers do not remain part of the HoldCo and SpinCo structure.</p> <p>This entity will not be owned, controlled, or dominated by an alien, foreign corporation, or foreign government.</p>
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**ENCLOSURE 4**

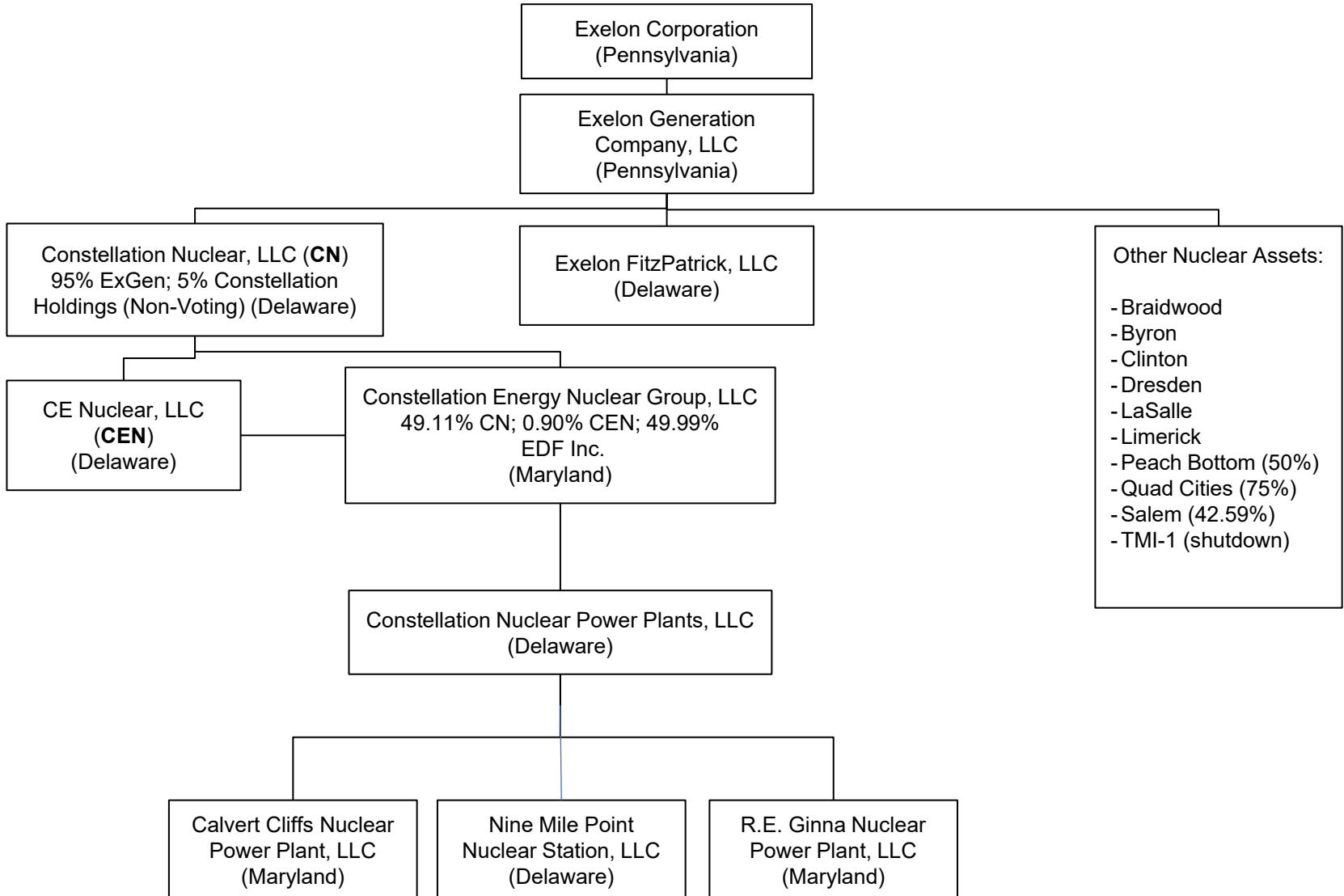
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**CURRENT ORGANIZATION CHART**

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### Enclosure 4

#### Current Corporate Structure



**ENCLOSURE 5**

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**NEW ORGANIZATION CHART**

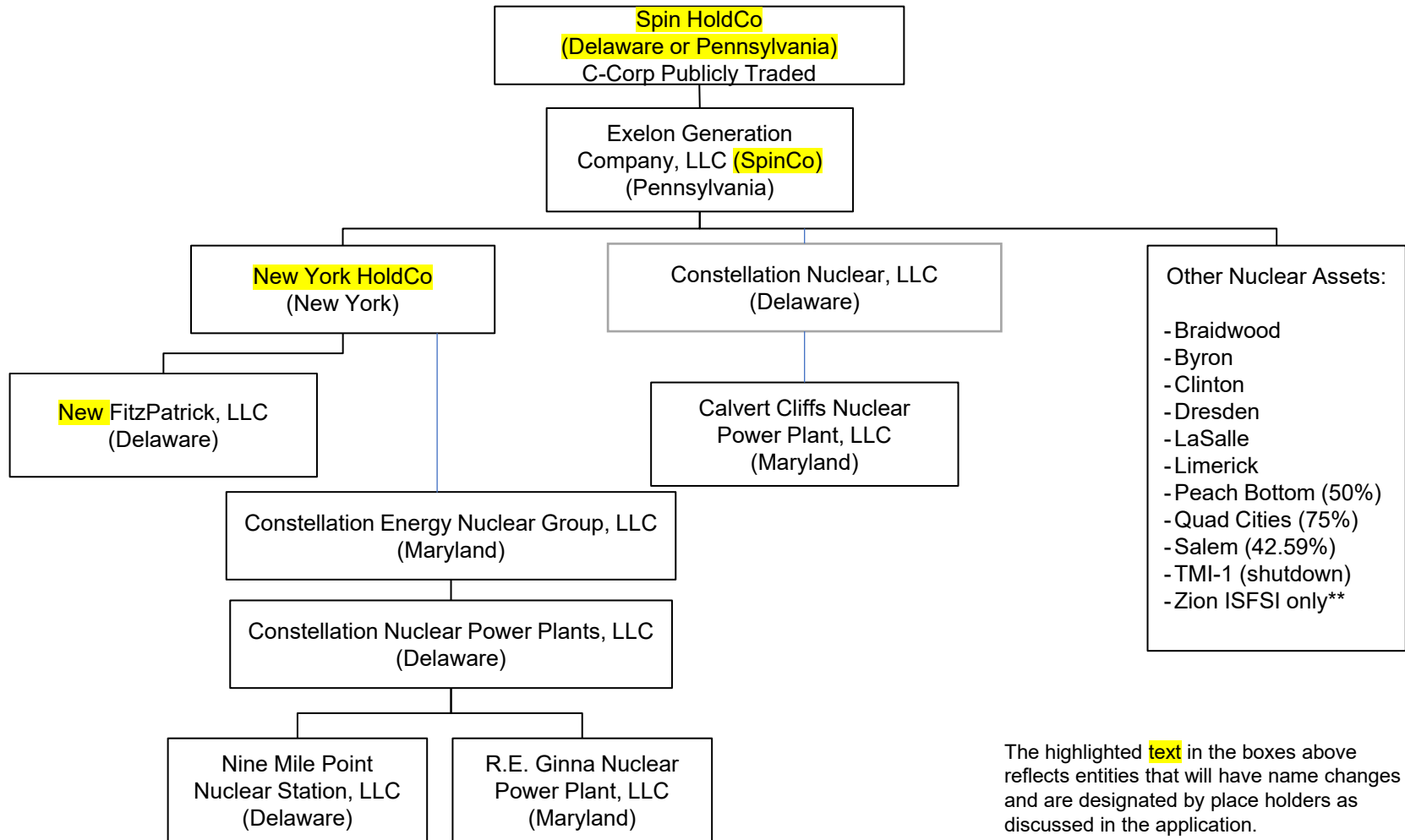
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Note: The highlighted **text** in Enclosure 5 are designated place holders reflecting information that will be changed or updated as discussed in the application.



### Enclosure 5

## Post-Spin Transaction Proposed Corporate Structure\*



The highlighted text in the boxes above reflects entities that will have name changes and are designated by place holders as discussed in the application.

NOTES:

\* Assumes EDF Put closes prior to Spin Transaction

\*\* Assumes the Zion ISFSI only site has been transferred back to Exelon Generation at the time of the Spin Transaction

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 6**

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**PROJECTED FINANCIAL STATEMENTS FOR SPINCO**

**(NON-PROPRIETARY VERSION)**

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Enclosure 6  
Page 1 of 3

**Projected Financial Statements for SpinCo Consolidated**  
**Pro Forma Financial Statements**  
( \$ in millions, except where noted)

	SpinCo				
	2022	2023	2024	2025	2026
<b>x Projected Income Statement - Financials are in GAAP unless otherwise stated</b>					
Net Operating Revenue					
Fuel and Purchased Energy					
<b>RNF</b>					
Operating and Maintenance Expense					
TOTI					
<b>EBITDA</b>					
Depreciation Expense					
<b>Total D&amp;A</b>					
<b>Operating EBIT</b>					
Gain/(Loss) on Disposal of Assets					
Other Net					
<b>Operating (Loss) Income</b>					
<b>Total Interest Expense</b>					
Interest Income					
<b>Interest Expense, Net</b>					
<b>Income Before Taxes</b>					
Current Income Taxes					
Deferred Taxes					
<b>Income Taxes</b>					
<b>Income After Taxes</b>					
Earnings from Investments: Equity					
Preferred Dividends					
<b>Net Income - GAAP</b>					
Minority Interests					
<b>Net Income Attributable to Membership Interests</b>					
GAAP Income/(Expense) excl. from Operating Net Income					
<b>Net Income - Operating</b>					
Shares Outstanding					
EPS - Operating					
<b>x Projected Balance Sheet</b>					
Cash and Marketable Securities					
Restricted Cash					
Net Accounts Receivable					
Other Current Assets					
<b>Total Current Assets</b>					
<b>Net PP&amp;E</b>					
Deferred Tax Asset					
Goodwill					
Regulatory Assets					
Investments: Equity Method					
Investments: Cost Method					
Decommissioning Trust Fund					
Long-Term Notes Receivable					
Pension Asset					
Other Non-Current Assets					
<b>Total Assets</b>					
Notes Payable					
Accounts Payable					
Other Current Liabilities					
<b>Total Current Liabilities</b>					
Long-Term Debt & Capital Leases					
Deferred Tax Liability					
Asset Retirement Obligation					
OPEB					
Other Non-Current Liabilities					
<b>Total Liabilities</b>					
Minority Interest					
Other Equity					
<b>Total Equity</b>					
<b>Total Liabilities &amp; Equity</b>					
<b>x Projected Statement of Cash Flows</b>					
Net Income					
Depreciation Expense					
Nuclear Fuel Amortization					
Amortization of Regulatory Assets					
Change in Asset Retirement Obligation					
Earnings from Investments: Equity					
AFUDC - Debt & Equity					
Change in Deferred Taxes					
Change in Current Assets (excl. Cash & Marketable Securities)					
Change in Non-Current Assets					
Change in Current Liabilities					
Change in Non-Current Liabilities					
Other Operating					
<b>Cash Flow from Operations</b>					
Capital Expenditures					
Other Investing					
<b>Cash Flow from Investing</b>					
Change in Notes Payable					
Change in Long-Term Debt & Capital Leases					
Change in Common Stock (Net of Treasury)					
Preferred Dividends					
Common Dividends					
Other Financing					
<b>Cash Flow from Financing</b>					
<b>Net (Decrease) Increase in Cash and Equivalents</b>					
Cash and Equivalents at Beginning of Year					
<b>Cash and Marketable Securities at End of Year</b>					

Enclosure 6  
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**Projected Financial Statements for SpinCo Consolidated (Stress Case)**  
**Pro Forma Financial Statements**  
(\$ in millions, except where noted)

	SpinCo				
	2022	2023	2024	2025	2026
<b>x Projected Income Statement - Financials are in GAAP unless otherwise stated</b>					
Net Operating Revenue					
Fuel and Purchased Energy					
<b>RNF</b>					
Operating and Maintenance Expense					
TOTI					
<b>EBITDA</b>					
Depreciation Expense					
<b>Total D&amp;A</b>					
<b>Operating EBIT</b>					
Gain/(Loss) on Disposal of Assets					
Other Net					
<b>Operating (Loss) Income</b>					
<b>Total Interest Expense</b>					
Interest Income					
<b>Interest Expense, Net</b>					
<b>Income Before Taxes</b>					
Current Income Taxes					
Deferred Taxes					
<b>Income Taxes</b>					
<b>Income After Taxes</b>					
Earnings from Investments: Equity					
Preferred Dividends					
<b>Net Income - GAAP</b>					
Minority Interests					
<b>Net Income Attributable to Membership Interests</b>					
GAAP Income/(Expense) excl. from Operating Net Income					
<b>Net Income - Operating</b>					
Shares Outstanding					
EPS - Operating					
<b>x Projected Balance Sheet</b>					
Cash and Marketable Securities					
Restricted Cash					
Net Accounts Receivable					
Other Current Assets					
<b>Total Current Assets</b>					
<b>Net PP&amp;E</b>					
Deferred Tax Asset					
Goodwill					
Regulatory Assets					
Investments: Equity Method					
Investments: Cost Method					
Decommissioning Trust Fund					
Long-Term Notes Receivable					
Pension Asset					
Other Non-Current Assets					
<b>Total Assets</b>					
Notes Payable					
Accounts Payable					
Other Current Liabilities					
<b>Total Current Liabilities</b>					
Long-Term Debt & Capital Leases					
Deferred Tax Liability					
Asset Retirement Obligation					
OPEB					
Other Non-Current Liabilities					
<b>Total Liabilities</b>					
Minority Interest					
Other Equity					
<b>Total Equity</b>					
<b>Total Liabilities &amp; Equity</b>					
<b>x Projected Statement of Cash Flows</b>					
Net Income					
Depreciation Expense					
Nuclear Fuel Amortization					
Amortization of Regulatory Assets					
Change in Asset Retirement Obligation					
Earnings from Investments: Equity					
AFUDC - Debt & Equity					
Change in Deferred Taxes					
Change in Current Assets (excl. Cash & Marketable Securities)					
Change in Non-Current Assets					
Change in Current Liabilities					
Change in Non-Current Liabilities					
Other Operating					
<b>Cash Flow from Operations</b>					
Capital Expenditures					
Other Investing					
<b>Cash Flow from Investing</b>					
Change in Notes Payable					
Change in Long-Term Debt & Capital Leases					
Change in Common Stock (Net of Treasury)					
Preferred Dividends					
Common Dividends					
Other Financing					
<b>Cash Flow from Financing</b>					
<b>Net (Decrease) Increase in Cash and Equivalents</b>					
Cash and Equivalents at Beginning of Year					
<b>Cash and Marketable Securities at End of Year</b>					

Enclosure 6  
Page 3 of 3

### Notes for Projected Financial Statements for SpinCo Consolidated

1. All financial projections are based on Exelon Generation's internal long-range plan update for the period 2021 – 2025.
2. Projections for 2026 were developed by applying a standard 3% escalation rate to the 2025 revenues and expenses.
3. Exelon Generation fully consolidates its directly owned and indirectly owned nuclear plants, including its Subsidiary Owner LLCs, in its financials based on ownership interest. See also the Notes for the Nuclear Fleet and Subsidiary Owner LLCs financial statements.
4. The sensitivity analysis (stress case) uses the 10% reduction in the market prices for energy and capacity for the nuclear generating units only.
5. "Operating & Maintenance Expenses" in the Projected Income Statement include direct and allocated overhead, corporate governance, and oversight expenses for the nuclear fleet. Property tax expenses are included in Taxes Other Than Income.
6. Projections assume that the EDF Put closes in 2021 and Exelon Generation owns a 100% interest in Calvert LLC, Ginna LLC, and NMP LLC.
7. Projections account for the announced early retirement of Byron Units 1 and 2 in September 2021 and Dresden Units 1 and 2 in November 2021 and the conservative scenario that includes the potential that Braidwood Units 1 and 2 and LaSalle Units 1 and 2 retire early in [[ ]] and [[ ]], respectively.
8. The significantly higher non-cash Depreciation Expense in the projected Income Statement for 2022, as compared to 2023 through 2026, reflects accelerated depreciation of [[ ]] in plant assets for the announced retirement of non-nuclear generation in 2024 and the potential, in the conservative scenario, that Braidwood Units 1 and 2 and LaSalle Units 1 and 2 prematurely retire.
9. Addition and subtraction "errors" are due to rounding.

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 6A**

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**PROJECTED FINANCIAL STATEMENTS FOR SPINCO**

**(PROPRIETARY VERSION)**

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~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 7**

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**10 CFR 2.390 AFFIDAVIT**

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Enclosure 7  
Page 1 of 2

ENCLOSURE 7

**10 CFR 2.390 AFFIDAVIT**

I, Bryan P. Wright, Senior Vice President and Chief Financial Officer, Exelon Generation Company, LLC (“Exelon Generation”), do hereby affirm and state:

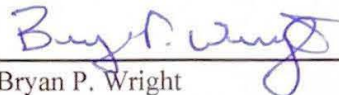
1. I am authorized to execute this affidavit on behalf of Exelon Generation Company, LLC.
2. Exelon Generation, on behalf of itself and Exelon Corporation, Exelon FitzPatrick, LLC, Nine Mile Point Nuclear Power Station, LLC, R.E. Ginna Nuclear Power Plant, LLC, and Calvert Cliffs Nuclear Power Plant, LLC (collectively, the “Applicants”), is providing information in support of its application for written consent related to a proposed transaction in which Exelon Corporation will transfer its 100% ownership of Exelon Generation to a newly-created subsidiary that will then be spun-off, becoming Exelon Generation’s new ultimate parent company, so that neither the new ultimate parent company nor Exelon Generation nor its subsidiaries will be affiliated with Exelon Corporation (“**Spin Transaction**”). As part of the Spin Transaction, Exelon Generation will remain the same Pennsylvania limited liability company as today, but it will be renamed (consistent with its complete separation from Exelon Corporation). The new name of Exelon Generation is yet to be determined and therefore is described using the generic name “**SpinCo.**”
3. The documents being provided in Enclosures 6A, 8A, and 10A contain proprietary financial information and financial projections related to the ownership and operation of the Applicants’ generation assets and various potential decommissioning scenarios. These documents constitute proprietary commercial and financial information that should be held in confidence by the NRC pursuant to the policy reflected in 10 CFR §§ 2.390(a)(4) and 9.17(a)(4), because:
  - i. This information is and has been held in confidence by Applicants.
  - ii. This information is of a type that is customarily held in confidence by the Applicants, and there is a rational basis for doing so because the information contains sensitive financial information.
  - iii. This information is being transmitted to the NRC voluntarily and in confidence.
  - iv. This information is not available in public sources and could not be gathered readily from other publicly available information.



~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390(a)(4) AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 7  
Page 2 of 2

- v. Public disclosure of this information would create substantial harm to the competitive position of the Applicants by disclosing their internal data.<sup>1</sup>
4. Accordingly, the Applicants request that the designated documents be withheld from public disclosure pursuant to the policy reflected in 10 CFR §§ 2.390(a)(4) and 9.17(a)(4).

  
\_\_\_\_\_  
Bryan P. Wright

Subscribed and sworn before me, a Notary Public, in and for the State of South Carolina, County of Charleston this 25<sup>th</sup> day of February, 2021.

WITNESS my hand and Notarial Seal:

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 04/14/2030

2-25-21  
\_\_\_\_\_  
Date



<sup>1</sup> Based on the U.S. Supreme Court's ruling in *Food Marketing Institute v. Argus Leader Media*, 139 S. Ct. 2356 (2019), a showing of substantial harm no longer applies to Freedom of Information Act Exemption 4. Regardless, the Applicants confirm that they could suffer such harm if the NRC releases the information requested to be withheld.

**ENCLOSURE 8**

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**PROJECTED FINANCIAL STATEMENTS FOR NUCLEAR  
FLEET AND SUBSIDIARY OWNER LLCS**

**(NON-PROPRIETARY VERSION)**

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~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8

Page 1 of 21

## Projected Financial Statements For Nuclear Fleet

### Projected Income Statement

(\$ in millions, rounded)

2022

2023

2024

2025

2026

Revenue

Market Revenue

ZEC Revenue

Total Revenues

Operating Expenses

Purchased Fuel and Energy and Cost of Sales

O&M Non-Outage

O&M Outage

O&M Nuclear Direct Overhead

O&M Nuclear Allocated Overhead

ExGen Overhead

Property Taxes

Depreciation and Amortization

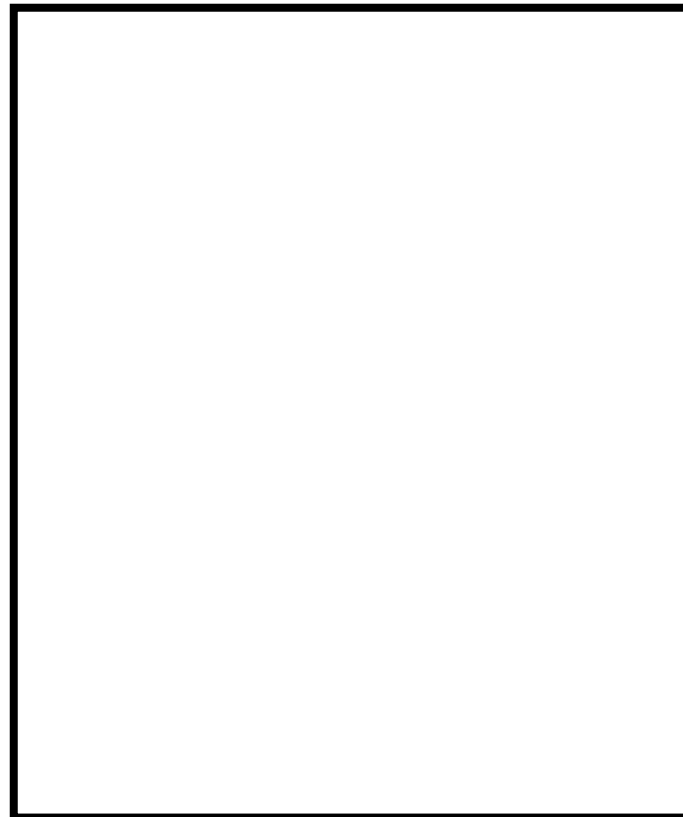
Total Operating Expenses

Pretax Income (Loss)

Income Taxes

**Net Income (Loss)**

[[



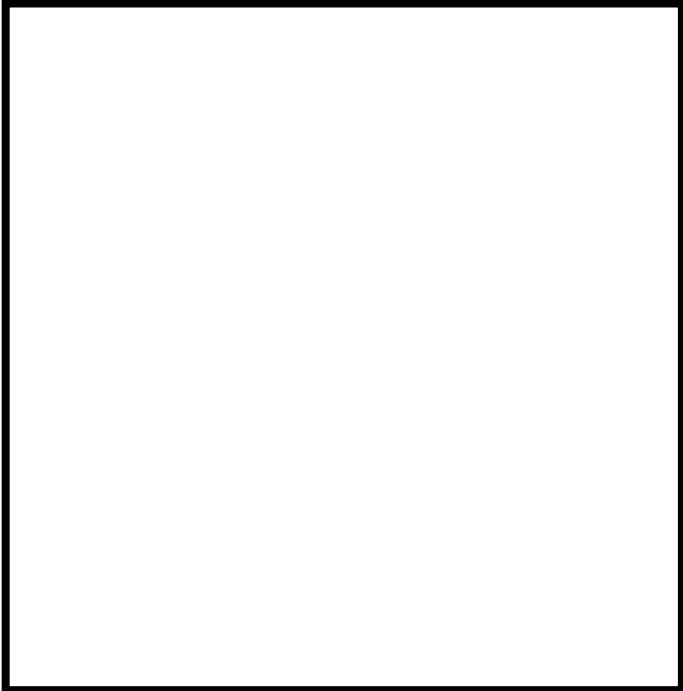
]]

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8

Page 2 of 21

	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
Page 3 of 21

**Projected Financial Statements for Calvert Cliffs Nuclear Power Plant, LLC**  
**Projected Income Statement**

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
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	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8

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### Projected Financial Statements for New Fitzpatrick, LLC

#### Projected Income Statement

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					



~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
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**Projected Financial Statements for R.E. Ginna Nuclear Power Plant, LLC**  
**Projected Income Statement**

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
Page 8 of 21

	2022	2023	2024	2025	2026
<i>Add Back:</i>	[[				
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>	]]				

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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**Projected Financial Statements for Nine Mile Point Nuclear Station, LLC**  
**Projected Income Statement**

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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### Projected Financial Statements for Nuclear Fleet (Stress Case)

Projected Income Statement Assumes 10% Reduction in Market Revenue

(\$ in millions, rounded)

2022      2023      2024      2025      2026

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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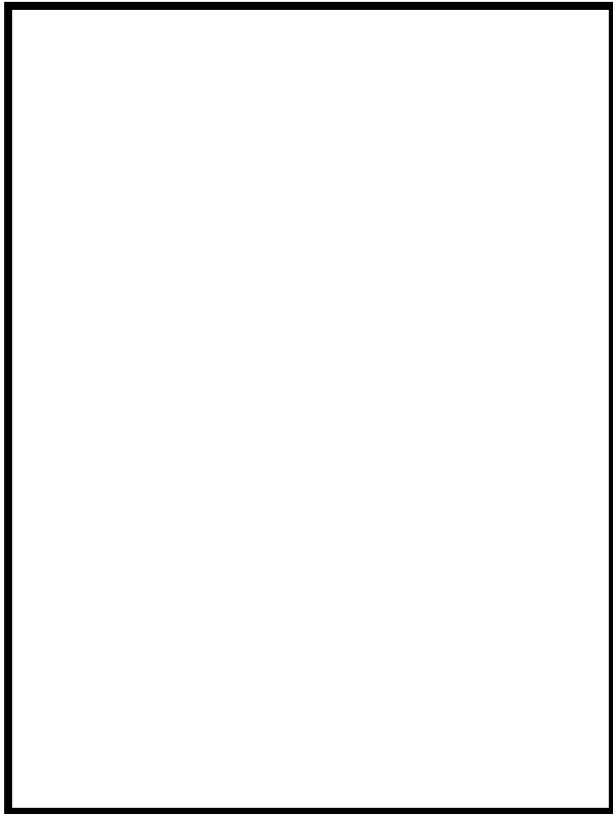
	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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**Projected Financial Statements for Calvert Cliffs Nuclear Power Plant, LLC (Stress Case)**  
Projected Income Statement Assumes 10% Reduction in Market Revenue

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					



~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

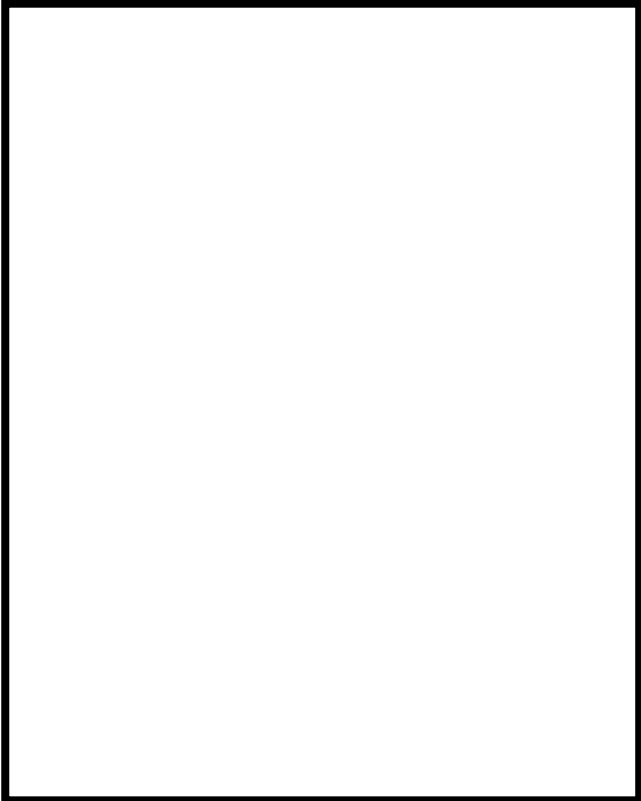
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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### Projected Financial Statements for New FitzPatrick, LLC (Stress Case)

Projected Income Statement Assumes 10% Reduction in Market Revenue

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

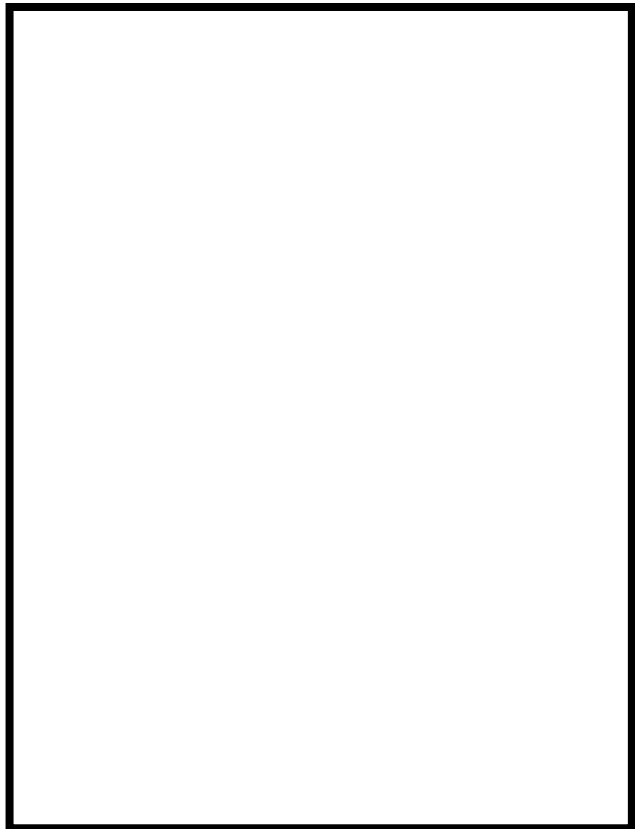
Enclosure 8  
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	2022	2023	2024	2025	2026
<i>Add Back:</i>					
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
<i>Less:</i>					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
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**Projected Financial Statements for R.E. Ginna Nuclear Power Plant, LLC (Stress Case)**  
Projected Income Statement Assumes 10% Reduction in Market Revenue

(\$ in millions, rounded)	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
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*Add Back:*

Income Taxes  
Purchased Fuel and Energy and Cost of Sales  
Depreciation and Amortization

*Less:*

Tax Depreciation and Amortization + Other  
Cash Taxes

Profit After Taxes

*Less:*

Tax Depreciation and Amortization + Other  
Capital Projects  
Capital Fuel  
Change in Inventory

**Net Cash Flow**

	2022	2023	2024	2025	2026
[[					
]]					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

Enclosure 8  
Page 19 of 21

### Projected Financial Statements for Nine Mile Point Nuclear Station, LLC (Stress Case)

Projected Income Statement Assumes 10% Reduction in Market Revenue

(\$ in millions, rounded)

	2022	2023	2024	2025	2026
Revenue					
Market Revenue					
ZEC Revenue					
Total Revenues					
Operating Expenses					
Purchased Fuel and Energy and Cost of Sales					
O&M Non-Outage					
O&M Outage					
O&M Nuclear Direct Overhead					
O&M Nuclear Allocated Overhead					
ExGen Overhead					
Property Taxes					
Depreciation and Amortization					
Total Operating Expenses					
Pretax Income (Loss)					
Income Taxes					
<b>Net Income (Loss)</b>					

~~INCLUDES PROPRIETARY INFORMATION WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~

Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

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*Add Back:*

Income Taxes

Purchased Fuel and Energy and Cost of Sales

Depreciation and Amortization

*Less:*

Tax Depreciation and Amortization + Other

Cash Taxes

Profit After Taxes

*Less:*

Tax Depreciation and Amortization + Other

Capital Projects

Capital Fuel

Change in Inventory

**Net Cash Flow**

	2022	2023	2024	2025	2026
Income Taxes					
Purchased Fuel and Energy and Cost of Sales					
Depreciation and Amortization					
Tax Depreciation and Amortization + Other					
Cash Taxes					
Profit After Taxes					
Tax Depreciation and Amortization + Other					
Capital Projects					
Capital Fuel					
Change in Inventory					
<b>Net Cash Flow</b>					

Enclosure 8  
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**Projected Financial Statements for Nuclear Fleet and Subsidiary Owner LLCs**

1. Projections are based on Exelon Generation's internal long-range plan update for the nuclear units for the period 2021 – 2025.
2. Market revenues for 2022 through 2025 were calculated using forward prices as of December 31, 2020 and Exelon Generation's internal projections for expected generation at each operating nuclear unit directly or indirectly owned by Exelon Generation (including Exelon Generation's ownership interest in Salem Units 1 and 2).
3. The sensitivity analysis (stress case) assumes a 10% reduction in the market prices for energy and capacity for the nuclear generating units.
4. ZEC revenues refer to payments received by the FitzPatrick, Ginna, NMP, Quad Cities, Clinton, and Salem units under programs in New York, Illinois, and New Jersey that compensate those units for the environmental attributes of those units (also referred to as "zero emission credits"). Revenues were calculated using Exelon Generation's internal projections for expected generation for each of these units and the ZEC price under the applicable program.
5. Projections for 2026 were based on a bottom up build of costs, accounting for outage timing and a 2.5% inflation rate, generation as predicted for 2026, and 2025 prices escalated at 3%.
6. Projections for the Nuclear Fleet include revenues and costs for Exelon Generation's directly owned nuclear units (including its ownership interest in Salem) and the nuclear units owned by its Subsidiary Owner LLCs.
7. Projections assume that the EDF Put closes in 2021 and Exelon Generation, through its subsidiaries, owns a 100% interest in Calvert LLC, Ginna LLC, and NMP LLC.
8. Projections account for the announced early retirement of Byron Units 1 and 2 in September 2021 and Dresden Units 1 and 2 in November 2021 and the conservative scenario that includes the potential that Braidwood Units 1 and 2 and LaSalle Units 1 and 2 retire early in [[ ]] and [[ ]], respectively.
9. "O&M Nuclear Direct Overhead," "O&M Nuclear Allocated," and "ExGen Overhead" includes direct sites costs that are managed by Exelon Generation's corporate functions (e.g. insurance) and corporate governance and oversight expenses.
10. Property taxes are estimated based on, if applicable, tax payments set forth in a property tax agreement, [[ ]].
11. Addition and subtraction "errors" are due to rounding.

INCLUDES ~~PROPRIETARY INFORMATION~~ ~~WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 8A**

---

**PROJECTED FINANCIAL STATEMENTS FOR NUCLEAR FLEET  
AND SUBSIDIARY OWNER LLCs**

**(PROPRIETARY VERSION)**

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**ENCLOSURE 9**

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**FORM OF FINANCIAL SUPPORT AGREEMENT**

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Note: The highlighted **text** in Enclosure 9 are designated place holders reflecting information that will be changed or updated as discussed in the application.

Enclosure 9  
Page 1 of 4

**Form of**  
**FINANCIAL SUPPORT AGREEMENT**

Between

**SpinCo**, LLC

And

**[Insert Owner legal entity]**

THIS SUPPORT AGREEMENT (this “**Agreement**”), dated as of \_\_\_\_\_, 2021 between **SpinCo**, LLC (“**Parent**”) and **[insert Owner legal entity]** (the “**Subsidiary Licensee**”)

WITNESSETH:

**WHEREAS**, Parent is the direct or indirect owner of 100% of the equity of Subsidiary Licensee;

**WHEREAS**, the Subsidiary Licensee is a corporate entity that is licensed by the Nuclear Regulatory Commission (“**NRC**”) to possess and own the **[insert nuclear power plant site]** (the “**Facility**”);

**WHEREAS**, Parent and the Subsidiary Licensee desire to take certain actions to assure the ability of the Subsidiary Licensee to pay the approved expenses of maintaining the Facility safely and reliably and of protecting the public health and safety (the “**Operating Expenses**”) and to meet NRC requirements during the operating life of the Facility (the “**NRC Requirements**”);

**WHEREAS**, to the extent and in the event that revenues from the sale of electricity and zero-emissions credits under the New York Clean Energy Standard program, if applicable, from the Facility are insufficient to cover Operating Expenses and NRC Requirements, then Parent has agreed to provide credit to the Subsidiary Licensee, in the manner as described below, to allow the Subsidiary Licensee to meet its financial assurance obligations as owner of the Facility to protect public health and safety.

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

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Page 2 of 4

1. **Availability of Funding.** Parent shall provide or cause to be provided to the Subsidiary Licensee such funds as are necessary to pay Operating Expenses or meet NRC Requirements; provided, however, that Parent's maximum liability to provide funding hereunder shall not exceed [insert amount] cumulatively over the life of this Agreement, unless, and to the extent that, funds provided under this Agreement have been reimbursed in whole or part through repayments or intercompany accounting by the Subsidiary Licensee to Parent. As such, the aggregate amount outstanding under this Agreement at any one time shall not exceed [insert amount], and this shall be the maximum unreimbursed amount Parent is obligated to provide under this Agreement or otherwise.
2. **Providing Funds.** If the revenues generated by the Facility, at any time, are not sufficient to allow the Subsidiary Licensee as owner to meet Operating Expenses or NRC Requirements, Parent will provide to Subsidiary Licensee funds under this Agreement on a timely basis in order to permit Subsidiary Licensee as owner of the Facility to meet Operating Expenses and NRC Requirements.
3. **Substitution.** Parent can terminate funding provided under this Agreement upon forty-five (45) days' written notice to the Subsidiary Licensee if Parent has procured a substitute loan facility and/or letter of credit for the Subsidiary Licensee that meets the financial assurance requirements of the NRC to protect the public health and safety and has provided notice to and obtained written consent from the NRC, Director of the Office of Nuclear Reactor Regulation.
4. **Interest.** Interest on any principal amount outstanding shall accrue daily at such rate, and shall be payable at such times, as established by Parent at the time of providing funds under this Agreement. The interest rate applicable to such funds and the time of payment shall be noted in a note, accounting records or other agreed upon form. 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, by intercompany accounting or other agreed upon form; 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 established by Parent at the time of an advance.
6. **Use of Proceeds.** In order to provide financial assurance, any funds provided under this Agreement may be used by the Subsidiary Licensee only to meet approved Operating Expenses and NRC Requirements, including payments for nuclear

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Page 3 of 4

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 Agreement is not, and nothing herein contained, and no action taken pursuant hereto by Parent shall be construed as, or deemed to constitute, a direct or indirect guarantee by Parent 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 Licensee. This Agreement may, however, be relied upon by the NRC in determining the financial qualifications of the Subsidiary Licensee to be the direct Facility owner.
8. **Waivers.** Parent hereby waives any failure or delay on the part of the Subsidiary Licensee in asserting or enforcing any of its 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 written consent from the NRC, Director of the Office of Nuclear Reactor Regulation. This Agreement shall terminate at such time as Parent is no longer the direct or indirect owner of any of the shares or other ownership interests in the Subsidiary Licensee. This Agreement shall also terminate with respect to the Operating Expenses and NRC Requirements applicable to the Facility whenever the 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, 6 and 7 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. **Governing Law.** This Agreement shall be governed by the laws of the State of New York. Each party waives its rights to a jury trial in any litigation involving this Agreement.

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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**

[SpinCo], LLC

[Owner entity], LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

~~INCLUDES PROPRIETARY INFORMATION - WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 10**

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**ALTERNATE DECOMMISSIONING FUNDING ANALYSES**

**(NON-PROPRIETARY VERSION)**

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Enclosure 10  
(Non-Proprietary)

**Alternate Decommissioning Funding Analysis (Not Actual)**  
**Potential Early Retirement Scenario of**  
**Braidwood, Units 1 and 2, and LaSalle Units 1 and 2**

Exelon Generation submitted its Report on Status of Decommissioning Funding for Reactors and Independent Spent Fuel Storage installations on February 24, 2021. That report includes an Annual Radiological Decommissioning Funding Assurance Report (the “**Report**”) for Braidwood Station, Unit 1 and Unit 2, at Attachments 2 and 3, respectively, and for LaSalle, Unit 1 and Unit 2, at Attachments 13 and 14, respectively. In each case, the Report provides an expected permanent termination of operations (shutdown) date that corresponds with the end of the current licensed operating life. As explained in the Application, although Applicants have not made any decisions to shutdown additional plants, Applicants anticipate that ongoing economic stressors, and absent market reform or legislative action that would enable these units to realize the value of their zero-carbon, reliable, baseload generation, may result in Braidwood and LaSalle shutting down before the end of their licensed terms. This alternative decommissioning funding analysis reflects a potential scenario in which both Braidwood units and both LaSalle units permanently cease operations before the end of the licensed term for each unit.

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**Labor, Energy, and Burial Factors Used in Calculations (Each Unit)**

The labor, energy, and burial indexes used are consistent with those described in NUREG-1307, Revision 18, issued January 2021.

The current labor cost indexes used are obtained from the Employment Cost Index, published by the U.S. Department of Labor, Bureau of Labor Statistics (BLS). Specifically, Exelon Generation Company, LLC (“EGC”) used the Employment Cost Index for total compensation for private industry workers by region. The labor adjustment factors were calculated according to Section 3.2 of NUREG-1307, Revision 18, using fourth quarter 2020 data. Table 1 shows the data used for this calculation.

**Table 1: Labor Adjustment Factors**

<b>Region</b>	<b>Applicable Sites</b>	<b>Series ID</b>	<b>4Q2020 Index Number</b>	<b>Base L<sub>x</sub></b>	<b>Labor Adjustment Factor (L<sub>x</sub>)</b>
Midwest	Braidwood LaSalle	CIU2010000000230I	139.1	2.08	2.893

The current energy cost indexes used are obtained from Producer Price Indexes (PPI) – Commodities, published by the U.S. Department of Labor, BLS. Specifically, EGC used the PPI for industrial electric power (WPU0543) and light fuel oils (WPU0573). The energy adjustment factors were calculated according to Section 3.3 of NUREG-1307, Revision 18, using December 2020 data. Table 2 shows the data used for this calculation.

**Table 2: Energy Adjustment Factors**

WPU0543 – January 1986 (base value)	114.2
WPU0573 – January 1986 (base value)	82.0
WPU0543 – December 2020 (preliminary value)	232.7
WPU0573 – December 2020 (preliminary value)	209.8
Industrial electric power adjustment factor - P <sub>x</sub>	2.038
Light fuel oil adjustment factor - F <sub>x</sub>	2.559
Energy Adjustment Factor (PWR) – E <sub>x</sub> (PWR)	2.256
Energy Adjustment Factor (BWR) – E <sub>x</sub> (BWR)	2.277

**Labor, Energy, and Burial Factors Used in Calculations (Each Unit)**

The waste burial adjustment factors used are taken from Table 2-1 of NUREG-1307, Revision 18, based on 2020 data. The adjustment factors EGC used assume a combination of compact-affiliated and non-compact facilities for sites affiliated with a compact. This is consistent with current waste disposal practices at EGC and consistent with typical waste disposal practices during decommissioning. For sites not affiliated with a compact, the values for generators located in unaffiliated states were used. Table 3 summarizes the data used for the calculation of the waste adjustment factors.



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**Table 3: Waste Adjustment Factors**

<b>LLW Burial Site</b>	<b>Reactor Type</b>	<b>Applicable Site</b>	<b>Combination of Compact-Affiliated and Non-Compact Disposal Facilities Waste Adjustment Factor (B<sub>x</sub>)</b>	<b>Generators Located in the Unaffiliated States and those Located in Compact-Affiliated States having no Disposal Facility Waste Adjustment Factor (B<sub>x</sub>)</b>
Generic LLW Disposal Site	BWR	LaSalle	N/A	12.837
Generic LLW Disposal Site	PWR	Braidwood	N/A	12.793

The calculation methodology used for all adjustment factors is consistent with NUREG-1307, Revision 18.

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**Alternate Decommissioning Funding Scenario (Not Actual)  
Braidwood Station, Unit 1**

(December 31, 2020 dollars, thousands)

1	Formula cost amount per 10 CFR 50.75(c)	\$ 523,785
2	Site-specific cost amount per 10 CFR 50.75(b)(4)	N/A
3	Site-specific cost amount per 10 CFR 72.30(b)	\$5,691 (a)
4	The amount of decommissioning trust funds accumulated as of December 31, 2020	\$ 433,424 (b)
5	Schedule of the annual amounts remaining to be collected.	\$0
6	Assumptions used regarding rates of escalation, earnings, and other factors used in funding projections	2% (c)
7	There are no contracts relied upon pursuant to 10 CFR 50.75(e)(1)(v).	
8	Financial assurance for decommissioning is provided by the prepayment method, coupled with an external trust fund, in accordance with 10 CFR 50.75(e)(1)(i) and 10 CFR 72.30(e)(1).	
9	The trust fund agreements were amended effective September 30, 2019 to reflect a change of the company holding the trusts from a Nevada LLC to an Illinois LLC.	

Effective January 1, 2021, the non-qualified trust agreement, qualified trust agreement, and Master Terms for Trust Agreements were updated to incorporate amendments previously provided to the NRC. In addition, the Master Terms for Trust Agreements were updated to include the non-qualified trust agreements and qualified trust agreements between the direct owners of Calvert Cliffs Nuclear Power Plant, Units 1 and 2, Nine Mile Point Nuclear Station, Units 1 and 2, and R.E. Ginna Nuclear Power Plant, Unit 1, and Northern Trust as Trustee that became effective January 1, 2021.

- (a) The costs from the current detailed site-specific ISFSI decommissioning cost estimate have been escalated to December 31, 2020 dollars using published escalation indices.
- (b) The trust fund amount is the amount allocated for Radiological Decommissioning only. There are no past-due tax payments owed on the decommissioning trust fund activities as of December 31, 2020. Periodic payments of estimated income taxes are made by EGC during the year on a quarterly basis. EGC then obtains reimbursement from the trust funds. The reported trust fund amounts comply with the reporting requirements of 10 CFR 50.75(f) in that the amount of funds reported are those that were accumulated as of December 31, 2020.
- (c) A 2% annual real rate of return is used as allowed by 10 CFR 50.75(e)(1)(i).
- (d) For purposes of this alternate scenario, permanent termination of operations (shutdown) would be [[    ]].



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**Alternate Decommissioning Funding Scenario (Not Actual)**

**LaSalle County Station, Unit 1**

(December 31, 2020 dollars, thousands)

1	Formula cost amount per 10 CFR 50.75(c)	\$675,110
2	Site-specific cost amount per 10 CFR 50.75(b)(4)	N/A
3	Site-specific cost amount per 10 CFR 72.30(b)	\$7,385 (a)
4	The amount of decommissioning trust funds accumulated as of December 31, 2020	\$641,347 (b)
5	Schedule of the annual amounts remaining to be collected.	\$0
6	Assumptions used regarding rates of escalation, earnings, and other factors used in funding projections	2% (c)
7	There are no contracts relied upon pursuant to 10 CFR 50.75(e)(1)(v).	
8	Financial assurance for decommissioning is provided by the prepayment method, coupled with an external trust fund, in accordance with 10 CFR 50.75(e)(1)(i) and 10 CFR 72.30(e)(1).	
9	The trust fund agreements were amended effective September 30, 2019 to reflect a change of the company holding the trusts from a Nevada LLC to an Illinois LLC.	

Effective January 1, 2021, the non-qualified trust agreement, qualified trust agreement, and Master Terms for Trust Agreements were updated to incorporate amendments previously provided to the NRC. In addition, the Master Terms for Trust Agreements were updated to include the non-qualified trust agreements and qualified trust agreements between the direct owners of Calvert Cliffs Nuclear Power Plant, Units 1 and 2, Nine Mile Point Nuclear Station, Units 1 and 2, and R.E. Ginna Nuclear Power Plant, Unit 1, and Northern Trust as Trustee that became effective January 1, 2021.

- (a) The costs from the current detailed site-specific ISFSI decommissioning cost estimate have been escalated to December 31, 2020 dollars using published escalation indices.
- (b) The trust fund amount is the amount allocated for Radiological Decommissioning only. There are no past-due tax payments owed on the decommissioning trust fund activities as of December 31, 2020. Periodic payments of estimated income taxes are made by EGC during the year on a quarterly basis. EGC then obtains reimbursement from the trust funds. The reported trust fund amounts comply with the reporting requirements of 10 CFR 50.75(f) in that the amount of funds reported are those that were accumulated as of December 31, 2020.
- (c) A 2% annual real rate of return is used as allowed by 10 CFR 50.75(e)(1)(i).
- (d) For purposes of this alternate scenario, permanent termination of operations (shutdown) would be [[                          ]].



INCLUDES ~~PROPRIETARY INFORMATION - WITHHOLD UNDER 10 CFR 2.390 AND 9.17(a)(4)~~  
Unrestricted Upon Removal of Enclosures 6A, 8A, and 10A

**ENCLOSURE 10A**

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**ALTERNATE DECOMMISSIONING FUNDING ANALYSES**

**(PROPRIETARY VERSION)**

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**ENCLOSURE 11**

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**FORM OF DECOMMISSIONING TRUST  
AGREEMENTS FOR NEW FITZPATRICK, LLC**

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Note: The highlighted **text** in Enclosure 11 are designated place holders reflecting information that will be changed or updated as discussed in the application.

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Enclosure 11

Form of Decommissioning Trust Agreements for **New FitzPatrick, LLC**

**QUALIFIED NUCLEAR DECOMMISSIONING MASTER TRUST**  
**AGREEMENT** (this “*Agreement*”), effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
between **New FitzPatrick, LLC** (“*Owner*”), a limited liability company organized under the laws  
of the State of Delaware, and The Northern Trust Company, an Illinois state banking  
corporation, as trustee (the “*Trustee*”);

**WITNESSETH:**

**WHEREAS**, Owner owns the James A. FitzPatrick Nuclear Power Plant, Unit 1  
 (“**FitzPatrick Unit 1**”);

**WHEREAS**, the decommissioning qualified trust for FitzPatrick Unit 1 is currently held  
by Owner’s parent, Exelon Generation Company, LLC (“**ExGen**”) through its subsidiary,  
Exelon Generation Consolidation, LLC (“**Consolidation**”), pursuant to the Second Amended  
and Restated Qualified Nuclear Decommissioning Master Trust Agreement between  
Consolidation and Trustee, as amended, which was established for the purpose of holding,  
investing, and disbursing funds for the decommissioning of nuclear generating units, including  
FitzPatrick Unit 1;

**WHEREAS**, Owner desires to directly own and hold the qualified nuclear  
decommissioning trust and the non-qualified nuclear decommissioning trust (reflected in another  
agreement) for FitzPatrick Unit 1; *provided, however*, that nothing in this Agreement is intended  
to conflict with or override the applicable licenses or the applicable regulatory requirements of  
the Nuclear Regulatory Commission, the Internal Revenue Service or any other regulators  
having an interest herein; and

**WHEREAS**, the execution and delivery of this Agreement have been duly authorized by  
each of the parties and all things necessary to make this Agreement a valid and binding  
agreement by each of the parties have been done.

**NOW, THEREFORE**, to provide for the continued maintenance of the Qualified Trust  
for FitzPatrick Unit 1 and the making of payments therefrom and the performance of the  
covenants by Owner and the Trustee set forth herein, ExGen (or its predecessor) has previously  
sold, assigned, transferred, set over and pledged unto the Trustee, and to the Trustee’s successors  
and assigns, and the Trustee has acknowledged receipt of the funds representing the initial  
funding of and any additional contributions to the Qualified Trusts.

**TO HAVE AND TO HOLD THE SAME IN TRUST** for the exclusive use and  
purposes and upon the terms and conditions hereinafter set forth and as set forth in the Master



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Terms (as hereinafter defined) appended hereto as Exhibit I, and such additional funds as may from time to time be added hereto as provided herein, together with the proceeds and reinvestments thereof.

**ARTICLE I**  
**DEFINITIONS AND INTERPRETATION**

**Section 1.01. Definitions.** In addition to the capitalized terms defined elsewhere in this Agreement and the accompanying Master Terms, the following terms shall have the respective meanings indicated below:

“*Additional Units*” shall have the meaning specified in Section 2.06(a).

“*Associated Public Utility*” shall have the meaning specified in Section 2.06(a).

“*Code*” shall mean the Internal Revenue Code of 1986, as amended.

“*Master Terms*” shall mean the “Master Terms for Trust Agreements” attached as Exhibit I.

“*Qualified Trust*” shall mean any of the Qualified Trusts identified in Schedule A.

“*Related Qualified Trust*” shall mean a decommissioning trust established in respect of a Unit to receive funds that qualify as “nuclear decommissioning reserve funds” under Section 468A of the Code and the Treasury Regulations promulgated thereunder.

“*Unit*” shall mean any of, and “*Units*” shall mean all of, the Former PECO Units, the Former ComEd Units, the Former AmerGen Units or the Additional Units.

**Section 1.02. Interpretation.** Except as otherwise specified herein or as the context may otherwise require:

(a) The provisions of clauses (1) through (5), inclusive, of Section 1.02 of the Master Terms shall apply in the interpretation of this Agreement.

(b) All references in this Agreement to Articles, Sections, Schedules and Exhibits are to articles and sections of, and schedules and exhibits to, this Agreement. The Article and Section headings set forth in this Agreement have been inserted for convenience of reference only and shall be disregarded in the construction or interpretation of the provisions of this Agreement.

(c) The words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subsection or other subdivision of this Agreement.

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## **ARTICLE II**

### **PURPOSES OF THE TRUSTS**

**Section 2.01. Establishment of the Trusts.** The Trustee shall continue to hold a separate Qualified Trust for FitzPatrick Unit 1 and each additional unit as applicable. The Qualified Trust for each Unit shall be as identified in Schedule A. The Qualified Trusts shall be maintained separately at all times in the United States pursuant to this Agreement. Owner intends that the Qualified Trusts shall qualify as nuclear decommissioning reserve funds under section 468A of the Code. The assets of the Qualified Trusts may be used only in a manner authorized by section 468A of the Code and the Treasury Regulations thereunder. The Trustee shall maintain such records as are necessary to reflect each Qualified Trust separately on its books from each other Qualified Trust and shall create and maintain such subaccounts within each Qualified Trust as Owner shall direct.

**Section 2.02. Purposes of the Trusts.** The Qualified Trust is established for the exclusive purpose of providing funds for the decommissioning of the Unit(s). The Qualified Trusts shall accumulate all contributions (whether from Owner or others) that satisfy the requirements of Section 2.02 of the Master Terms. The assets in the Qualified Trusts shall be used as authorized by section 468A of the Code and the Treasury Regulations thereunder. None of the assets of the Qualified Trusts shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of Owner or any other party.

**Section 2.03. Contributions to the Trusts.** The assets of the Qualified Trusts shall be transferred or contributed by Owner (or by others approved in writing by Owner) from time to time. Contributions for a Unit shall be allocated to the Related Qualified Trust as Owner designates in writing at the time of payment.

**Section 2.04. Master Terms.** In addition to the terms set forth in this Agreement, the Qualified Trusts shall also be governed by the applicable provisions of the Master Terms, which are incorporated herein by this reference. The terms of this Agreement, to the extent construed to be in conflict with the Master Terms, shall take precedence over the Master Terms.

**Section 2.05. Transferability.** Owner may transfer any interest in a Qualified Trust; *provided, however*, that in the case of a Qualified Trust relating to the Unit or an Additional Unit, if there is an Associated Public Utility, any such transfer shall be made subject to and upon the agreement (which shall be in form and substance satisfactory to such Associated Public Utility) of the successor transferee to observe the provisions of this Section 2.05 and Sections 8.06 and 7.01 (as it relates to approval of amendments of this Section 2.05 and Sections 8.06 and 7.01 of the Master Terms) of the Master Terms.

**Section 2.06. Changes in Units/Qualified Trusts.**

(a) Owner may, by written notice to the Trustee, cause additional Units (“*Additional Units*”) and their Related Qualified Trusts to be added to, and to be subject

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to, the terms and conditions of this Agreement. Any such notice shall identify (i) the Additional Unit(s), (ii) the Related Qualified Trust(s), (iii) any public utility to which any assets remaining in such Trust are to be returned following the completion of decommissioning activities (an “*Associated Public Utility*”) and (iv) the assets, if any, held by any such Related Qualified Trust(s). Owner shall deliver to the Trustee an amended version of Schedule A reflecting such addition(s) in Part IV, which amended schedule shall replace the existing Schedule A absent manifest error.

(b) Subject to any applicable provisions of Section 2.05, Owner may, by written notice to the Trustee, cause one or more Units and its or their Qualified Trust(s) to be removed from the provisions of this Agreement. Any such notice shall identify (i) the Unit, (ii) the Related Qualified Trust, (iii) if decommissioning activities in respect of such Unit have been completed in accordance with applicable law and is so certified in the notice, the recipient of any remaining assets in the Related Qualified Trust, which shall be (x) any public utility to which such assets are to be returned for ultimate refund to such public utility’s customers by such public utility or (y) Owner or its designee, if there is no such public utility and (iv) if decommissioning activities in respect of such Unit have not been completed in accordance with applicable law, the institution who shall become the trustee for such qualified funds under a nuclear decommissioning trust agreement, as so certified by Owner in such notice. Owner shall deliver to the Trustee an amended version of Schedule A reflecting such removal(s), which amended schedule shall replace the existing Schedule A absent manifest error.

### **ARTICLE III** **DISTRIBUTIONS**

**Section 3.01. Distributions.** Upon receipt of written instructions from Owner, and pursuant to the terms of Article III of the Master Terms, the Trustee shall distribute all or a portion of a Qualified Trust to Owner or a third party.

### **TERMINATION**

**Section 3.02. Termination.** A Qualified Trust shall terminate in accordance with Article VIII of the Master Terms.

**Section 3.03. Distribution of Trust Upon Termination.** Upon termination of all or a portion of a Qualified Trust, the Trustee shall distribute that trust’s assets as provided in Article VIII of the Master Terms.

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**ARTICLE IV**  
**MISCELLANEOUS**

**Section 4.01. Binding Agreement.** All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their successors and assigns.

**Section 4.02. Notices.** All notices or other communications to be given hereunder shall be in writing and shall be deemed to have been validly given or delivered upon the earlier of (i) personal delivery to the address set forth below, (ii) in the case of facsimile transmission, when transmitted (provided receipt is confirmed), (iii) in the case of a reputable overnight delivery service, one business day after delivery to such courier service, (iv) in the case of electronic mail, on the day (if a business day and, if not, on the next following business day) on which it is validly transmitted if transmitted before 4:00 p.m., recipient's time, and if transmitted after that time, on the next following business day or (v) in the case of mailing, three business days after deposit in the United States mails, with proper postage for certified mail, return receipt requested, prepaid; *provided, however*, if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender. Notices to be provided pursuant to this Agreement shall be provided to the following addressees:

(a) If to the Trustee, to:

The Northern Trust Company  
50 South LaSalle Street  
Chicago, Illinois 60603  
Attn: Amy Pera  
Fax: (312) 630-6062  
E-mail: als6@ntrs.com

(b) If to Owner, to:

**New FitzPatrick, LLC**  
c/o TBD

Either party may change its address for notices by written notice to the other party, *provided* any such notice shall only be effective upon receipt.

**Section 4.03. Governing Law.** Each Qualified Trust has been established pursuant to this Agreement in accordance with the requirements for trusts under the laws of Illinois and this Agreement shall be governed by, and construed and enforced in accordance with, the laws of Illinois.

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**Section 4.04. Waiver of Jury Trial.** The parties hereby expressly waive, to the fullest extent permitted by applicable law, any right to trial by jury with respect to any judicial proceeding arising from or related to this Agreement.

**Section 4.05. Counterparts.** This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

**Section 4.06. Contractual Income.** The Trustee is authorized, but shall not be obligated, to provisionally credit the Qualified Trusts with income, distributions, redemptions, maturity proceeds or other amounts due on securities on the contractual payment date net of any taxes or upon actual receipt. To the extent the Trustee credits income on the contractual payment date, the Trustee may reverse such accounting entries with back value to the contractual payment date if the Trustee reasonably believes that such amount will not be received by it.

**Section 4.07. Contractual Settlement.** The Trustee will attend to the settlement of securities transactions on the basis of either contractual settlement date accounting or actual settlement date accounting. The Trustee is authorized, but shall not be obligated, to settle certain securities transactions on the basis of contractual settlement date accounting, pursuant to which the Trustee shall automatically credit or debit a Trust provisionally on a contractual settlement date with cash or securities in connection with any sale, exchange or purchase of securities. Otherwise, such cash or securities shall be credited to a Trust on the day such cash or securities are actually received by the Trustee and reconciled to that Trust. In cases where the Trustee credits or debits a Trust with cash or securities prior to actual receipt and reconciliation, the Trustee may reverse with back value to the contractual settlement date any entry relating to such contractual settlement where the related transaction remains unsettled according to established procedures.

Owner acknowledges and agrees that funds debited from a Trust on a contractual settlement date including funds provided for the purchase of any securities under circumstances where settlement is delayed or otherwise does not take place in a timely manner for any reason, shall be held pending actual settlement of the related purchase transaction in a non-interest bearing deposit, notwithstanding the Trustee's receipt of "float" from such uninvested funds; that such funds shall be available for use in the Trustee's general operations; and that the Trustee's maintenance and use of such funds in such circumstances are, without limitation, in consideration of its providing contractual settlement date processing.

**Section 4.08. Authority.** Owner and the Trustee hereby each represent and warrant to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on its behalf has the requisite authority to bind Owner and the Trustee to this Agreement.

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**IN WITNESS WHEREOF**, the parties hereto, each intending to be legally bound hereby, have hereunto set their hands and seals as of the day and year first above written.

**NEW FITZPATRICK, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**THE NORTHERN TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

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**Schedule A**

The following is a list of the Units and the Qualified Trusts:

<u>Units</u>	<u>Qualified Trusts</u>
<b>Part I: Unit</b>	
James A. FitzPatrick Nuclear Generating Station	Exelon Fitzpatrick Qualified Fund

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**THIS NONQUALIFIED NUCLEAR DECOMMISSIONING MASTER TRUST AGREEMENT** (the “*Agreement*”), effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between **New FitzPatrick, LLC** (“*Owner*”), a limited liability company organized under the laws of the State of Illinois, and The Northern Trust Company, an Illinois state banking corporation, as trustee (the “*Trustee*”);

**WITNESSETH:**

**WHEREAS**, Owner owns the James A. FitzPatrick Nuclear Power Plant, Unit 1 (“**FitzPatrick Unit 1**”);

**WHEREAS**, the nonqualified nuclear decommissioning trust for FitzPatrick Unit 1 is currently held by Owner’s parent, Exelon Generation Company, LLC (“**ExGen**”) through its subsidiary, Exelon Generation Consolidation, LLC (“**Consolidation**”), pursuant to the Second Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement between Consolidation and Trustee, as amended, which was established for the purpose of holding, investing, and disbursing funds for the decommissioning of nuclear generating units, including FitzPatrick Unit 1;

**WHEREAS**, Owner desires to directly own and hold the nonqualified nuclear decommissioning trust and the nonqualified nuclear decommissioning trust (reflected in another agreement) for FitzPatrick Unit 1; *provided, however*, that nothing in this Agreement is intended to conflict with or override the applicable licenses or the applicable regulatory requirements of the Nuclear Regulatory Commission, the Internal Revenue Service or any other regulators having an interest herein; and

**WHEREAS**, the execution and delivery of this Agreement have been duly authorized by each of the parties and all things necessary to make this Agreement a valid and binding agreement by each of the parties have been done.

**NOW, THEREFORE**, to provide for the continued maintenance of the Nonqualified Trust for FitzPatrick Unit 1 and the making of payments therefrom and the performance of the covenants by Owner and the Trustee set forth herein, ExGen (or its predecessor) has previously sold, assigned, transferred, set over and pledged unto the Trustee, and to the Trustee’s successors and assigns, and the Trustee has acknowledged receipt of the funds representing the initial funding of and any additional contributions to the Nonqualified Trusts.

**TO HAVE AND TO HOLD THE SAME IN TRUST** for the exclusive use and purposes and upon the terms and conditions hereinafter set forth and as set forth in the Master Terms (as hereinafter defined) appended hereto as Exhibit I, and such additional funds as may from time to time be added hereto as provided herein, together with the proceeds and reinvestments thereof.



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## DEFINITIONS AND INTERPRETATION

**Section 4.01. Definitions.** In addition to the capitalized terms defined elsewhere in this Agreement and the accompanying Master Terms, the following terms shall have the respective meanings indicated below:

“*Additional Units*” shall have the meaning specified in Section 2.06(a).

“*Associated Public Utility*” shall have the meaning specified in Section 2.06(a).

“*Code*” shall mean the Internal Revenue Code of 1986, as amended.

“*Master Terms*” shall mean the “Master Terms for Trust Agreements” attached as Exhibit I.

“*Nonqualified Trust*” shall mean any of the Nonqualified Trusts identified in Schedule A.

“*Qualified Trusts*” shall mean the separate trusts established for nuclear decommissioning that are tax qualified under section 468A of the Code, which trusts are identified in Schedule A to the Second Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement dated as of July 1, 2013 between Owner and the Trustee.

“*Related Nonqualified Trust*” shall mean a decommissioning trust established in respect of a Unit to receive funds that do not qualify as “nuclear decommissioning reserve funds” under Section 468A of the Code and the Treasury Regulations promulgated thereunder.

“*Unit*” shall mean any of, and “*Units*” shall mean all of, the Former PECO Units, the Former ComEd Units, the Former AmerGen Units or the Additional Units.

**Section 4.02. Interpretation.** Except as otherwise specified herein or as the context may otherwise require:

(a) The provisions of clauses (1) through (5), inclusive, of Section 1.02 of the Master Terms shall apply in the interpretation of this Agreement.

(b) All references in this Agreement to Articles, Sections, Schedules and Exhibits are to articles and sections of, and schedules and exhibits to, this Agreement. The Article and Section headings set forth in this Agreement have been inserted for convenience of reference only and shall be disregarded in the construction or interpretation of the provisions of this Agreement.

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(c) The words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subsection or other subdivision of this Agreement.

### **PURPOSES OF THE TRUSTS**

**Section 4.03. Establishment of the Trusts.** The Trustee shall continue to hold a separate Nonqualified Trust for each Unit. The Nonqualified Trust for each Unit shall be as identified in Schedule A, with Owner as owner of such Nonqualified Trust. The Nonqualified Trusts shall be maintained separately at all times in the United States pursuant to this Agreement. The Trustee shall maintain such records as are necessary to reflect each Nonqualified Trust separately on its books from each other Nonqualified Trust, and shall create and maintain such subaccounts within each Nonqualified Trust as Owner shall direct.

**Section 4.04. Purposes of the Trusts.** The Nonqualified Trusts are established for the exclusive purpose of providing funds for the decommissioning of the Units. The Nonqualified Trust for a Unit shall accumulate all contributions (whether from Owner or others) that do not satisfy the requirements for contributions to the Qualified Trust for that Unit, pursuant to Section 2.02 of the Master Terms. None of the assets of the Nonqualified Trusts shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of Owner or any other party.

**Section 4.05. Contributions to the Trusts.** The assets of the Nonqualified Trusts shall be transferred or contributed by Owner (or others approved in writing by Owner) from time to time. Contributions for a Unit shall be allocated to the Related Nonqualified Trust as Owner designates in writing at the time of payment.

**Section 4.06. Master Terms.** In addition to the terms set forth in this Agreement, the Nonqualified Trusts shall also be governed by the applicable provisions of the Master Terms, which are incorporated herein by this reference. The terms of this Agreement, to the extent construed to be in conflict with the Master Terms, shall take precedence over the Master Terms.

**Section 4.07. Transferability.** Owner may transfer any interest in a Nonqualified Trust; *provided, however*, that (i) in the case of a Nonqualified Trust relating to a Former ComEd Unit, any such transfer shall be made subject to and upon the agreement (which shall be in form and substance satisfactory to ComEd) of the successor transferee to observe the provisions of this Section 2.05 and Sections 8.04 and 7.01 (as it relates to approval of amendments of this Section 2.05 and Sections 8.04 and 7.01 of the Master Terms) of the Master Terms, (ii) in the case of a Nonqualified Trust relating to a Former PECO Unit, any such transfer shall be made subject to and upon the agreement (which shall be in form and substance satisfactory to PECO) of the successor transferee to observe the provisions of this Section 2.05 and Sections 8.05 and 7.01 (as it relates to approval of amendments of this Section 2.05 and Sections 8.05 and 7.01 of the Master Terms) of the Master Terms and (iii) in the case of a Nonqualified Trust relating to an

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Additional Unit, if there is an Associated Public Utility, any such transfer shall be made subject to and upon the agreement (which shall be in form and substance satisfactory to such Associated Public Utility) of the successor transferee to observe the provisions of this Section 2.05 and Sections 8.06 and 7.01 (as it relates to approval of amendments of this Section 2.05 and Sections 8.06 and 7.01 of the Master Terms) of the Master Terms.

**Section 4.08. Changes in Units/Nonqualified Trusts.**

(a) Owner may, by written notice to the Trustee, cause additional Units (“*Additional Units*”) and their Related Nonqualified Trusts to be added to, and to be subject to, the terms and conditions of this Agreement. Any such notice shall identify (i) the Unit(s), (ii) the Related Nonqualified Trust(s), (iii) any public utility to which any assets remaining in such Trust are to be returned following the completion of decommissioning activities (an “*Associated Public Utility*”), (iv) the assets, if any, held by any such Related Nonqualified Trust(s) and (v) the entity(ies) that owns such Related Nonqualified Trust(s). Owner shall deliver to the Trustee an amended version of Schedule A reflecting such addition(s) in Part IV, which amended schedule shall replace the existing Schedule A absent manifest error.

(b) Subject to any applicable provisions of Section 2.05, Owner may, by written notice to the Trustee, cause its associated Unit and the associated Nonqualified Trust to be removed from the provisions of this Agreement. Any such notice shall identify (i) the Unit, (ii) the Related Nonqualified Trust, (iii) if decommissioning activities in respect of such Unit have been completed in accordance with applicable law and is so certified in the notice, the recipient of any remaining assets in the Related Nonqualified Trust, which shall be (x) any public utility to which such assets are to be returned for ultimate refund to such public utility’s customers by such public utility or (y) Owner or its designee, if there is no such public utility and (iv) if decommissioning activities in respect of such Unit have not been completed in accordance with applicable law, the institution who shall become the trustee for such nonqualified funds under a nuclear decommissioning trust agreement, as so certified by Owner in such notice. Owner shall deliver to the Trustee an amended version of Schedule A reflecting such removal(s), which amended schedule shall replace the existing Schedule A absent manifest error.

**DISTRIBUTIONS**

**Section 4.09. Distributions.** Upon receipt of written instructions from Owner, and pursuant to the terms of Article III of the Master Terms, the Trustee shall distribute all or a portion of a Nonqualified Trust to Owner or a third party.

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### TERMINATION

**Section 4.10. Termination.** A Nonqualified Trust shall terminate in accordance with Article VIII of the Master Terms.

**Section 4.11. Distribution of Trust Upon Termination.** Upon termination of all or a portion of a Nonqualified Trust, the Trustee shall distribute that trust's assets as provided in Article VIII of the Master Terms.

### MISCELLANEOUS

**Section 4.12. Binding Agreement.** All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto and their successors and assigns.

**Section 4.13. Notices.** All notices or other communications to be given hereunder shall be in writing and shall be deemed to have been validly given or delivered upon the earlier of (i) personal delivery to the address set forth below, (ii) in the case of facsimile transmission, when transmitted (provided receipt is confirmed), (iii) in the case of a reputable overnight delivery service, one business day after delivery to such courier service, (iv) in the case of electronic mail, on the day (if a business day and, if not, on the next following business day) on which it is validly transmitted if transmitted before 4:00 p.m., recipient's time, and if transmitted after that time, on the next following business day or (v) in the case of mailing, three business days after deposit in the United States mails, with proper postage for certified mail, return receipt requested, prepaid; *provided, however*, if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender. Notices to be provided pursuant to this Agreement shall be provided to the following addressees:

- (a) If to the Trustee, to:

The Northern Trust Company  
50 South LaSalle Street  
Chicago, Illinois 60603  
Attn: Amy Pera  
Fax: (312) 630-6062  
E-mail: ALS6@ntrs.com

- (b) If to Owner, to:

**New FitzPatrick, LLC**  
c/o TBD

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Any party may change its address for notices by written notice to the other parties, *provided* any such notice shall only be effective upon receipt.

**Section 4.14. Governing Law.** Each Nonqualified Trust has been established pursuant to this Agreement in accordance with the requirements for trusts under the laws of Illinois and this Agreement shall be governed by, and construed and enforced in accordance with, the laws of Illinois.

**Section 4.15. Waiver of Jury Trial.** The parties hereby expressly waive, to the fullest extent permitted by applicable law, any right to trial by jury with respect to any judicial proceeding arising from or related to this Agreement.

**Section 4.16. Counterparts.** This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

**Section 4.17. Contractual Income.** The Trustee is authorized, but shall not be obligated, to provisionally credit the Trusts with income, distributions, redemptions, maturity proceeds or other amounts due on securities on the contractual payment date net of any taxes or upon actual receipt. To the extent the Trustee credits income on the contractual payment date, the Trustee may reverse such accounting entries with back value to the contractual payment date if the Trustee reasonably believes that such amount will not be received by it.

**Section 4.18. Contractual Settlement.** The Trustee will attend to the settlement of securities transactions on the basis of either contractual settlement date accounting or actual settlement date accounting. The Trustee is authorized, but shall not be obligated, to settle certain securities transactions on the basis of contractual settlement date accounting, pursuant to which the Trustee shall automatically credit or debit a Trust provisionally on a contractual settlement date with cash or securities in connection with any sale, exchange or purchase of securities. Otherwise, such cash or securities shall be credited to a Trust on the day such cash or securities are actually received by the Trustee and reconciled to that Trust. In cases where the Trustee credits or debits a Trust with cash or securities prior to actual receipt and reconciliation, the Trustee may reverse with back value to the contractual settlement date any entry relating to such contractual settlement where the related transaction remains unsettled according to established procedures.

Owner acknowledges and agrees that funds debited from a Trust on a contractual settlement date including funds provided for the purchase of any securities under circumstances where settlement is delayed or otherwise does not take place in a timely manner for any reason, shall be held pending actual settlement of the related purchase transaction in a non-interest bearing deposit, notwithstanding the Trustee's receipt of "float" from such uninvested funds; that such funds shall be available for use in the Trustee's general operations; and that the Trustee's maintenance and use of such funds in such circumstances are, without limitation, in consideration of its providing contractual settlement date processing.

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**Section 4.19. Authority.** Owner and the Trustee hereby each represent and warrant to the other that it has full authority to enter into this Agreement upon the terms and conditions hereof and that the individual executing this Agreement on behalf of such entity has the requisite authority to bind such entity to this Agreement. Each party ratifies the actions of the Trustee from the effective date to the signing date of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto, each intending to be legally bound hereby, have hereunto set their hands and seals as of the day and year first above written.

**NEW FITZPATRICK, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**THE NORTHERN TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title

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**Schedule A**

The following is a list of the Units and the Nonqualified Trusts:

<u>Unit</u>	<u>Nonqualified Trust</u>	
<b>Part I: Units</b>		
James A. FitzPatrick Nuclear Generating Station	Exelon Fitzpatrick Nonqualified Fund	

**ENCLOSURE 12**

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**SUMMARY OF REGULATORY COMMITMENTS**

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**SUMMARY OF REGULATORY COMMITMENTS**

The following table identifies commitments made in this document. Any other actions discussed in this submittal represent intended or planned actions. They are described to the NRC for the NRC's information and are not regulatory commitments.

COMMITMENT	COMMITTED DATE OR "OUTAGE"	COMMITMENT TYPE	
		ONE-TIME ACTION (Yes/No)	Programmatic (Yes/No)
Notify the NRC when the license transfer transaction is scheduled to be consummated.	Upon the scheduling of the closing of the transaction.	Yes	No
The Applicants will provide at least two business days' notice prior to the date planned to consummate the Spin Transaction so that NRC can issue the license amendments on that date.	At least two business days before the planned closing date.	Yes	No
Applicants will supplement the license transfer application to identify the directors of HoldCo.	At least two business days before the planned closing date.	Yes	No
Applicants will provide markups of each of the affected licenses.	Approximately 30 days from submittal of the license transfer application.	Yes	No