

RS-22-017  
April 20, 2022

10 CFR 50.90

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

Calvert Cliffs Nuclear Power Plant, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-53 and DPR-69  
NRC Docket Nos. 50-317, 50-318, 72-0008, and 72-0078

Subject: License Amendment Request – Deletion of Facility Operating License Conditions  
Related to Decommissioning Trust Provisions for Calvert Cliffs

Reference: Volume 67, Federal Register, Page 78332 (67 FR 78332), dated  
December 24, 2002

In accordance with 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit," Constellation Energy Generation, LLC (CEG), requests an amendment to Renewed Facility Operating License (FOL) Nos. DPR-53 and DPR-69 for Calvert Cliffs Nuclear Power Plant, Units 1 and 2. The amendment request proposes to delete from the FOL certain license conditions which impose specific requirements on the decommissioning trust agreement. Upon approval of this amendment, the provisions of 10 CFR 50.75(h) that specify the regulatory requirements for decommissioning trust funds will apply.

The option to delete license conditions relating to the terms and conditions of decommissioning trust agreements and, instead, conform to the 10 CFR 50.75(h) regulations amended in 2002 (Reference) is specifically contemplated by the provisions of 10 CFR 50.75(h)(5), and the generic finding of no significant hazards consideration in 10 CFR 50.75(h)(4).

Attachment 1 provides the evaluation for the proposed changes. Attachment 2 provides the existing FOL pages marked up depicting the proposed changes.

The proposed changes have been reviewed and approved by the Plant Operations Review Committee at Calvert Cliffs in accordance with the requirements of the CEG Quality Assurance Program.

CEG requests approval of the proposed changes by April 20, 2023. Once approved, the amendment shall be implemented within 180 days.

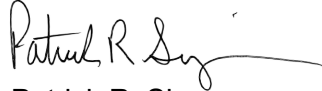
In accordance with 10 CFR 50.91, "Notice for public comment; State consultation," paragraph (b), CEG is notifying the State of Maryland of this application for license amendment by transmitting a copy of this letter and its attachments to the designated State Officials.

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There are no regulatory commitments contained in this letter. Should you have any questions concerning this letter, please contact Mrs. Linda M. Palutsis at (630) 657-2821.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 20th day of April 2022.

Respectfully,



Patrick R. Simpson  
Sr. Manager Licensing  
Constellation Energy Generation, LLC

Attachments:

1. Evaluation of Proposed Changes
2. Proposed Facility Operating License Appendix C Changes - Marked-Up Pages

cc: Regional Administrator - NRC Region I  
NRC Senior Resident Inspector - Calvert Cliffs Nuclear Power Plant  
S. Seaman - State of Maryland

**ATTACHMENT 1**  
**Evaluation of Proposed Changes**

**1.0 SUMMARY DESCRIPTION**

This license amendment request proposes to delete from the Facility Operating License (FOL) certain license conditions which impose specific requirements on the decommissioning trust agreements. Constellation Energy Generation, LLC (CEG) has elected to subject Calvert Cliffs decommissioning trust agreement to the regulatory requirements for decommissioning trust funds that are specified in 10 CFR 50.75(h). The option to delete license conditions relating to the terms and conditions of decommissioning trust agreements and, instead, conform to the regulations as amended in 2002 (Reference 1) and as amended in 2003 (Reference 2) is consistent with the NRC's stated intent in the Final Rule for Decommissioning Trust Provisions published in the Federal Register and is specifically contemplated by the provisions of 10 CFR 50.75(h)(5), and the generic finding of no significant hazards consideration in 10 CFR 50.75(h)(4).

**2.0 DETAILED DESCRIPTION**

In accordance with 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit," Constellation Energy Generation, LLC (CEG), requests an amendment to Renewed Facility Operating License (FOL) Nos. DPR-53 and DPR-69 for Calvert Cliffs Nuclear Power Plant, Units 1 and 2. The amendment request proposes to delete from the FOL certain license conditions which impose specific requirements on the decommissioning trust agreement.

Upon approval of this amendment, the provisions of 10 CFR 50.75(h) that specify the regulatory requirements for decommissioning trust funds will apply.

In December 2002 (Reference 1), the NRC amended the regulations under 10 CFR 50.75(e) and added new provisions at 10 CFR 50.75(h)(1) through (4) that govern financial assurance mechanisms for licensees that are not "electric utilities" as defined in 10 CFR 50.2. CEG is not an "electric utility" since CEG does not recover the cost of electricity generated through rates established by itself or by a separate regulatory authority. In the 2002 rulemaking, the NRC addressed several comments regarding potential conflicts or inconsistencies between the provisions of 10 CFR 50.75(h) and a licensee's existing decommissioning trust-related license conditions. The NRC explained that "licensees will have the option of maintaining their existing license conditions or submitting to the new requirements" and "will be able to decide for themselves whether they prefer to keep or eliminate their specific license conditions." To support the option to amend and eliminate these license conditions, the NRC made a generic determination in 10 CFR 50.75(h)(4) that a license amendment which does no more than delete specific license conditions relating to the terms and conditions of decommissioning trust agreements involves "no significant hazards consideration."

In November 2003 (Reference 2), the NRC added new section 10 CFR 50.75(h)(5) to the regulations, which codifies the NRC's stated intention of allowing licensees to choose to either maintain their existing license conditions or eliminating them in favor of complying with the new regulatory requirements. 10 CFR 50.75(h)(5) states:

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The provisions of paragraphs (h)(1) through (h)(3) of this section do not apply to any licensee that as of December 24, 2003, has existing license conditions relating to decommissioning trust agreements, so long as the licensee does not elect to amend those license conditions. If a licensee with existing license conditions relating to decommissioning trust agreements elects to amend those conditions, the license amendment shall be in accordance with the provisions of paragraph (h) of this section.

Consistent with 10 CFR 50.75(h)(5), CEG has elected to adopt the requirements of 10 CFR 50.75(h) by requesting deletion of those license conditions that are currently incorporated in the Calvert Cliffs FOL Appendix C.

**3.0 TECHNICAL EVALUATION**

The following table summarizes the specific FOL License Conditions requested for deletion and how they are addressed in the regulations.

Table Calvert Cliffs License Conditions addressed 10 CFR 50.75

License Condition	Specific Section	Regulatory Requirement
The decommissioning trust agreement must be in a form acceptable to the NRC.	Unit 1 – Appendix C, Additional Conditions – Amendment 237 Condition (a)  Unit 2 – Appendix C, Additional Conditions – Amendment 211 Condition (a)	In the 2002 rulemaking (Reference 1), the NRC stated: "The amendments to NRC's requirements for decommissioning trust provisions of nuclear power plants require that decommissioning trust agreements be in a form acceptable to the NRC in order to increase assurance that an adequate amount of decommissioning funds will be available for their intended purpose."
With respect to the decommissioning trust funds, investments in the securities or other obligations of Constellation Energy Group Inc, or its affiliates, successors, or assigns shall be prohibited. Except for investments tied to market indexes or other non-nuclear sector mutual funds, investments in any entity	Unit 1 – Appendix C, Additional Conditions – Amendment 237 Condition (b)  Unit 2 – Appendix C, Additional Conditions –	<b>10 CFR 50.75(h)(1)(i)(A)</b>  "The trustee, manager, investment advisor, or other person directing investment of the funds: Is prohibited from investing the funds in securities or other obligations of the licensee or any other owner or operator of any nuclear power reactor or their affiliates, subsidiaries, successors or assigns, or in a mutual fund in which at least 50 percent of the fund is invested in the securities of a licensee or parent company whose

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License Condition	Specific Section	Regulatory Requirement
<p>owning one or more nuclear power plants are prohibited.</p>	<p>Amendment 211 Condition (b)</p>	<p>subsidiary is an owner or operator of a foreign or domestic nuclear power plant. However, the funds may be invested in securities tied to market indices or other non-nuclear sector collective, commingled, or mutual funds, provided that this subsection shall not operate in such a way as to require the sale or transfer either in whole or in part, or other disposition of any such prohibited investment that was made before the publication date of this rule, and provided further that no more than 10 percent of trust assets may be indirectly invested in securities of any entity owning or operating one or more nuclear power plants."</p>
<p>The decommissioning trust agreement must provide that no disbursements or payments from the trust shall be made by the trustee until the trustee has first given the NRC 30 days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the Director, Office of Nuclear Reactor Regulation.</p>	<p>Unit 1 – Appendix C, Additional Conditions – Amendment 237 Condition (c)</p> <p>Unit 2 – Appendix C, Additional Conditions – Amendment 211 Condition (c)</p>	<p style="text-align: center;"><b>10 CFR 50.75(h)(1)(iv)</b></p> <p>"Except for withdrawals being made under § 50.82(a)(8) or for payments of ordinary administrative costs (including taxes) and other incidental expenses of the fund (including legal, accounting, actuarial, and trustee expenses) in connection with the operation of the fund, no disbursement or payment may be made from the trust, escrow account, Government fund, or other account used to segregate and manage the funds until written notice of the intention to make a disbursement or payment has been given to the Director, Office of Nuclear Reactor Regulation, Director, Office of New Reactors, or Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the date of the intended disbursement or payment. The disbursement or payment from the trust, escrow account, Government fund or other account may be made following the 30-working day notice period if the person responsible for managing the trust, escrow account, Government fund, or other account does not receive written notice of objection from the Director, Office of Nuclear Reactor Regulation, Director, Office of New Reactors, or Director, Office of</p>

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License Condition	Specific Section	Regulatory Requirement
		<p>Nuclear Material Safety and Safeguards, as applicable, within the notice period. Disbursements or payments from the trust, escrow account, Government fund, or other account used to segregate and manage the funds, other than for payment of ordinary administrative costs (including taxes) and other incidental expenses of the fund (including legal, accounting, actuarial, and trustee expenses) in connection with the operation of the fund, are restricted to decommissioning expenses or transfer to another financial assurance method acceptable under paragraph (e) of this section until final decommissioning has been completed. After decommissioning has begun and withdrawals from the decommissioning fund are made under § 50.82(a)(8), no further notification need be made to the NRC."</p>
<p>The decommissioning trust agreement must provide that the agreement cannot be amended in any material respect without 30 days prior written notification to the Director, Office of Nuclear Reactor Regulation.</p>	<p>Unit 1 – Appendix C, Additional Conditions – Amendment 237 Condition (d)</p> <p>Unit 2 – Appendix C, Additional Conditions – Amendment 211 Condition (d)</p>	<p align="center"><b>10 CFR 50.75(h)(1)(iii)</b></p> <p>"The trust, escrow account, Government fund, or other account used to segregate and manage the funds may not be amended in any material respect without written notification to the Director, Office of Nuclear Reactor Regulation, Director, Office of New Reactors, or Director, Office of Nuclear Material Safety and Safeguards, as applicable, at least 30 working days before the proposed effective date of the amendment. The licensee shall provide the text of the proposed amendment and a statement of the reason for the proposed amendment. The trust, escrow account, Government fund, or other account may not be amended if the person responsible for managing the trust, escrow account, Government fund, or other account receives written notice of objection from the Director, Office of Nuclear Reactor Regulation, Director, Office of New Reactors, or Director, Office of Nuclear Material Safety and Safeguards, as applicable, within the notice period"</p>

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**Evaluation of Proposed Changes**

License Condition	Specific Section	Regulatory Requirement
<p>The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.</p>	<p>Unit 1 – Appendix C, Additional Conditions – Amendment 237 Condition (e)</p> <p>Unit 2 – Appendix C, Additional Conditions – Amendment 211 Condition (e)</p>	<p style="text-align: center;"><b>10 CFR 50.75(h)(1)(i)(B)</b></p> <p>"Is obligated at all times to adhere to a standard of care set forth in the trust, which either shall be the standard of care, whether in investing or otherwise, required by State or Federal law or one or more State or Federal regulatory agencies with jurisdiction over the trust funds, or, in the absence of any such standard of care, whether in investing or otherwise, that a prudent investor would use in the same circumstances. The term "prudent investor," shall have the same meaning as set forth in the Federal Energy Regulatory Commission's "Regulations Governing Nuclear Plant Decommissioning Trust Funds" at 18 CFR 35.32(a)(3), or any successor regulation."</p>
<p>Company shall provide decommissioning funding assurance, to be held in decommissioning trusts for Calvert Cliffs Unit 1 upon the transfer of the license to Company, in an amount equal to or greater than the balance in the Calvert Cliffs Unit 1 decommissioning trusts immediately prior to the transfer. In addition, Company shall ensure that all contractual arrangements referred to in the application for approval of the transfer of this license to Company to obtain necessary decommissioning funds for Calvert Cliffs Unit 1 through a non-bypassable charge are executed and will be maintained until the decommissioning trust is fully funded, or shall ensure that other mechanisms that provide equivalent assurance of decommissioning funding in</p>	<p>Unit 1 – Appendix C, Additional Conditions – Amendment 237 Condition page 3</p> <p>Unit 2 – Appendix C, Additional Conditions – Amendment 211 Condition page 3</p>	<p>This license condition is no longer needed, based on the provisions of <b>10 CFR 50.75(h)</b> and CEG's decision to comply with that section's decommissioning trust agreement requirements. In addition, as noted in the 2002 rulemaking, "the NRC has always believed that it is preferable and more efficient to adopt standard rules, as opposed to applying specific license conditions on a case-by-case basis" (Reference 1). This license condition is effectively addressed by the standard requirements codified in the regulations.</p>

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License Condition	Specific Section	Regulatory Requirement
<p>accordance with the Commission's regulations are maintained.</p> <p>Company shall take all necessary steps to ensure that the decommissioning trusts are maintained in accordance with the application for approval of the transfer of this license to Company, the requirements of the Order dated June 30, 2000 approving the transfer, and the related safety evaluation.</p>		

**4.0 REGULATORY ANALYSIS**

**4.1 Applicable Regulatory Requirements/Criteria**

The proposed changes have been evaluated to determine whether applicable regulations and requirements continue to be met. CEG has determined that the proposed changes do not require any exemptions or relief from regulatory requirements.

As summarized on the Table in section 3.0, the regulatory requirements applicable to this amendment request are stated in 10 CFR 50.75, "Reporting and recordkeeping for decommissioning planning," more specifically, the provisions under 10 CFR 50.75(h).

**4.2 Precedent**

- The following License Amendments were issued on April 6, 2020, for other CEG Stations (Reference 3).
  - Braidwood Station, Units 1 and 2; License Amendment No. 208
  - Byron Station, Unit Nos. 1 and 2; License Amendment No. 214
  - Clinton Power Station, Unit No. 1; License Amendment No. 230
  - Dresden Nuclear Power Station, Units 1, 2, and 3; License Amendment Nos. 48, 267, and 260
  - James A. Fitzpatrick Nuclear Power Plant; License Amendment No. 334
  - LaSalle County Station, Units 1 and 2; License Amendment Nos. 243 and 229
  - Limerick Generating Station, Units 1 and 2; License Amendment Nos. 244 and 207
  - Nine Mile Point Nuclear Station, Units 1 and 2; License Amendment Nos. 242 and 180
  - Peach Bottom Atomic Power Station, Units 1, 2, License Amendment Nos. 16, 333, and 336



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- Quad Cities Nuclear Power Station, Units 1 and 2; License Amendment Nos. 280, and 275
- R. E. Ginna Nuclear Power Plant, License Amendment No. 140
- Indian Point Nuclear Generating Unit Nos.1 and 2 License Amendment Nos. 61 and 289 were issued on March 21, 2019 (Reference 4).

**4.3 No Significant Hazards Consideration Determination Analysis**

In accordance with 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit," Constellation Energy Generation, LLC (CEG), requests an amendment to Renewed Facility Operating License (FOL) Nos. DPR-53 and DPR-69 for Calvert Cliffs Nuclear Power Plant, Units 1 and 2.

The amendment request proposes to delete from the FOL certain license conditions which impose specific requirements on the decommissioning trust agreements. Upon approval of this amendment, the provisions of 10 CFR 50.75(h) that specify the regulatory requirements for decommissioning trust funds will apply. The option to delete license conditions relating to the terms and conditions of decommissioning trust agreements and, instead, conform to the 10 CFR 50.75(h) regulations as amended in 2002 (Reference 1) is specifically contemplated by the provisions of 10 CFR 50.75(h)(5), and the generic finding of no significant hazards consideration in 10 CFR 50.75(h)(4).

CEG has evaluated the proposed change against the criteria of 10 CFR 50.92(c) to determine if the proposed change results in any significant hazards. The following is the evaluation of each of the 10 CFR 50.92(c) criteria:

1. Does the proposed change involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No

The requested changes delete license conditions pertaining to Decommissioning Trust Agreements currently in the FOL. The requested changes are consistent with the types of license amendments permitted in 10 CFR 50.75(h)(4).

The regulations of 10 CFR 50.75(h)(4) state: "Unless otherwise determined by the Commission with regard to a specific application, the Commission has determined that any amendment to the license of a utilization facility that does no more than delete specific license conditions relating to the terms and conditions of decommissioning trust agreements involves "no significant hazard considerations."

This request involves changes that are administrative in nature. No actual plant equipment or accident analyses will be affected by the proposed changes.

Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

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2. Does the proposed change create the possibility of a new or different kind of accident from any previously evaluated?

Response: No

This request involves administrative changes to the license that will be consistent with the 10 CFR 50.75(h). No actual plant equipment or accident analyses will be affected by the proposed change and no failure modes not bounded by previously evaluated accidents will be created.

Therefore, the proposed change does not create the possibility of a new or different kind of accident from any previously evaluated.

3. Does the proposed change involve a significant reduction in a margin of safety?

Response: No

This request involves administrative changes to the license that will be consistent with the 10 CFR 50.75(h). No actual plant equipment or accident analyses will be affected by the proposed change. Additionally, the proposed changes will not relax any criteria used to establish safety limits, will not relax any safety systems settings, or will not relax the bases for any limiting conditions of operation.

Therefore, the proposed change does not involve a significant reduction in a margin of safety.

Based on the above, CEG concludes that the proposed amendment presents no significant hazards consideration under the standards set forth in 10 CFR 50.92(c) and complies with the "generic" determination in 10 CFR 50.75(h)(4), accordingly, a finding of "no significant hazards consideration" is justified.

#### **4.4 Conclusions**

In conclusion, based on the considerations discussed above, (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

#### **5.0 ENVIRONMENTAL EVALUATION**

The proposed amendment involves (i) changes to surety, insurance, and/or indemnity requirements, or (ii) changes to recordkeeping, reporting, or administrative procedures or requirements. Accordingly, the proposed amendment meets the eligibility criterion for categorical exclusion set forth in 10 CFR 51.22(c)(10). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the proposed amendment.

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**Evaluation of Proposed Changes**

**6.0 REFERENCES**

1. Volume 67, Federal Register, Page 78332 (67 FR 78332), dated December 24, 2002
2. Volume 68, Federal Register, Page 65388 (68 FR 65388), dated November 20, 2003
3. Letter from B. Purnell (U.S. Nuclear Regulatory Commission (NRC)) to B. Hanson (Exelon Generation Company, LLC (EGC)), "Braidwood Station, Units 1 and 2; Byron Station, Unit Nos. 1 and 2; Clinton Power Station, Unit No. 1; Dresden Nuclear Power Station, Units 1, 2, and 3; James A. Fitzpatrick Nuclear Power Plant; Lasalle County Station, Units 1 and 2; Limerick Generating Station, Units 1 and 2; Nine Mile Point Nuclear Station, Units 1 and 2; Peach Bottom Atomic Power Station, Units 1, 2, and 3; Quad Cities Nuclear Power Station, Units 1 and 2; and R. E. Ginna Nuclear Power Plant – Issuance Of Amendments To Delete License Conditions For Decommissioning Trusts (EPID L-2019-LLA-0185)," dated April 6, 2020
4. Letter from Richard V. Guzman (U. S. NRC) to Entergy, "Indian Point Nuclear Generating Unit Nos. 1 And 2 - Issuance of Amendment No. 61 And No. 289 Re: Deletion of Facility Operating License Conditions Related to Decommissioning Trust Provisions (EPID L-2018-LLA-0180)," dated March 21, 2019

**ATTACHMENT 2**

**Proposed Facility Operating License Appendix C Changes  
Marked-Up Pages**

**Calvert Cliffs Nuclear Power Plant, Units 1 and 2  
Renewed Facility Operating License Nos. DPR-53 and DPR-69**

**Revised Operating License**

**Calvert Cliffs Unit 1 Appendix C**

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**Calvert Cliffs Unit 2 Appendix C**

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Appendix C

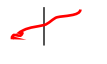
Additional Conditions

Facility Operating License No. DPR-53

Constellation Energy Generation, LLC (the licensee) and Calvert Cliffs Nuclear Power Plant, LLC (CCNPP, LLC or Company) shall comply with the following conditions on the schedule noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
227	Baltimore Gas and Electric Company (BGE) is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this Amendment shall include the relocation of these requirements to the appropriate documents as described in the licensee's application dated December 4, 1996, as supplemented by letters dated March 27, June 9, June 18, July 21, August 14, August 19, September 10, October 6, October 20, October 23, November 5, 1997, and January 12, January 28, and March 16, 1998, evaluated in the NRC staff's Safety Evaluation enclosed with this amendment.	This amendment is effective immediately and shall be implemented by August 31, 1998.
228	BGE is authorized to incorporate in the UFSAR certain changes regarding Main Steam Line Break, Steam Generator Tube Rupture, Seized Rotor, and Boron Dilution Analyses.	The updated UFSAR shall be implemented within 6 months after restart from the spring 1998 refueling outage.
237	<del>The decommissioning trust agreement for Calvert Cliffs, Unit 1 at the time the license transfer to the Company from BGE is effected, is subject to the following:</del>  (a) <del>The decommissioning trust agreement must be in a form acceptable to the NRC.</del>	<del>To be implemented at time the license transfer to the Company from BGE is effected.</del>

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Appendix C (Cont'd)

Additional Conditions

Facility Operating License No. DPR-53

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
	<p><del>(b) With respect to the decommissioning trust funds, investments in the securities or other obligations of Constellation Energy Corporation or its affiliates, successors, or assigns shall be prohibited. Except for investments tied to market indexes or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.</del></p>	
	<p><del>(c) The decommissioning trust agreement must provide that no disbursements or payments from the trust shall be made by the trustee until the trustee has first given the NRC 30 days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the Director, Office of Nuclear Reactor Regulation.</del></p>	
	<p><del>(d) The decommissioning trust agreement must provide that the agreement cannot be amended in any material respect without 30 days prior written notification to the Director, Office of Nuclear Reactor Regulation.</del></p>	

Appendix C (Cont'd)

Additional Conditions

Facility Operating License No. DPR-53

Amendment Number

Additional Condition

Implementation Date

237

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(e) ~~The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.~~

~~Company shall provide decommissioning funding assurance, to be held in decommissioning trusts for Calvert Cliffs Unit 1 upon the transfer of the license to Company, in an amount equal to or greater than the balance in the Calvert Cliffs Unit 1 decommissioning trusts immediately prior to the transfer. In addition, Company shall ensure that all contractual arrangements referred to in the application for approval of the transfer of this license to Company to obtain necessary decommissioning funds for Calvert Cliffs Unit 1 through a non-bypassable charge are executed and will be maintained until the decommissioning trust is fully funded, or shall ensure that other mechanisms that provide equivalent assurance of decommissioning funding in accordance with the Commission's regulations are maintained.~~

~~Company shall take all necessary steps to ensure that the decommissioning trusts are maintained in accordance with the application for approval of the transfer of this license to Company, the requirements of the Order dated June 30, 2000 approving the transfer, and the related safety evaluation.~~

Appendix C

Additional Conditions

Facility Operating License No. DPR-69

Constellation Energy Generation, LLC (the licensee) and Calvert Cliffs Nuclear Power Plant, LLC (CCNPP, LLC or Company) shall comply with the following conditions on the schedule noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
201	Baltimore Gas and Electric Company (BGE) is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these requirements to the appropriate documents as described in the licensee's application dated December 4, 1996, as supplemented by letters dated March 27, June 9, June 18, July 21, August 14, August 19, September 10, October 6, October 20, October 23, November 5, 1997, and January 12, January 28, and March 16, 1998, evaluated in the NRC staff's Safety Evaluation enclosed with this amendment.	This amendment is effective immediately and shall be implemented by August 31, 1998.
202	BGE is authorized to incorporate certain changes in the UFSAR regarding Main Steam Line Break, Steam Generator Tube Rupture, Seized Rotor, and Boron Dilution Analyses.	The updated UFSAR shall be implemented within 6 months after restart from the spring 1999 refueling outage.
211	<del>The decommissioning trust agreement for Calvert Cliffs, Unit 2 at the time the license transfer to the Company from BGE is effected, is subject to the following:</del>  (a) <del>The decommissioning trust agreement must be in a form acceptable to the NRC.</del>	<del>To be implemented at time the license transfer to the Company from BGE is effected.</del>

Deleted.



Appendix C (Cont'd)

Additional Conditions

Facility Operating License No. DPR-69

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
	<p><del>(b) With respect to the decommissioning trust funds, investments in the securities or other obligations of Constellation Energy Corporation or its affiliates, successors, or assigns shall be prohibited. Except for investments tied to market indexes or other non-nuclear sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.</del></p>	
	<p><del>(c) The decommissioning trust agreement must provide that no disbursements or payments from the trust shall be made by the trustee until the trustee has first given the NRC 30 days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the Director, Office of Nuclear Reactor Regulation.</del></p>	
	<p><del>(d) The decommissioning trust agreement must provide that the agreement cannot be amended in any material respect without 30 days prior written notification to the Director, Office of Nuclear Reactor Regulation.</del></p>	

Appendix C (Cont'd)

Additional Conditions

Facility Operating License No. DPR-69

Amendment Number

Additional Condition

Implementation Date

211

Deleted.

(e) ~~The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trust shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.~~

~~Company shall provide decommissioning funding assurance, to be held in decommissioning trusts for Calvert Cliffs Unit 2 upon the transfer of the license to Company, in an amount equal to or greater than the balance in the Calvert Cliffs Unit 2 decommissioning trusts immediately prior to the transfer. In addition, Company shall ensure that all contractual arrangements referred to in the application for approval of the transfer of this license to Company to obtain necessary decommissioning funds for Calvert Cliffs Unit 2 through a non-bypassable charge are executed and will be maintained until the decommissioning trust is fully funded, or shall ensure that other mechanisms that provide equivalent assurance of decommissioning funding in accordance with the Commission's regulations are maintained.~~

~~Company shall take all necessary steps to ensure that the decommissioning trusts are maintained in accordance with the application for approval of the transfer of this license to Company, the requirements of the Order dated June 30, 2000 approving the transfer, and the related safety evaluation.~~