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10 CFR 50.80
10 CFR 50.90
10 CFR 72.50

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JAFP-21-0087
NMP1L3426
TMI-21-028

September 16, 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 72-12

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

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

- References:**
- 1) Letter from J. Bradley Fewell, Exelon Generation Company, LLC to U.S. Nuclear Regulatory Commission – "Application for Order Approving License Transfers and Proposed Conforming License Amendments," dated February 25, 2021 (ML21057A273)
 - 2) Letter from David P. Helker, Exelon Generation Company, LLC to U.S. Nuclear Regulatory Commission – "Supplemental Information Regarding Application for Order Approving Transfers and Proposed Conforming License Amendments," dated March 25, 2021 (ML21084A165)
 - 3) Electronic Mail Message from Blake Purnell, U.S. Nuclear Regulatory Commission, to David P. Helker, Exelon Generation Company, LLC – "Request for Additional Information, Exelon Generation Company, LLC, Approval of Transfer of Licenses and Conforming Amendments," dated May 24, 2021 (ML21144A213)
 - 4) Letter from David P. Helker, Exelon Generation Company, LLC to U.S. Nuclear Regulatory Commission – "Response to Request for Additional Information Regarding Request for Approval of Transfer of Licenses and Conforming Amendments," dated June 11, 2021 (ML21162A292)

- 5) Electronic Mail Message from Blake Purnell, U.S. Nuclear Regulatory Commission, to J. Bradley Fewell, Exelon Generation Company, LLC – "Request for Additional Information, Exelon Generation Company, LLC, Approval of Transfer of Licenses and Conforming Amendments," dated September 10, 2021 (ML21256A190)

Subject: Response to Request for Additional Information Regarding Request for Approval of Transfer of Licenses and Conforming Amendments

By letter dated February 25, 2021 (Reference 1), and 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**"), requested 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**").

On March 25, 2021 (Reference 2), Exelon Generation submitted a supplemental response in support of the Reference 1 submittal. By electronic mail message dated May 24, 2021 (Reference 3), the U.S Nuclear Regulatory Commission (NRC) notified Exelon Generation that additional information was needed to complete its review of the Reference 1 submittal as supplemented (Reference 2). On June 11, 2021 (Reference 4), Exelon Generation responded to the Reference 3 RAI. More recently, in an electronic mail message dated September 10, 2021 (Reference 5), the NRC requested that Exelon Generation provide additional clarifying information in support of the review of the license transfer application as supplemented. Attachment 1 to this letter provides the response to the request for additional information (RAI) question contained in Reference 5.

Exelon Generation has reviewed the information supporting a finding of no significant hazards consideration, and the environmental consideration, that were previously provided to the NRC in Reference 1, Reference 2, and Reference 4 letters. Exelon Generation has concluded that the information provided in this response to the Reference 5 RAI does not affect the bases for concluding that the proposed license amendments do not involve a significant hazards consideration under the standards set forth in 10 CFR 50.92. In addition, Exelon Generation has concluded that the information in this response does not affect the bases for concluding that neither an environmental impact statement nor an environmental assessment needs to be prepared in connection with the proposed amendments.

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 the updates to its application for license amendments by transmitting a copy of this letter and attachment to the designated State Officials.

There are no regulatory commitments contained in this submittal.

Please contact David P. Helker (Exelon Generation) at 610-765-5525 if you have any questions or require any additional information regarding this response to the NRC's RAI.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 16th day of September 2021.

Respectfully,



David P. Helker
Sr. Manager, Licensing
Exelon Generation Company, LLC

Attachment: Response to Request for Additional Information Regarding Request for Approval of Transfer of Licenses and Conforming Amendments

cc: (w/ Attachment)

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 - James A. FitzPatrick Nuclear Power Plant
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

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cc: continued (w/ Attachment)

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

ATTACHMENT

Response to Request for Additional Information Regarding Request for Approval of
Transfer of Licenses and Conforming Amendments

ATTACHMENT

Response to Request for Additional Information
Request for Approval of Transfer of Licenses and Conforming Amendments

By letter dated February 25, 2021 (Reference 1), as supplemented on March 25, 2021 (Reference 2), Exelon Generation Company, LLC (Exelon Generation), requested U.S. Nuclear Regulatory Commission (NRC) consent to the indirect transfer of control of the licenses to support a proposed transaction in which Exelon Corporation will transfer its 100 percent ownership of Exelon Generation to a newly-created subsidiary (referred to as HoldCo in the application) that will then be spun off to Exelon Corporation shareholders, becoming Exelon Generation's new ultimate parent company.

By electronic mail message dated May 24, 2021 (Reference 3), the NRC notified Exelon Generation that additional information was needed to complete its review of the Reference 1 submittal as supplemented in the Reference 2 letter. On June 11, 2021 (Reference 4), Exelon Generation responded to the Reference 3 request for additional information (RAI).

The NRC continues to review the application, as supplemented, and determined that additional clarifying information is needed to complete its review. In an electronic mail message dated September 10, 2021 (Reference 5), the NRC issued the following question. The question is reiterated below followed by Exelon Generation's response.

Request for Additional Information 1

Section III.D of the application states that the Constellation Energy Nuclear Group, LLC (CENG) Board will be dissolved and the Operating Agreement with CENG will be terminated as part of the spin transaction. The application states that SpinCo would hold decision making authority over safety, security, and reliability at Calvert Cliffs, NMP, and Ginna following the spin transaction. In addition, CENG will be removed from the upstream ownership chain of Calvert LLC.

Section VI.B of the application states, in part, that SpinCo will maintain separate support agreements for the benefit of Calvert LLC, NMP LLC, and Ginna LLC. The Applicants state that these new support agreements will replace the existing financial support terms referenced in the licenses for these facilities. The proposed SpinCo support agreements do not appear to involve CENG. As part of the application, the Applicants request the NRC's consent to terminate the existing Exelon Corporation Support Agreement, Exelon Corporation Guarantee, and CENG cash pool arrangement and associated Master Demand Notes for Calvert Cliffs, NMP, and Ginna and instead implement the updated SpinCo support agreements.

The application requested amendments to the Calvert Cliffs, Units 1 and 2; NMP, Units 1 and 2; and Ginna licenses to "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."

The proposed markup of the licenses for Calvert Cliffs, Units 1 and 2; NMP, Units 1 and 2; and Ginna includes conforming changes to the current license conditions for the Exelon Corporation Support Agreement to reflect the proposed SpinCo Support Agreement. However, the markup indicates that the reference to CENG should be retained. For example, the proposed markup for the additional condition of page 9 of Appendix C to the Calvert Cliffs, Unit 1, license states, in part (emphasis added):

*Calvert Cliffs Nuclear Power, LLC, or **CENG** shall not take any action to cause [SPINCO], or its successors and assigns, to void, cancel, or materially modify the [SPINCO] Support Agreement or cause it to fail to perform, or impair its performance under the [SPINCO] Support Agreement, without the prior written consent of the NRC.*

The retention of the reference to CENG in these conditions does not appear to be consistent with the elimination of the operating and financial agreements with CENG.

Request

Confirm that references to CENG should be removed from the proposed Calvert Cliffs, Units 1 and 2; NMP, Units 1 and 2; and Ginna license conditions related to the SpinCo Support Agreements. Otherwise, identify any agreements with CENG that could allow CENG to void, cancel, or materially modify the SpinCo Support Agreements or cause it to fail to perform, or impair its performance under the SpinCo Support Agreements.

Response

Exelon Generation hereby confirms that references to CENG should be removed from the proposed Calvert Cliffs, Units 1 and 2; NMP, Units 1 and 2; and Ginna license conditions related to the SpinCo Support Agreements.

References:

1. Letter from J. Bradley Fewell, Exelon Generation Company, LLC to U.S. Nuclear Regulatory Commission – "Application for Order Approving License Transfers and Proposed Conforming License Amendments," dated February 25, 2021 (ML21057A273)
2. Letter from David P. Helker, Exelon Generation Company, LLC to U.S. Nuclear Regulatory Commission – "Supplemental Information Regarding Application for Order Approving Transfers and Proposed Conforming License Amendments," dated March 25, 2021 (ML21084A165)
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and Conforming Amendments
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4. Letter from David P. Helker, Exelon Generation Company, LLC to U.S. Nuclear Regulatory Commission – "Response to Request for Additional Information Regarding Request for Approval of Transfer of Licenses and Conforming Amendments," dated June 11, 2021 (ML21162A292)
5. Electronic Mail Message from Blake Purnell, U.S. Nuclear Regulatory Commission, to J. Bradley Fewell, Exelon Generation Company, LLC – "Request for Additional Information, Exelon Generation Company, LLC, Approval of Transfer of Licenses and Conforming Amendments," dated September 10, 2021 (ML21256A190)