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§ 140.21 Licensee guarantees of payment of deferred premiums.

Each licensee required to have and maintain financial protection for each nuclear reactor as determined in § 140.11(a)(4) shall at the issuance of the license and annually, on the anniversary of the date on which the indemnity agreement is effective, provide evidence to the Commission that it maintains one of the following types of guarantee of payment of deferred premium in the amount specified in § 140.11(a)(4) for each reactor it is licensed to operate:

- (a) Surety bond,
- (b) Letter of credit,
- (c) Revolving credit/term loan arrangement,
- (d) Maintenance of escrow deposits of government securities,
- (e) Annual certified financial statement showing either that a cash flow (i.e., cash available to a company after all operating expenses, taxes, interest charges, and dividends have been paid) can be generated and would be available for payment of retrospective premiums within three (3) months after submission of the statement, or a cash reserve or a combination of cash flow and cash reserve, or
- (f) Such other type of guarantee as may be approved by the Commission.

[42 FR 50, Jan. 3, 1977; 71 FR 15012, Mar. 27, 2006; 74 FR 62686, Dec. 1, 2009; 79 FR 38769, Jul. 9, 2014]

Page Last Reviewed/Updated Tuesday, August 29, 2017



10 CFR 140.21

**Confidential Financial Information
Submitted Under 10 CFR 2.390**

November 2, 2015

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

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

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

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

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

Dresden Nuclear Power Station, Units 2 and 3
Renewed Facility Operating License Nos. DPR-19 and DPR-25
NRC Docket Nos. 50-237 and 50-249

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

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

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

**Attachment 1 transmitted herewith contains Confidential Financial Information.
When separated from Attachment 1, this transmittal document is decontrolled.**

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

Oyster Creek Nuclear Generating Station
Renewed Facility Operating License No. DPR-18
NRC Docket No. 50-219

Peach Bottom Atomic Power Station, Units 2 and 3
Renewed Facility Operating License Nos. DPR-44 and DPR-56
NRC Docket Nos. 50-277 and 50-278

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

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

Subject: 2015 Annual Report - Guarantees of Payment of Deferred Premiums

Pursuant to 10 CFR 140.21, "Licensee guarantees of payment of deferred premiums," Exelon Generation Company, LLC, is providing evidence that it maintains a guarantee of payment of deferred premiums in the amount of \$18.963 million for each reactor it owns (in whole or in part) and is licensed to operate. This information is required to be submitted annually on the anniversary date on which the indemnity agreement is effective for each covered reactor. Because the indemnity agreement effective dates vary for each reactor, Exelon Generation Company, LLC submits information for all of its reactors by November 16 of each year to demonstrate its compliance with 10 CFR 140.21.

The Exelon Generation Company, LLC projected internal cash flow is contained in Attachment 1. The average quarterly cash flow projection could be drawn on to raise \$417.19 million needed to provide for its payment of retrospective premiums.

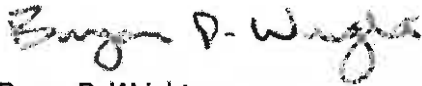
MidAmerican Energy Company is the owner of 25 percent of the Quad Cities Nuclear Power Station. PSEG Nuclear, LLC is the owner of 50 percent of Peach Bottom Atomic Power Station, Units 2 and 3. Constellation Energy Nuclear Group, LLC ("CENG") owns (through a subsidiary) Calvert Cliffs Nuclear Power Plant, LLC (which owns Calvert Cliffs Nuclear Power Plant, Units 1 and 2), R. E. Ginna Nuclear Power Plant, LLC (which owns the R. E. Ginna Nuclear Power Station), and Nine Mile Point Nuclear Station, LLC (which owns 100% of Nine Mile Point Nuclear Station, Unit 1 and 82% of Nine Mile Point Nuclear Station, Unit 2). Exelon Generation Company, LLC, through its direct subsidiaries, owns a 50.01% interest in CENG. EDF Inc., a subsidiary of Electricité de France, S.A., a French *société anonyme*, owns a 49.99% interest in CENG. In addition, Long Island Power Authority owns an 18% interest in Nine Mile Point Nuclear Power Plant, Unit 2. This submittal also serves to reflect the guarantee of payment of deferred premiums for these co-owned units.

Dresden Nuclear Power Station, Unit 1, and Peach Bottom Atomic Power Station, Unit 1 are not included in this report because these units are permanently shutdown reactors in the SAFSTOR status and not subject to this regulation.

Attachment 1 contains information confidential to Exelon Generation Company, LLC. Exelon Generation Company, LLC requests that the contents of Attachment 1 be withheld from public disclosure in accordance with 10 CFR 2.390(a)(4). An affidavit supporting the 2.390(a)(4) request is contained in Attachment 2. A non-confidential version of the projected internal cash flow is contained in Attachment 3.

If you have any questions about this letter, please contact T. Loomis at (610) 765-5510.

Respectfully,



Bryan P. Wright
Chief Financial Officer
Exelon Generation Company, LLC

Attachments:

- 1 – Confidential Financial Information – Projected Internal Cash Flow
- 2 – Affidavit
- 3 – Non-Confidential Financial Information – Projected Internal Cash Flow

cc: 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 - Oyster Creek Nuclear Generating 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 - Three Mile Island Nuclear Station, Unit 1

ATTACHMENT 2

Exelon Generation Company, LLC

2015 Annual Report - Guarantees of Payment of Deferred Premiums

AFFIDAVIT

ATTACHMENT 2

AFFIDAVIT

I, Bryan P. Wright, Chief Financial Officer of Exelon Generation Company, LLC (Exelon), do hereby affirm and state:

1. I am an officer of Exelon authorized to execute this affidavit on its behalf. I am further authorized to review information submitted to the Nuclear Regulatory Commission (NRC) and apply for the withholding of information from disclosure.
2. Exelon is providing information pursuant to 10 CFR 140.21(e), which constitutes proprietary financial information that should be held in confidence by the NRC pursuant to the policy reflected in 10 CFR 2.390(a)(4), because:
 - i. This information (2015 internal Cash Flow Projection, ATTACHMENT 1) is and has been held in confidence by Exelon.
 - ii. This information is of a type that is held in confidence by Exelon, and there is a rational basis for doing so because the information contains sensitive financial information concerning Exelon's projected revenues, and operating expenses.
 - iii. This information is being transmitted to the NRC in confidence.
 - iv. This information is not available in public sources and could not be gathered readily from other publicly available information.
 - v. Public disclosure of this information would create substantial harm to the competitive position of Exelon by disclosing Exelon's internal financial projections to other parties whose commercial interests may be adverse to those of Exelon.
3. Accordingly, Exelon requests that the designated documents be withheld from public disclosure pursuant to the policy reflected in 10 CFR 2.390(a)(4).

Exelon Generation Company, LLC


Bryan P. Wright
Chief Financial Officer

Subscribed and sworn before me,
A Notary Public in and for the
State of Maryland
this 2 day of NOVEMBER 2015





ATTACHMENT 3

Exelon Generation Company, LLO

2015 Annual Report - Guarantees of Payment of Deferred Premiums

Non-Confidential Financial Information

Projected Internal Cash Flow


**Non-Confidential Financial Information
Submitted Under 10 CFR 2.390
Contains Non-Confidential Financial Information**

**ATTACHMENT 1
Exelon Generation Company, LLC
2015 Internal Cash Flow Projection
(Dollars in Thousands)**

	2015 Projected <u>UNAUDITED</u>
Net Income	
Less Dividends Paid	
Earnings (Loss)	
Adjustments	
Depreciation, amortization, and accretion	
Deferred income taxes and investment tax credits	
Impairment of certain generating assets	
Net realized and unrealized mark-to-market transactions	
Other non-cash operating activities	
Adjustments	
Internal Cash Flow	
Average Quarterly Cash Flow	
 <u>Licensed Sites</u>	
Braidwood Station Units 1 and 2	2
Byron Station, Units 1 and 2	2
Dresden Nuclear Power Station, Units 2 and 3	2
LaSalle County Station, Units 1 and 2	2
Limerick Generating Station, Units 1 and 2	2
Peach Bottom Atomic Power Station, Units 2 and 3	2
Quad Cities Nuclear Power Station, Units 1 and 2	2
Clinton Power Station	1
Oyster Creek Nuclear Generating Station	1
Three Mile Island, Unit 1	1
Calvert Cliffs Nuclear Power Plant, Units 1 and 2	2
Nine Mile Point Nuclear Station, Units 1 and 2	2
R. E. Ginna Nuclear Power Plant	1
	22
Maximum Total Contingent Liability	\$417.190

Certification

Exelon Generation Company, LLC has sufficient cash flow to ensure that its obligations to pay deferred premiums under 10 CFR Part 140 will be met.

Certified By: 
 Bryan P. Wright
 Chief Financial Officer
 Exelon Generation Company, LLC