

# CENG

a joint venture of



Constellation  
Energy



EDF

## CALVERT CLIFFS NUCLEAR POWER PLANT

July 18, 2012

U. S. Nuclear Regulatory Commission  
Washington, DC 20555

**ATTENTION:** Document Control Desk

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

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Pursuant to the requirements of 10 CFR 140.21(e), enclosed is the Consolidated Statements of Cash Flows, [i.e., page 5 of Exhibit No. 99(a)] from the Constellation Energy Group, Inc., Form 10K (Annual Report) to the Securities and Exchange Commission for the fiscal year ended December 31, 2011.

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

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

Very truly yours,

Douglas E. Lauver  
Director – Licensing

DEL/PSF/bjd

Enclosure: (1) Consolidated Statements of Cash Flows

cc: N. S. Morgan, NRC  
W. M. Dean, NRC

Resident Inspector, NRC  
S. Gray, DNR

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**ENCLOSURE (1)**

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**

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**Constellation Energy Nuclear Group, LLC**  
**Consolidated Statements of Cash Flows**

	For the year ended December 31, 2011	For the year ended December 31, 2010	For the period November 6 through December 31, 2009
<i>(In Thousands of U.S. Dollars)</i>			
<b>Cash Flows From Operating Activities</b>			
Net Income	\$299,807	\$441,589	\$ 68,519
Adjustments to reconcile to net cash provided by operating activities:			
Amortization of nuclear fuel	166,678	160,096	24,068
Depreciation	125,211	114,312	17,160
Impairment of construction work in progress	2,641	3,242	-
Amortization of CECG and Ginna power purchase agreements	(398,702)	(369,830)	(882)
Accretion of asset retirement obligations	71,061	73,613	11,257
Net pre-tax earnings on nuclear decommissioning trust funds	(39,132)	(48,304)	(5,216)
Income taxes on nuclear decommissioning trust fund earnings	6,485	7,638	1,333
Defined benefit obligation expense	61,059	42,772	6,676
Defined benefit obligation payments	(62,691)	(51,683)	(1,202)
Long-term incentive plan compensation	2,405	5,082	778
Changes in:			
Trade and other accounts receivable	12,791	21,956	(76,747)
Spare parts, materials, and supplies	(8,776)	(8,793)	(3,585)
Prepaid expenses and other current assets	(3,976)	(2,020)	9,568
Other noncurrent assets	(1,399)	(2,875)	-
Accounts payable and accrued liabilities	(16,348)	46,088	10,290
CECG power services agency agreement	2,545	(25,955)	(3,726)
Other noncurrent liabilities	2,988	4,126	-
Net cash provided by operating activities	222,647	411,054	58,291
<b>Cash Flows From Investing Activities</b>			
Investments in property, plant, and equipment (PP&E)	(209,631)	(203,540)	(34,493)
Purchases of nuclear fuel	(205,789)	(203,903)	(12,760)
Investments in nuclear decommissioning trust fund securities	(155,039)	(204,397)	(30,697)
Proceeds from the sale of nuclear decommissioning trust fund securities	155,039	204,397	30,697
Net cash used in investing activities	(415,420)	(407,443)	(47,253)
<b>Cash Flows From Financing Activities</b>			
Proceeds from short-term borrowings under lines of credit	150,000	-	-
Repayments of short-term borrowings under lines of credit	(90,000)	-	-
Distributions to members	-	-	(13,515)
Net cash provided by (used in) financing activities	60,000	-	(13,515)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(132,773)</b>	<b>3,611</b>	<b>(2,477)</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>226,054</b>	<b>222,443</b>	<b>224,920</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>\$ 93,281</b>	<b>\$ 226,054</b>	<b>\$ 222,443</b>
<b>Other Cash Flow Information</b>			
Cash paid for income taxes on nuclear decommissioning trust funds	\$ 7,187	\$ 4,932	\$ 1,426
Accrued investments in PP&E	34,493	25,180	37,193
Accrued purchases of nuclear fuel	16,591	26,227	16,720

The accompanying notes are an integral part of these consolidated financial statements.