

CENGSM

a joint venture of



P.O. Box 63
Lycoming, New York 13093

NINE MILE POINT NUCLEAR STATION

U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

August 16, 2012

ATTENTION: Director, Office of Nuclear Reactor Regulation

SUBJECT: Nine Mile Point Nuclear Station
Unit Nos. 1 and 2; Docket Nos. 50-220 and 50-410

Guarantee of Payment of Deferred Premiums

Pursuant to the requirements of 10 CFR 140.21(e), enclosed is the Consolidated Statements of Cash Flows taken from Exhibit No. 99(a) of the Constellation Energy Group, Inc., Form 10K (Annual Report) to the Securities and Exchange Commission for the fiscal year that 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 Nine Mile Point Nuclear Station, LLC retrospective premiums of \$17,500,000 per unit.

Should you have any questions regarding the information in this submittal, please contact me at (315) 349-5219.

Very truly yours,

A handwritten signature in black ink, appearing to read "John J. Dosa".

John J. Dosa
Director Licensing

Enclosure: Consolidated Statements of Cash Flows

M001
NRC

Document Control Desk

August 16, 2012

Page 2

cc: NRC Regional Administrator, Region I
NRC Resident Inspector
NRR Project Manager
Document Control Desk

ENCLOSURE

CONSOLIDATED STATEMENTS OF CASH FLOWS

ENCLOSURE

CONSOLIDATED STATEMENTS OF CASH FLOWS

Constellation Energy Nuclear Group, LLC Consolidated Statements of Cash Flows

	<i>For the year ended December 31, 2011</i>	<i>For the year ended December 31, 2010</i>	<i>For the period November 6 through December 31, 2009</i>
<i>(In Thousands of U.S. Dollars)</i>			
Cash Flows From Operating Activities			
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	10,299
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
Cash Flows From Investing Activities			
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)
Cash Flows From Financing Activities			
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)
Net Increase (Decrease) in Cash and Cash Equivalents	(132,773)	3,611	(2,477)
Cash and Cash Equivalents at Beginning of Period	226,054	222,443	224,920
Cash and Cash Equivalents at End of Period	\$ 93,281	\$ 226,054	\$ 222,443
Other Cash Flow Information			
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.