July 14, 1998

MEMORANDUM TO: L. Joseph Callan

Executive Director for Operations

FROM: John C. Hoyle /s/ (AVC for)

SUBJECT: STAFF REQUIREMENTS: SECY 98-150 - FINAL RULE, 10 CFR

PART 140, "FINANCIAL PROTECTION REQUIREMENTS AND

INDEMNITY AGREEMENTS"

The Commission has not objected to the staff's proposal to publish a final rule that will increase licensees' retrospective deferred premium based on the rate of inflation, as required by the Price-Anderson Amendments Act of 1988, for liability insurance coverage in the event of nuclear incidents at licensed, operating, commercial nuclear power plants with a rated capacity of 100,000 kW or more.

cc: Chairman Jackson

Commissioner Diaz

Commissioner McGaffigan

OGC

CIO

CFO

OCA

OIG

Office Directors, Regions, ACRS, ACNW, ASLBP (by E-Mail)

PDR

DCS