



March 28, 2001

C0301-11
10 CFR 50.54(w)(3)

Docket Nos.: 50-315
50-316

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Stop O-P1-17
Washington, DC 20555-0001

Donald C. Cook Nuclear Plant Units 1 and 2
ANNUAL REPORT OF PROPERTY INSURANCE

In accordance with 10 CFR 50.54(w)(3), the attachment to this letter details the sources and levels of insurance in effect for Donald C. Cook Nuclear Plant Units 1 and 2 as of April 1, 2001.

Should you have any questions, please contact Mr. Ronald W. Gaston, Manager of Regulatory Affairs at (616) 697-5020.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scot A. Greenlee', with a stylized flourish at the end.

Scot A. Greenlee
Director of Design Engineering and Regulatory Affairs

/dmb

Attachment

c: J. E. Dyer
MDEQ - DW & RPD, w/o attachment
NRC Resident Inspector
R. Whale, w/o attachment

M001

ATTACHMENT TO C0300-11

ANNUAL REPORT TO NRC 10 CFR 50.54(W)(3)

NUCLEAR PROPERTY INSURANCE

As required by law, all insurance coverage described herein is first dedicated to cover decontamination expenses at the site. Any residual funds under the policies described herein may be available for physical damage losses to the plant in an amount up to \$2,751,500,000. Where losses exceed \$500,000,000, the insurers then would indemnify for shortfalls in decommissioning trust funds for decommissioning which is a result of loss and for property damage less any amounts used for stabilization and decontamination.

The coverage provided on the Donald C. Cook Nuclear Plant for "All Risk" PROPERTY DAMAGE, DECONTAMINATION LIABILITY, and DECOMMISSIONING LIABILITY coverage in the amount of \$2,751,500,000 subject to a deductible of \$1,000,000 per occurrence are as follows:

- \$1,500,000 portion of the first \$501,500,000 under Energy Insurance Bermuda Limited Policy No. P03-00-01.
- \$500,000,000 portion of the first \$501,500,000 under Nuclear Electric Insurance Limited Policy No. P00-047.
- \$1,250,000,000 as 100% of loss in excess of \$501,500,000 under Nuclear Electric Insurance Limited Policy No. X00-019.
- \$1,000,000,000 as 100% of loss in excess of \$1,751,500,000 under Nuclear Electric Insurance Limited Policy No. BX00-007.

Policy No. BX00-007 is Blanket Excess Coverage jointly purchased by Indiana Michigan Power and STP Nuclear Operating Company to protect their respective interests in the Donald C. Cook Plant and the South Texas Project. Indemnification in excess of \$1,751,500,000 at Donald C. Cook Plant could be reduced by any payments made under the policy for loss in excess of \$1,750,000,000 to the South Texas Project.