Consumers Energy

A CMS Energy Company

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June 6, 2002

Ira Dinitz
US Nuclear Regulatory Commission
Mail Stop 12E4
Washington, DC 20555

ANI POLCIY NF-179
DOCKET NO 50-255

Attached is a copy of Endorsement 173 to ANI Policy NF-179 for Palisades Nuclear Plant. Endorsement 173 reflects the year 2002 subscribing companies and their participation.

Should you have any questions on the endorsement, please feel free to contact me at the above numbers.

Faith A Rueckert

Faith A Rueckert
Senior Insurance Analyst

M001

NUCLEAR ENERGY LIABILITY INSURANCE

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT CALENDAR YEAR 2002

1. It is agreed that with respect to bodily injury, property damage, environmental damage or evacuation of the public caused, during the effective period of this endorsement, by the nuclear energy hazard:

   a. The word "companies" wherever used in the policy means the subscribing companies listed below.

   b. The policy shall be binding on such companies only.

   c. Each such company shall be liable for its proportion of any obligation assumed or expense incurred under the policy because of such bodily injury, property damage, environmental damage or evacuation of the public as designated below.

2. It is agreed that the effective period of this endorsement is from the beginning of the effective date of this endorsement stated below to the close of December 31, 2002, or to the time of the termination or cancellation of the policy, if sooner.

ACE American Insurance Company		5.074339 %	
American Home Assurance Company		2.029736 %	
Cincinnati Insurance Company		1.626833 %	
Continental Insurance Company		24.356828 %	
Employers Mutual Casualty Company		0.634292 %	
Federal Insurance Company		15.223017%	
Fireman's Fund Insurance Company		10.148678 %	
Great American Insurance Company		1.116355 %	
Greenwich Insurance Company		7.611509 %	
Hartford Fire Insurance Company		2.537170 %	
Motors Insurance Corporation		0.452630 %	
Royal Insurance Company of America		5.074339 %	
St. Paul Fire & Marine Insurance Company		18.025067 %	
United States Fire Insurance Company		1.014868 %	
Zurich American Insurance Company		5.074339 %	
	Total	100.000000 %	NE-2002

Effective Date of this Endorsement: **January 1, 2002** (12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0179**

Issued to: **Consumers Energy Company**

Date of Issue: **May 6, 2002**

For the subscribing companies

This is to certify that this is a true copy of the original Endorsement having the endorsement number and being made part of the Nuclear Energy Liability Policy (Facility Form) as designated hereon. No insurance is afforded hereunder.

By _____ President

John E. Quattrocchi, Senior Vice President-Underwriting
American Nuclear Insurers

Endorsement No.: **173**

Countersigned by _____