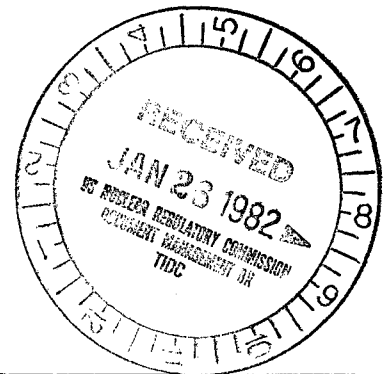


400 North Akard Street
Dallas, Texas 75201
Telephone 214 741-4444

December 23, 1981

Draw + P

Mr. Jerome Saltzman, Chief
Office of Antitrust & Indemnity
Nuclear Reactor Regulation
Nuclear Regulatory Commission
Washington, D. C. 20555



M&M Nuclear Consultants

Tennessee Valley Authority
Watts Bar Nuclear Plant
ANI Facility Policy NF-256
Endorsements # 15 & 16
CERTIFIED COPIES

56-390

Dear Mr. Saltzman:

Enclosed for your records are eight certified copies each of
Endorsements #15 & 16 to Tennessee Valley Authority's Watts Bar
Nuclear Plant ANI Nuclear Liability Facility Policy NF-256.

Sincerely,

Jean Fielder

cc: L. L. Snell
J. R. Monahan

jf

Enclosure

*MOO1
s
1/1*

8201260213 811223
PDR ADOCK 05000390
PDR
J

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENTS OF DEFINITION OF "NUCLEAR ENERGY HAZARD" AND
PART OF CONDITION 4, "LIMITATION OF LIABILITY; COMMON OCCURRENCE"
 (Indemnified Nuclear Facility)

It is agreed that:

1. In Insuring Agreement III, "DEFINITIONS", solely with respect to an "insured shipment" to which this policy applies as proof of financial protection required by the Nuclear Regulatory Commission, Subdivision (2) of the definition of "nuclear energy hazard", as amended, is further amended to read:
 - (2) the nuclear material is in an insured shipment which is away from any other nuclear facility and is in the course of transportation, including the handling and temporary storage incidental thereto; within
 - (a) the territorial limits of the United States of America, its territories or possessions, or Puerto Rico; or
 - (b) international waters or airspace, provided that the nuclear material is in the course of transportation between two points located within the territorial limits described in (a) above and there are no deviations in the course of the transportation for the purpose of going to any other country, state or nation, except a deviation in the course of said transportation for the purpose of going to or returning from a port or place of refuge as the result of an emergency.
2. Subdivision (b) of Condition 4, "LIMITATION OF LIABILITY; COMMON OCCURRENCE", amended, is replaced by the following:
 - (a) source material, special nuclear material, spent fuel, waste, or tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content in the course of transportation for which insurance is afforded under this policy and also arising out of such properties of other source material, special nuclear material, spent fuel, waste, or tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content in the course of transportation for which insurance is afforded under one or more other Nuclear Energy Liability Policies (Facility Form) issued by Nuclear Energy Liability Insurance Association.

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.

[Signature]
 John L. Quattrocchi, Vice President-Liability Underwriters
 American Nuclear Insurers

Effective Date of this Endorsement January 1, 1982 To form a part of Policy No. NF-256
 12:01 A.M. Standard Time

Issued to TENNESSEE VALLEY AUTHORITY

Date of Issue December 17, 1981

For the subscribing companies
 By *[Signature]*
 General Manager

Endorsement No 15
 NE-58 (1/1/82)

Countersigned by _____

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ADVANCE PREMIUM AND STANDARD PREMIUM CALENDAR YEAR 1982
ENDORSEMENT

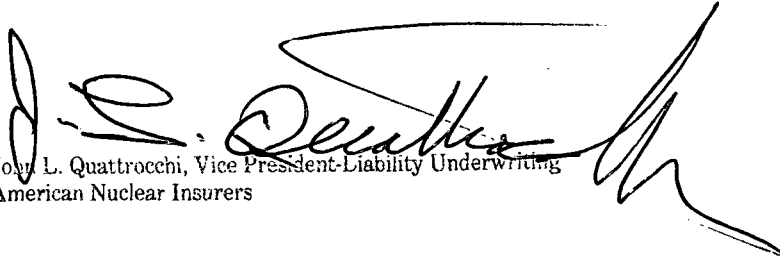
- 1. ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is:

\$ 2,200.00

- 2. STANDARD PREMIUM AND RESERVE PREMIUM: In the absence of a change in the Advance Premium indicated above, it is agreed that, subject to the provisions of the Industry Credit Rating Plan, the Standard Premium is said Advance Premium and the Reserve Premium is:

\$ 1,474.00

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.



Jovv L. Quattrocchi, Vice President-Liability Underwriting
American Nuclear Insurers

Effective Date of this Endorsement January 1, 1982 To form a part of Policy No. NF-256

Issued to TENNESSEE VALLEY AUTHORITY

Date of Issue December 17, 1981

For the subscribing companies

By [Signature]
General Manager

Endorsement No 16

Countersigned by _____