

South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

February 28, 2008 NOC-AE- 08002271 File No.: G20 10CFR140.11(a)(4) 10CFR140.15 10CFR140.17 10CFR140.21

U. S. Nuclear Regulatory Commission Attention: Document Control Desk One White Flint North 11555 Rockville Pike Rockville, MD 20852-2738

> South Texas Project Units 1 and 2 Docket Nos.: STN 50-498, STN 50-499 **Evidence of Financial Protection**

Pursuant to the requirements of 10CFR140.11(a)(4), 10CFR140.15, 10CFR140.17, and 10CFR140.21, STP Nuclear Operating Company submits the attached Nuclear Energy Liability Insurance policy endorsements from American Nuclear Insurers (ANI). This submittal contains the following endorsements:

Nuclear Energy Liability

Facility Form (NF-0307) Master Worker Form (NW-0657) Secondary Financial Protection (N-0113 / N-0116)

There are no commitments associated with this letter. Should you have any questions, concerns, or require additional information on this matter, please contact Karen Dudley at (361) 972-8698 or Cheryl Glover at (361) 972-7148.

Ronald G. Hyde

Manager,

Financial Services

Ronald Hyde

KMD

Attachments: Endorsements:

Facility Form (NF-0307) - (5)

Master Worker Form (NW-0657) - (2)

Secondary Financial Protection (N-0113) - (1) Secondary Financial Protection (N-0116) - (1)

STP Nuclear Operating Company

NOC-AE- 08002271 Page 2

CC:

(paper copy)

Regional Administrator, Region IV U. S. Nuclear Regulatory Commission 611 Ryan Plaza Drive, Suite 400 Arlington, Texas 76011-8064

Mohan C. Thadani Senior Project Manager U. S. Nuclear Regulatory Commission One White Flint North (MS 7 D1) 11555 Rockville Pike Rockville, MD 20852

Senior Resident Inspector U. S. Nuclear Regulatory Commission P. O. Box 289, Mail Code: MN116 Wadsworth, TX 77483

U. S. Nuclear Regulatory Commission Attention: Document Control Desk One White Flint North 11555 Rockville Pike Rockville, MD 20852

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Texas Department of State Health Services
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M. K. Kistler, w/o Electronic RMS N2002

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R. K. Temple
Kevin Pollo
City Public Service

Jon C. Wood
Cox Smith Matthews

C. Kirksey
City of Austin

CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT **CALENDAR YEAR 2006**

- 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, 2006 or to the time of the termination or cancellation of the policy, if sooner.

American Commerce Insurance Compa	11.472860 %		
AXIS Reinsurance Company	12.747623 %		
Employers Mutual Casualty Company	2.549525 %		
Federal Insurance Company	31.869055 %		
Motors Insurance Corporation	0.568544 %		
National Union Fire Ins Co of Pitts, PA	12.747623 %		
State Farm Mutual Automobile Insuran	15.297147 %		
Zurich American Insurance Company		<u>12.747623 %</u>	
	Total	100.000000 %	NE-2006

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.

John L. Quattrocchi, Senior Vice President, Underwriting, American Nuclear Insurers

Effective Date of

this Endorsement:

January 1, 2006

To form a part of Policy No. NF -0307

(12:01 A.M. Standard Time)

Issued to:

STP Nuclear Operating Company, Texas Genco, LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

March 24, 2006

For the subscribing companies

Endorsement No.:

99

CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT CALENDAR YEAR 2007

- 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, 2007 or to the time of the termination or cancellation of the policy, if sooner.

American Commerce Insurance Company	12.651531 %	
AXIS Reinsurance Company	13.801670 %	
Employers Mutual Casualty Company	4.600557 %	-
Federal Insurance Company	28.753479 %	ě
Motors Insurance Corporation	0.512962 %	
National Union Fire Ins Co of Pitts, PA	12.651531 %	
State Farm Mutual Automobile Insurance Company	13.801670 %	
Zurich American Insurance Company	13.226600 %	
Total	100.000000 %	NE-200'

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.

J. S. Strattwedi

John L. Quattrocchi, Senior Vice President, Underwriting, American Nuclear Insurers

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this Endorsement:

January 1, 2007 (12:01 A.M. Standard Time)

To form a part of Policy No. NF -0307

Issued to:

STP Nuclear Operating Company, Texas Genco, LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

April 5, 2007

For the subscribing companies

Presider

President

Endorsement No.:

101

Countersigned by

AMENDATORY ENDORSEMENT

It is agreed that:

Item 1 of the Declarations, as amended by Endorsement Nos. 1, 58, 67, 84 and 97, is 1. further amended to read:

Item 1.

Named Insured:

STP Nuclear Operating Company,

NRG South Texas LP

City Public Service Board of San Antonio,

City of Austin

Address:

c/o STP Nuclear Operating Company

P.O. Box 289

Wadsworth, TX 77483

2. Condition 17, "Authorization of Named Insured", is amended to read:

17 AUTHORIZATION OF NAMED INSURED

Except with respect to compliance with the obligations imposed on the insured by Conditions 5, 6, 7, 8, 9, 10 and 11 of this policy, STP Nuclear Operating Company is authorized to act for every other insured in all matters pertaining to this insurance.

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.

Gary S. Uricchio, Vice President - Underwriting American Nuclear Insurers

Gary L. Unichio

Effective Date of this Endorsement:

February 2, 2006 (12:01 A.M. Standard Time) To form a part of Policy No. NF -0307

Issued to:

STP Nuclear Operating Company, NRG South Texas LP, City Public ServiceBoard of San Antonio, City of Austin

Date of Issue:

January 18, 2008

For the subscribing companies

Endorsement No.:

104

ADDRESS OF NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION ENDORSEMENT

It is agreed that the address of the Nuclear Energy Liability Insurance Association appearing in the "Company Representation" condition of the policy is amended to read:

95 Glastonbury Boulevard Suite 300 Glastonbury, CT 06033-4453

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.

Gary S. Uricchio, Vice President - Underwriting

American Nuclear Insurers

Effective Date of

this Endorsement:

January 1, 2008

To form a part of Policy No. NF -0307

(12:01 A.M. Standard Time)

Issued to:

STP Nuclear Operating Company, Texas Genco, LP, City Public Service Board of San

Antonio, City of Austin

Date of Issue:

December 5, 2007

For the subscribing companies

President

Any L. Unichio

Endorsement No.:

103

Countersigned by

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT CALENDAR YEAR 2008

- 1. ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is: \$907,035.00
- 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: \$695,902.00

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 heron. No insurance is afforded hereunder.

Gary S. Urcchio, Vice President - Underwriting Americal Nuclear Insurers

Effective Date of

this Endorsement:

January 1, 2008

(12:01 A.M. Standard Time)

To form a part of Policy No. NF -0307

Issued To: STP Nuclear Operating Company, NRG South Texas LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

November 1, 2007

For the subscribing companies

Procident

Endorsement No:

102

Countersigned by Harry S. Unicchio

CERTIFIED COPY

NE-36

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT **CALENDAR YEAR 2008**

- 1. ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is: \$85,108.00
- 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 Premuim and the Reserve Premium is: \$65,175.00

This is to certify that this is a true copy of the original Endorsement having the endorsement number and being made part of the Certificate of Insurance bearing the number designated heron for insurance coverage under the Nuclear Energy Liability Policy (Facility Workers Form). No insurance is afforded hereunder.

Nuclear Insurers

Effective Date of

this Endorsement: January 1, 2008

(12:01 A.M. Standard Time)

To form a part of Certificate No. NW -0657

Issued To: STP Nuclear Operating Company, NRG South Texas LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

October 10, 2007

For the subscribing companies

Hary S. Unicchio

Endorsement No:

AMENDMENT OF NAMED INSUREDS AND ADDRESSES ENDORSEMENT

It is agreed that Item 1 of the Declarations, as amended by Endorsement Nos. 2, 7 and 11, is further amended to read:

Item 1. Named Insureds and Addresses:

- STP Nuclear Operating Company (a) P.O. Box 289 Wadsworth, TX 77483
- NRG South Texas LP (b) P.O. Box 4567 Houston, TX 77210
- City Public Service Board of San Antonio (c) P.O. Box 1771 San Antonio, TX 78296
- (d) City of Austin P.O. Box 1088 Austin, TX 78767

This is to certify that this is a true copy of the original endorsement having the endorsement number and being made part of the Certificate of Insurance bearing the number designated hereon for insurance coverage under the Nuclear Energy Liability Policy (Facility Worker Form). No insurance is afforded hereunder.

Hary L. Unichis

Gary S. Uricchio, Vice President - Underwriting **American Nuclear Insurers**

Effective Date of this Endorsement:

February 2, 2006 (12:01 A.M. Standard Time)

To form a part of Certificate No. NW -0657

Issued to:

STP Nuclear Operating Company, NRG South Texas LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

January 17, 2008

For the subscribing companies

Endorsement No.:

15

Fresident

Yary L. Unichio

ANNUAL PREMIUM ENDORSEMENT **CALENDAR YEAR 2008**

1. ANNUAL PREMIUM: It is agreed that the Annual Premium due the companies for the period designated above is: \$9,492.00°

> This is to certify that this is a true copy of the original Certificate, bearing the number designated heron, for insurance coverage under the Master Policy-Nuclear Energy Liability Insurance (Secondary Financial Protection). No insurance is afforded by this copy.

Gary S. Uficchio, Vice President - Underwriting Nuclear Insurers

Effective Date of

this Endorsement:

January 1, 2008

(12:01 A.M. Standard Time)

To form a part of Certificate No. N -0113

Issued To: STP Nuclear Operating Company, NRG South Texas LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

October 5, 2007

For the subscribing companies

Endorsement No:

Countersigned by Harry S. Vaicchio

ANNUAL PREMIUM ENDORSEMENT **CALENDAR YEAR 2008**

1. ANNUAL PREMIUM: It is agreed that the Annual Premium due the companies for the period designated above is: \$9,492.00

> This is to certify that this is a true copy of the original Certificate, bearing the number designated heron, for insurance coverage under the Master Policy-Nuclear Energy Liability Insurance (Secondary Financial Protection). No insurance is afforded by this copy.

Americal Nuclear Insurers

Effective Date of

this Endorsement:

January 1, 2008

(12:01 A.M. Standard Time)

To form a part of Certificate No. N -0116

Issued To: STP Nuclear Operating Company, NRG South Texas LP, City Public Service Board of San Antonio, City of Austin

Date of Issue:

October 5, 2007

For the subscribing companies

Endorsement No:

Countersigned by Harry S. Unicchio