

50-286

POWER AUTHORITY OF THE STATE OF NEW YORK

10 COLUMBUS CIRCLE NEW YORK, N. Y. 10019
(212) 397-6200

LEROY W. SINCLAIR
PRESIDENT & CHIEF
OPERATING OFFICER

WALTER T. KICINSKI
FIRST EXECUTIVE
VICE PRESIDENT &
CHIEF ADMINISTRATIVE
OFFICER

JOSEPH R. SCHMIEDER
EXECUTIVE VICE
PRESIDENT & CHIEF
ENGINEER

STEPHEN L. BAUM
SENIOR VICE PRESIDENT
& GENERAL COUNSEL

TRUSTEES

- JOHN S. DYSON
CHAIRMAN
- GEORGE L. INGALLS
VICE CHAIRMAN
- RICHARD M. FLYNN
- ROBERT I. MILLONZI
- JAMES L. LARocca



February 9, 1983

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

Subject: Secondary Financial Protection
Indian Point 3 Nuclear Power Plant
NELIA Certificate No. N-7
MAELU Certificate No. M-7

Dear Mr. Saltzman:

Enclosed herewith are two (2) certified copies of the above captioned certificates. These certificates are submitted to you in evidence of the secondary financial protection being maintained by the Power Authority of the State of New York with respect to the Indian Point 3 Nuclear Power Plant.

Very truly yours,

F. H. Deeg
Insurance Manager

fhd/sl
Enc.

8302150586 830209
PDR ADOCK 05000286
PDR

Mool

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Certificate No. N- 7
Forming Part of Master
Policy No. 1

THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL CERTIFICATE, BEARING THE NUMBER DESIGNATED HEREON, FOR INSURANCE COVERAGE UNDER THE MASTER POLICY - NUCLEAR ENERGY LIABILITY INSURANCE (SECONDARY FINANCIAL PROTECTION). NO INSURANCE IS AFFORDED BY THIS COPY.
[Signature]
JOHN L. QUATTROCHI
VICE PRESIDENT-LIABILITY UNDERWRITING
AMERICAN NUCLEAR INSURERS

CERTIFICATE OF INSURANCE
DECLARATIONS AND
BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Certificate of Insurance

This is to certify that the persons and organizations designated in Item 1 of the Declarations are named insureds under the Master Policy - Nuclear Energy Liability Insurance (Secondary Financial Protection), herein called the "Master Policy", issued by Nuclear Energy Liability Insurance Association.

Such insurance as is provided by the Master Policy applies, through this certificate, only:

- (a) to the insureds identified in Items 1 and 2 of the Declarations,
- (b) for the certificate period stated in Item 6 of the Declarations,
- (c) to bodily injury or property damage
 - (1) with respect to which the primary financial protection described in Item 4 of the Declarations would apply but for exhaustion of its limit of liability as described in Condition 6 of the Master Policy, and
 - (2) which is caused during the certificate period stated in Item 6 of the Declarations by a nuclear incident arising out of or in connection with the nuclear reactor described in Item 3 of the Declarations, and

(3) which is discovered and for which written claim is made against the insured not later than ten years after the end of the certificate period stated in Item 6 of the Declarations. However, with respect to bodily injury or property damage caused by an extraordinary nuclear occurrence this subparagraph (3) shall not operate to bar coverage for bodily injury or property damage which is discovered and for which written claim is made against the insured not later than twenty years after the date of the extraordinary nuclear occurrence.

Declarations

Item 1. Named insureds and addresses:

- (a) Power Authority of the State of New York - 10 Columbus Circle,
New York, New York 10019
(b)

Item 2. Additional insureds:

Any other person or organization who would be insured under the primary financial protection identified in Item 4 of the Declarations but for exhaustion of the limit of liability of such primary financial protection.

Item 3. Description and location of nuclear reactor: Unit 3 of the Indian Point Nuclear Generating Station located in the Village of Buchanan, Westchester County, New York.

Item 4. (a) Identification of primary financial protection applicable to the nuclear reactor and limit(s) of liability thereof:

Nuclear Energy Liability Insurance Association's	
Policy NF-100	\$108,500,000
Mutual Atomic Energy Liability Underwriters'	
Policy MF- 29	\$ 31,500,000

(b) The following endorsements, attached to the primary financial protection policies listed in Item 4 (a) also apply to the insurance afforded by the Master Policy through this certificate as though they were attached hereto:

- (1) Waiver of Defenses Endorsement (Extraordinary Nuclear Occurrence) and
- (2) Supplementary Endorsement - Waiver of Defenses - Reactor Construction at the Facility,

(c) The limits of liability provided under the primary financial protection specified in Item 4 (a) above are not shared with any other reactor except as follows:

Unit 1 of the Indian Point Nuclear Generating Station
Unit 2 of the Indian Point Nuclear Generating Station

Item 5. Limits of Liability: The amount of retrospective premium actually received by the companies plus the amount of the companies' contingent liability, if any, pursuant to Conditions 2, 3 and 4 of the Master Policy.

Item 6. Certificate Period: Beginning at 12:01 a.m. on the first day of August, 1977 and continuing to the effective date and time of cancellation or termination of the Master Policy or this certificate, whichever first occurs, eastern standard time.

Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each nuclear incident: \$3,875,000.

Item 8. Premium payable pursuant to Condition 1 of the Master Policy for the period from August 1, 1977 through December 31 following:
\$ 1,948.35

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Know All Men By These Presents, that the undersigned do hereby acknowledge that they are named insureds under the Master Policy described in the above Certificate of Insurance and Declarations. The named insureds do hereby covenant with and are held and are firmly bound to the members of Nuclear Energy Liability Insurance Association subscribing the Master Policy (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the Master Policy, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in the Master Policy from the date payment thereof is specified to be due the companies in written notice to the first named insured as provided in Condition 2 of the Master Policy until paid;

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts;

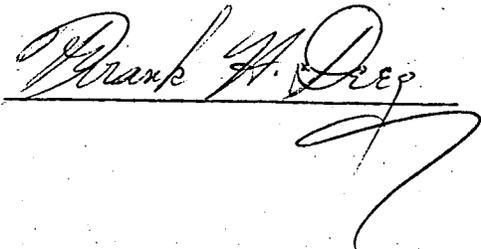
And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs, and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond and (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of the Master Policy relating to such covenants or provisions;

For the purpose of recording this agreement, a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

The preceding Certificate of Insurance, Declarations and Bond form a part of the Master Policy. Cancellation or termination of the Master Policy or the Certificate of Insurance shall not affect the named insured's obligations under the policy or the Bond to pay the retrospective premiums and allowances for premium taxes, as provided in this Certificate and Condition 2 of the Master Policy.

IN WITNESS WHEREOF, the named insureds have caused this Certificate, these Declarations and this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective August 1, 1977 eastern standard time.

Attest or Witness



Named Insureds:

Power Authority of the State of New York

(Named Insured - Type or Print)

By  (SEAL)

(Signature of Officer)

(Type or Print Name & Title of Officer)

Date: _____

(Named Insured - Type or Print)

By _____ (SEAL)

(Signature of Officer)

(Type or Print Name & Title of Officer)

Date: _____

(Named Insured - Type or Print)

By _____ (SEAL)

(Signature of Officer)

(Type or Print Name & Title of Officer)

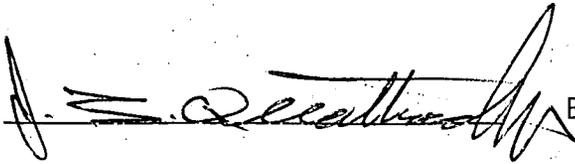
Date: _____

IN WITNESS WHEREOF, the companies subscribing the Master Policy have caused the Certificate of Insurance and the Declarations to be signed on their behalf by the President of Nuclear Energy Liability Insurance Association to be effective August 1, 1977 eastern standard time, and countersigned below by a duly authorized representative.

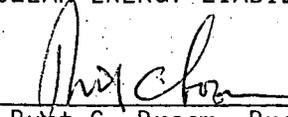
Attest or Witness

For the Subscribing Companies of

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION



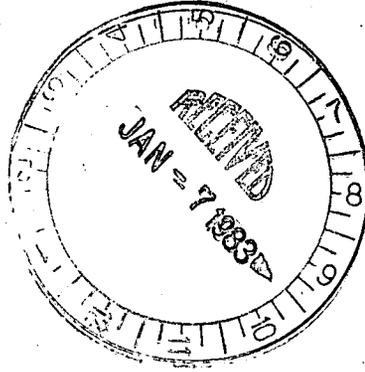
BY:



Burt C. Proom, President

Countersigned by _____

(Authorized Representative)



Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ENDORSEMENT TO CERTIFICATE NO. N-7
Forming Part of Master Policy No. 1
Nuclear Energy Liability Insurance
(Secondary Financial Protection)

ANNUAL PREMIUM ENDORSEMENT

It is agreed that the Annual Premiums applicable to the periods designated below are as follows:

For Calendar Year 1978
Effective Date January 1, 1978
Annual Premium \$4,650.00

For Calendar Year 1979
Effective Date January 1, 1979
Annual Premium \$4,650.00

For Calendar Year 1980
Effective Date January 1, 1980
Annual Premium \$4,650.00

For Calendar Year 1981
Effective Date January 1, 1981
Annual Premium \$4,650.00

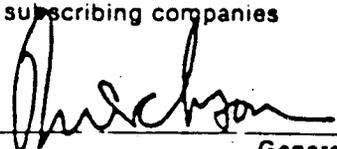
For Calendar Year 1982
Effective Date January 1, 1982
Annual Premium \$4,650.00

Effective Date of this Endorsement as stated above To form a part of Certificate No. N-7

Issued to Power Authority of the State of New York

Date of Issue December 15, 1982

For the subscribing companies

By 
General Manager

Endorsement No 1

Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ANNUAL PREMIUM ENDORSEMENT

Calendar Year 1983

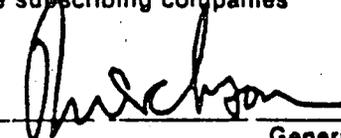
ANNUAL PREMIUM: It is agreed that the Annual Premium due the companies for the period designated above is: \$ 4,650.00.

Effective Date of this Endorsement January 1, 1983 To form a part of Certificate N-7
12:01 A.M. Standard Time

Issued to Power Authority of the State of New York

Date of Issue December 15, 1982

For the subscribing companies

By 
General Manager

Endorsement No 3

Countersigned by _____

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL CERTIFICATE, BEARING THE NUMBER DESIGNATED HEREON, FOR INSURANCE COVERAGE UNDER THE MASTER POLICY - NUCLEAR ENERGY LIABILITY INSURANCE (SECONDARY FINANCIAL PROTECTION). NO INSURANCE IS AFFORDED BY THIS COPY.

John L. Quattrone
JOHN L. QUATTRONE
VICE PRESIDENT-LIABILITY UNDERWRITING
AMERICAN NUCLEAR INSURERS

Certificate No. M- 7
Forming Part of Master
Policy No. 1

CERTIFICATE OF INSURANCE
DECLARATIONS AND
BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Certificate of Insurance

This is to certify that the persons and organizations designated in Item 1 of the Declarations are named insureds under the Master Policy - Nuclear Energy Liability Insurance (Secondary Financial Protection), herein called the "Master Policy", issued by Mutual Atomic Energy Liability Underwriters.

Such insurance as is provided by the Master Policy applies, through this certificate, only:

- (a) to the insureds identified in Items 1 and 2 of the Declarations,
- (b) for the certificate period stated in Item 6 of the Declarations,
- (c) to bodily injury or property damage
 - (1) with respect to which the primary financial protection described in Item 4 of the Declarations would apply but for exhaustion of its limit of liability as described in Condition 6 of the Master Policy, and
 - (2) which is caused during the certificate period stated in Item 6 of the Declarations by a nuclear incident arising out of or in connection with the nuclear reactor described in Item 3 of the Declarations, and

(3) which is discovered and for which written claim is made against the insured not later than ten years after the end of the certificate period stated in Item 6 of the Declarations. However, with respect to bodily injury or property damage caused by an extraordinary nuclear occurrence this subparagraph (3) shall not operate to bar coverage for bodily injury or property damage which is discovered and for which written claim is made against the insured not later than twenty years after the date of the extraordinary nuclear occurrence.

Declarations

Item 1. Named insureds and addresses:

- (a) Power Authority of the State of New York - 10 Columbus Circle,
New York, New York 10019
- (b)

Item 2. Additional insureds:

Any other person or organization who would be insured under the primary financial protection identified in Item 4 of the Declarations but for exhaustion of the limit of liability of such primary financial protection.

Item 3. Description and location of nuclear reactor: Unit 3 of the Indian Point Nuclear Generating Station located in the Village of Buchanan, Westchester County, New York.

Item 4. (a) Identification of primary financial protection applicable to the nuclear reactor and limit(s) of liability thereof:

Nuclear Energy Liability Insurance Association's	
Policy NF- 100	\$108,500,000
Mutual Atomic Energy Liability Underwriters'	
Policy MF- 29	\$ 31,500,000

(b) The following endorsements, attached to the primary financial protection policies listed in Item 4 (a) also apply to the insurance afforded by the Master Policy through this certificate as though they were attached hereto:

- (1) Waiver of Defenses Endorsement (Extraordinary Nuclear Occurrence) and
- (2) Supplementary Endorsement - Waiver of Defenses - Reactor Construction at the Facility,

(c) The limits of liability provided under the primary financial protection specified in Item 4 (a) above are not shared with any other reactor except as follows:

Unit 1 of the Indian Point Nuclear Generating Station
Unit 2 of the Indian Point Nuclear Generating Station

Item 5. Limits of Liability: The amount of retrospective premium actually received by the companies plus the amount of the companies' contingent liability, if any, pursuant to Conditions 2, 3 and 4 of the Master Policy.

Item 6. Certificate Period: Beginning at 12:01 a.m. on the first day of August, 1977 and continuing to the effective date and time of cancellation or termination of the Master Policy or this certificate, whichever first occurs, eastern standard time.

Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each nuclear incident: \$1,125,000

Item 8. Premium payable pursuant to Condition 1 of the Master Policy for the period from August 1, 1977 through December 31 following:
\$ 565.65

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Know All Men By These Presents, that the undersigned do hereby acknowledge that they are named insureds under the Master Policy described in the above Certificate of Insurance and Declarations. The named insureds do hereby covenant with and are held and are firmly bound to the members of Mutual Atomic Energy Liability Underwriters subscribing the Master Policy (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the Master Policy, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in the Master Policy from the date payment thereof is specified to be due the companies in written notice to the first named insured as provided in Condition 2 of the Master Policy until paid;

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts;

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs, and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond and (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of the Master Policy relating to such covenants or provisions;

For the purpose of recording this agreement, a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

The preceding Certificate of Insurance, Declarations and Bond form a part of the Master Policy. Cancellation or termination of the Master Policy or the Certificate of Insurance shall not affect the named insured's obligations under the policy or the Bond to pay the retrospective premiums and allowances for premium taxes, as provided in this Certificate and Condition 2 of the Master Policy.

IN WITNESS WHEREOF, the named insureds have caused this Certificate, these Declarations and this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective August 1, 1977 eastern standard time.

Frank A. Deep

Power Authority of the State of New York
(Named Insured - Type or Print)
By [Signature] (SEAL)
(Signature of Officer)

(Type or Print Name & Title of Officer)
Date: _____

(Named Insured - Type or Print)
By _____ (SEAL)
(Signature of Officer)

(Type or Print Name & Title of Officer)
Date: _____

(Named Insured - Type or Print)
By _____ (SEAL)
(Signature of Officer)

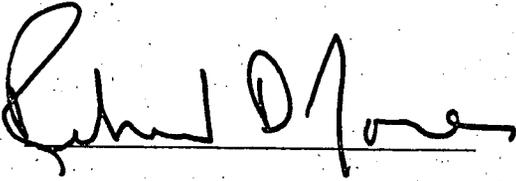
(Type or Print Name & Title of Officer)
Date: _____

IN WITNESS WHEREOF, the companies subscribing the Master Policy have caused the Certificate of Insurance and the Declarations to be signed on their behalf by Mutual Atomic Energy Liability Underwriters to be effective August 1, 1977 eastern standard time, and countersigned below by a duly authorized representative.

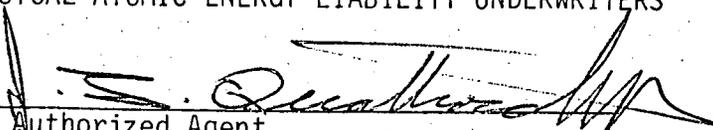
Attest or Witness

For the Subscribing Companies of

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS



BY:


Authorized Agent

Countersigned by _____

(Authorized Representative)

<u>Subscribing Companies</u>	<u>PROPORTION OF 100%</u>
American Mutual Liability Insurance Company, Wakefield, MA	15.0000000
Employers Insurance of Wausau, A Mutual Company, Wausau, WI	15.0000000
Liberty Mutual Insurance Company, Boston, MA	30.0000000
Lumbermens Mutual Casualty Company, Long Grove, IL	30.0000000
Michigan Mutual Insurance Company, Detroit, MI	5.0000000
Sentry Insurance, A Mutual Company, Stevens Point, WI	5.0000000

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO CERTIFICATE NO. M-7
Forming Part of Master Policy No. 1
Nuclear Energy Liability Insurance
(Secondary Financial Protection)

ANNUAL PREMIUM ENDORSEMENT

It is agreed that the Annual Premiums applicable to the periods designated below are as follows:

For Calendar Year 1978
Effective Date January 1, 1978
Annual Premium \$1,350.00

For Calendar Year 1979
Effective Date January 1, 1979
Annual Premium \$1,350.00

For Calendar Year 1980
Effective Date January 1, 1980
Annual Premium \$1,350.00

For Calendar Year 1981
Effective Date January 1, 1981
Annual Premium \$1,350.00

For Calendar Year 1982
Effective Date January 1, 1982
Annual Premium \$1,350.00

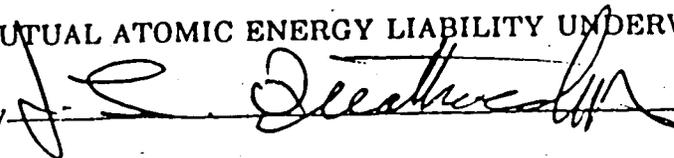
Effective Date of this Endorsement as stated above To form a part of Certificate No. M-7

Issue to Power Authority of the State of New York

Date of Issue December 15, 1982

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By 

Endorsement No. 1

Countersigned by _____
AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO CERTIFICATE NO. M-7

Forming Part of Master Policy No. 1
Nuclear Energy Liability Insurance
(Secondary Financial Protection)

It is agreed that Item 4.(a) of the Declarations is amended to read as follows:

Item 4. (a) Identification of primary financial protection applicable to the nuclear reactor and limit(s) of liability thereof:

Nuclear Energy Liability Insurance Association's
Policy NF- 100 \$124,000,000

Mutual Atomic Energy Liability Underwriters'
Policy MF- 29 \$36,000,000

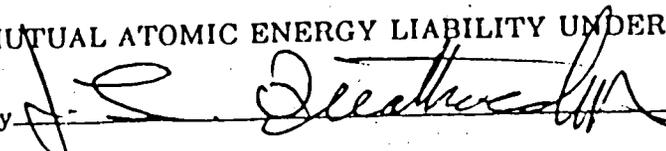
Effective Date of this Endorsement May 1, 1979 To form a part of Certificate No. M-7

Issue to Power Authority of the State of New York

Date of Issue December 15, 1982

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By 

Endorsement No. 2

Countersigned by _____
AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ANNUAL PREMIUM ENDORSEMENT

Calendar Year 1983

ANNUAL PREMIUM: It is agreed that the Annual Premium due the companies for the period designated above is: \$ 1,350.00.

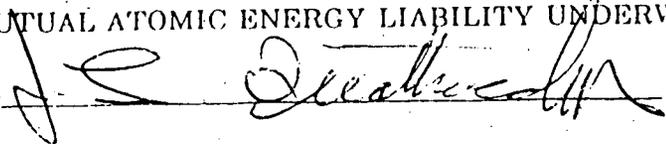
Effective Date of this Endorsement January 1, 1983 To form a part of Certificate No. M-7

Issue to Power Authority of the State of New York

Date of Issue December 15, 1982

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By 

Endorsement No. 3

Countersigned by _____

AUTHORIZED REPRESENTATIVE