



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

February 24, 2010  
NOC-AE-10002527  
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 Adkins at (361) 972-8698 or Cheryl Glover at (361) 972-7148.

Daniel R. Clark  
Manager,  
Financial Services

KMA

Attachments: Endorsements:

Facility Form (NF-0307) - (Endorsements 108 - 111)  
Master Worker Form (NW-0657) - (Endorsement 17)  
Secondary Financial Protection (N-0113) - (Endorsements 48 & 49)  
Secondary Financial Protection (N-0116) - (Endorsements 46 & 47)

M001  
NRR

cc:  
(paper copy)

Regional Administrator, Region IV  
U. S. Nuclear Regulatory Commission  
612 East Lamar Blvd, Suite 400  
Arlington, Texas 76011-4125

Mohan C. Thadani  
Senior Project Manager  
U.S. Nuclear Regulatory Commission  
One White Flint North (MS 8B1A)  
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

C. M. Canady  
City of Austin  
Electric Utility Department  
721 Barton Springs Road  
Austin, TX 78704

M. K. Kistler, w/o      Electronic  
RMS                      N2002

(electronic copy)

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Morgan, Lewis & Bockius LLP

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U. S. Nuclear Regulatory Commission

Kevin Howell  
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Jim von Suskil  
NRG South Texas LP

Ed Alarcon  
J. J. Nesrsta  
R. K. Temple  
Kevin Pollo  
City Public Service

Jon C. Wood  
Cox Smith Matthews

C. Mele  
City of Austin

Richard A. Ratliff  
Texas Department of State Health  
Services

Alice Rogers  
Texas Department of State Health  
Services

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

**CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR  
PROPORTIONATE LIABILITY ENDORSEMENT  
CALENDAR YEAR 2009**

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, 2009 or to the time of the termination or cancellation of the policy, if sooner.

American Commerce Insurance Company	14.615609 %	
AXIS Reinsurance Company	20.236998 %	
Employers Mutual Casualty Company	4.497110 %	
Federal Insurance Company	33.728330 %	
Motors Insurance Corporation	0.501428 %	
State Farm Mutual Automobile Insurance Company	13.491332 %	
Zurich American Insurance Company	<u>12.929193 %</u>	
Total	<u>100.000000 %</u>	NE-2009

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*

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

Effective Date of  
this Endorsement:

**January 1, 2009**  
(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: **February 20, 2009**

For the subscribing companies

By *Sege D. Punt*  
President

Endorsement No.: **108**

Countersigned by *Gary S. Uricchio*

**CERTIFIED COPY**

**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

**AMENDMENT OF CONDITION 4**

It is agreed that with respect to bodily injury, property damage, environmental damage or evacuation of the public caused after the effective date of this endorsement by the nuclear energy hazard, the figure "\$300,000,000" stated in Condition 4 of this policy is amended to read "\$375,000,000".

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*

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

Effective Date of  
this Endorsement:

**January 1, 2010**  
(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: **December 5, 2009**

For the subscribing companies

By

*Steve D. Punt*  
\_\_\_\_\_  
President

Endorsement No.: **109**

Countersigned by

*Gary S. Uricchio*  
\_\_\_\_\_

**CERTIFIED COPY**

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

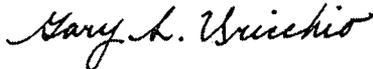
INCREASE OF LIMIT OF LIABILITY ENDORSEMENT  
(After Prior Increase)

It is agreed that:

1. The limit of the companies' liability stated in Item 4 of the declarations as amended by the Increase of Limit of Liability Endorsement(s) listed below is further amended to read \$ 375,000,000; but in the event that any payments have heretofore been made by the companies for loss or expense covered by the policy, each of those limits of liability including the limit of liability as amended by this endorsement is reduced in accordance with Condition 3 of the policy by the total amount of those payments, except to the extent that any such reduced limit of liability may have been previously restored in accordance with a Restoration of Limit of Liability Endorsement.
2. The increase in the limit of liability provided by this endorsement applies only with respect to obligations assumed or expenses incurred because of bodily injury, property damage, environmental damage or evacuation of the public caused, during the period from the effective date of this endorsement to the date of termination of the policy, by the nuclear energy hazard.
3. The original limit of liability stated in Item 4 of the declarations, the limit(s) of liability stated in the Increase of Limit of Liability Endorsement(s) listed below and the amended limit of liability stated in paragraph 1 above shall not be cumulative, and each payment made by the companies after the effective date of this endorsement for any loss or expense covered by the policy shall reduce by the amount of such payment each of those limits of liability, regardless of which limit of liability applies with respect to the bodily injury, property damage, environmental damage or evacuation of the public out of which such loss or expense arises.

Previous Increase of Limit of Liability Endorsement(s)  
Endorsement No.(s): 11, 22, 59, 64 and 87

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:

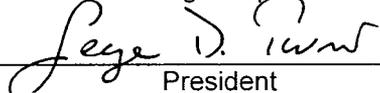
**January 1, 2010**  
(12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0307**

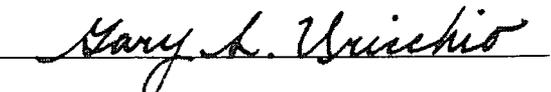
Issued to: **STP Nuclear Operating Company, NRG South Texas LP, City Public Service Board of San Antonio, City of Austin**

Date of Issue: **December 5, 2009**

For the subscribing companies

By   
President

Endorsement No.: **110**

Countersigned by 

**CERTIFIED COPY**

**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2010

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$1,141,826.00**
  
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: **\$876,202.00**

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.

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

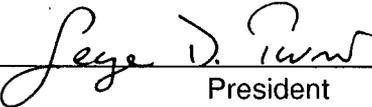
Effective Date of  
this Endorsement: **January 1, 2010**  
(12:01 A.M. Standard Time)

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 20, 2009**

For the subscribing companies

By   
President

Endorsement No: **111**

Countersigned by 

**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2010

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$104,598.00**
  
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: **\$80,100.00**

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 hereon for insurance coverage under the Nuclear Energy Liability Policy (Facility Workers Form). No insurance is afforded hereunder.

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

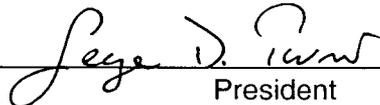
Effective Date of  
this Endorsement: **January 1, 2010**  
(12:01 A.M. Standard Time)

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: **November 17, 2009**

For the subscribing companies

By   
\_\_\_\_\_  
President

Endorsement No: **17**

Countersigned by 

CERTIFIED COPY

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ENDORSEMENT TO CERTIFICATE NO. N -0113  
Forming Part of Master Policy No. 1  
Nuclear Energy Liability Insurance  
(Secondary Financial Protection)

It is agreed that effective January 1, 2010, Item 4. (a) of the certificate 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:

(1) Facility Form Policy:

Nuclear Energy Liability Insurance Association's  
Policy NF -0307 \$375,000,000

(2) Master Worker Policy (Facility Worker Form):

Nuclear Energy Liability Insurance Association's  
Master Worker Policy NMWP-2 \$375,000,000

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 (Secondary Financial Protection). No insurance is afforded hereunder.

*Gary S. Uricchio*

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

Effective Date of  
this Endorsement:

**January 1, 2010**  
(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:

**December 5, 2009**

For the subscribing companies

By *Sege D. Purns*  
President

Endorsement No.:

**48**

Countersigned by

*Gary S. Uricchio*

NE-S-29 (1/1/10)

**CERTIFIED COPY**

**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ANNUAL PREMIUM ENDORSEMENT

CALENDAR YEAR 2010

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 hereon, for insurance coverage under the Master Policy-Nuclear Energy Liability Insurance (Secondary Financial Protection). No insurance is afforded by this copy.

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

Effective Date of  
this Endorsement: **January 1, 2010**  
(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: **November 13, 2009**

For the subscribing companies

By *Sege D. Purn*  
President

Endorsement No: **49**

Countersigned by *Gary S. Uicchio*

CERTIFIED COPY

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ENDORSEMENT TO CERTIFICATE NO. N -0116  
Forming Part of Master Policy No. 1  
Nuclear Energy Liability Insurance  
(Secondary Financial Protection)

It is agreed that effective January 1, 2010, Item 4. (a) of the certificate 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:

(1) Facility Form Policy:

Nuclear Energy Liability Insurance Association's  
Policy NF -0307 \$375,000,000

(2) Master Worker Policy (Facility Worker Form):

Nuclear Energy Liability Insurance Association's  
Master Worker Policy NMWP-2 \$375,000,000

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 (Secondary Financial Protection). No insurance is afforded hereunder.

*Gary S. Uricchio*

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

Effective Date of  
this Endorsement:

**January 1, 2010**  
(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:

**December 5, 2009**

For the subscribing companies

By *Sege D. Punt*  
President

Endorsement No.:

**46**

Countersigned by

*Gary S. Uricchio*

NE-S-29 (1/1/10)

**CERTIFIED COPY**

**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ANNUAL PREMIUM ENDORSEMENT

CALENDAR YEAR 2010

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 hereon, for insurance coverage under the Master Policy-Nuclear Energy Liability Insurance (Secondary Financial Protection). No insurance is afforded by this copy.

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

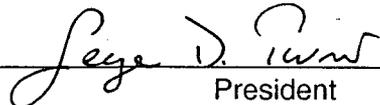
Effective Date of  
this Endorsement: **January 1, 2010**  
(12:01 A.M. Standard Time)

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: **November 13, 2009**

For the subscribing companies

By   
President

Endorsement No: **47**

Countersigned by 

CERTIFIED COPY