



R. Michael Glover
General Manager, Nuclear Support
Nuclear Generation

Duke Energy Corporation
526 South Church Street
Charlotte, NC 28202

Mailing Address:
P. O. Box 1006
EC07H
Charlotte, NC 28201-1006

704-382-6108

Mike.Glover@duke-energy.com

March 24, 2011

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-0001

Subject: Duke Energy Carolinas, LLC (Duke Energy)
Oconee Nuclear Station, Units 1, 2, and 3, Docket Nos. 50-269, 50-270, 50-287
McGuire Nuclear Station, Units 1 and 2, Docket Nos. 50-369, 50-370

American Nuclear Insurers (ANI) Aggregate Shutdown Credit Return Premium

Reference: Letter from Marsh USA, Inc. to Mr. Ira Dinitz, NRC, *2010 Nuclear Energy Liability Endorsements*, dated February 1, 2010.

Pursuant to 10 CFR 140.15(e), Marsh USA Inc. (Reference) submitted certified copies of liability insurance policy endorsements effective January 1, 2010 to formally document that Duke Energy is maintaining financial protection requirements through the continuation of the American Nuclear Insurers / Nuclear Energy Liability Policies.

Attached are notices from Marsh USA Inc. to Duke Energy concerning ANI Aggregate Shutdown Credit Return Premiums for Oconee and McGuire along with copies of the amended endorsements to the following Facility Forms:

- Endorsement # 186 to Oconee Facility Form (NF – 0182)
- Endorsement # 142 to McGuire Facility Form (NF – 0248)

This letter contains no new commitments.

Please contact L. B. Jones at 704 382-4753 or Luellen.Jones@duke-energy.com for any questions.

Sincerely,

R. Michael Glover
General Manager, Nuclear Support

Attachment 1:
Oconee Nuclear Station ANI Aggregate Shutdown Credit Return Premium

Attachment 2:
McGuire Nuclear Station ANI Aggregate Shutdown Credit Return Premium

M001
LIR

U. S. Nuclear Regulatory Commission
March 24, 2011
Page 2

xc:

V. M. McCree, Region II Administrator
U.S. Nuclear Regulatory Commission
Marquis One Tower
245 Peachtree Center Ave., NE Suite 1200
Atlanta, Georgia 30303-1257

I. P. Dinitz, Insurance Indemnity Specialist
11555 Rockville Pike
Mail Stop 0-12 D3
Rockville, MD 20852-2738

J. F. Stang, Jr., Senior Project Manager (ONS)
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Mail Stop 0-8 G9A
Rockville, MD 20852-2738

J. H. Thompson, Project Manager (MNS)
U. S. Nuclear Regulatory Commission
11555 Rockville Pike
Mail Stop 0-8 G9A
Rockville, MD 20852-2738

A. T. Sabisch
NRC Senior Resident Inspector
Oconee Nuclear Station

J. B. Brady
NRC Senior Resident Inspector
McGuire Nuclear Station

Attachment 1

MARSH

Timothy K. Fischer, CPCU, ARM
Assistant Vice President

Marsh USA Inc.
100 North Tryon Street
Suite 3200
Charlotte, NC 28202
+1 704 374 8210
timothy.k.fischer@marsh.com
www.marsh.com

Mr. Mark A. Webster, CPCU
Manager - Liability & Financial Insurance
Duke Energy Corporation
Duke Energy Center
550 S. Tryon Street, DEC40-C
Charlotte, NC 28202

March 10, 2011

Subject: Oconee Nuclear Station ANI Aggregate Shutdown Credit Return Premium

Dear Mark,

Enclosed, please find the revised ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT and rating sheets for Calendar Year 2010, endorsement #186 to Oconee's Facility Form Policy (NF - 0182), due to Unit 1's outage 10/10/2009 - 12/02/2009, and Unit 2's outage 4/26/2010 - 5/28/2010.

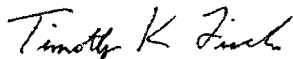
You will find the **return premium check for \$5,018** included within this correspondence.

As previously discussed, ANI will only apply the credit to the 2010 shutdown since they have already finalized their 2009 finances, but they have agreed to Marsh's request to acknowledge the 2009 outage in order to satisfy ANI's multi-site shutdown credit criteria. Marsh will continue to monitor each of Duke's reactor sites for similar opportunities.

As requested by Duke, we have also enclosed the certified copy of the endorsement. Please forward this copy to Mr. Ira Dinitz at the NRC in accordance with 10 CFR 140.15(e).

Please do not hesitate to contact me at (704) 374-8210 or any of my nuclear colleagues should you have any questions. Thank you for allowing Marsh to service your nuclear brokerage needs.

Regards,



Timothy K. Fischer, CPCU, ARM
Assistant Vice President

MARSH

Page 2

March 10, 2011

Mr. Mark A. Webster, CPCU

Duke Energy Corporation

Copy: B. Knowles, M. Fishbaugh, S. Moyer, G. Visor, I. Dinitz

Enclosure

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

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2010

It is agreed that Items 1 and 2 of Endorsement No. 182 are amended to read:

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$1,236,721.00**
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: **\$949,073.00**

RETURN PREMIUM: \$5,018.00

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

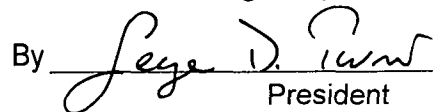
Effective Date of
this Endorsement: **January 1, 2010**
(12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0182**

Issued To: **Duke Energy Carolinas, LLC**

Date of Issue: **February 21, 2011**

For the subscribing companies

By 
President

Endorsement No: **186**

Countersigned by 

Attachment 2

Eugina A Visor, ARM
Nuclear Client Advisor

MARSH

Marsh USA Inc.
100 North Tryon Street
Suite 3200
Charlotte, NC 28202
704 374 8241
Eugina.A.Visor@marsh.com
www.marsh.com

Mr. Mark A. Webster, ARM
Manager Liability & Financial Insurance
Global Risk Management and Insurance
Duke Energy Center
PO Box 1321, DEC40-C
Charlotte, NC 28201-2801

February 23, 2011

Subject: McGuire Nuclear Station Units 1 & 2 ANI Aggregate Shutdown Credit Return Premium

Dear Mark,

Enclosed, please find the revised ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT, certified endorsement, and rating sheet for Calendar Year 2010 for McGuire, endorsement #142 to McGuire's Facility Form Policy (NF – 0248), due to Unit 1's outage 3/14/2010-4/16/2010 and Unit 2's outage 09/05/2009-10/09/2009. Of note, ANI has closed their books for the 2009 calendar year, so only Unit 1's outage was applied. This was a concession made by Marsh during our negotiations with ANI to extend a shutdown credit to multi-unit sites.

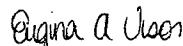
As previously indicated, we have successfully lobbied ANI to extend a shutdown credit to multi-unit sites based on an aggregate shutdown period in excess of 60 days (with each unit's outage having been greater than 30 days to qualify). Marsh will continue to monitor each of Duke's reactor sites for similar opportunities.

You will find the return premium check for \$8,495 included within this correspondence. We have verified the return premium and find all to be in order.

We have enclosed the certified copy of this endorsement, please forward to Mr. Ira Dinitz at the NRC in accordance with 10 CFR 140.15(e).

Please do not hesitate to contact me at (704) 374-8241 or any of my nuclear colleagues should you have any questions. Thank you for allowing Marsh to service your nuclear brokerage needs.

Regards,



Eugina Visor, ARM
Client Advisor

MARSH

Page 2

February 24, 2011

Mr. Mark Webster

Duke Energy Carolinas, LLC

Copy: M. Fishbaugh, S. Moyer, T. Fischer
Enclosure

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

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2010

It is agreed that Items 1 and 2 of Endorsement No. 139 are amended to read:

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$1,564,752.00**
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: **\$1,200,974.00**

RETURN PREMIUM: \$8,495.00

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

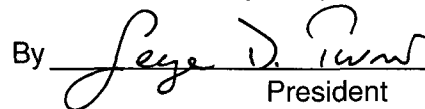
Effective Date of
this Endorsement: **January 1, 2010**
(12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0248**

Issued To: **Duke Energy Carolinas, LLC**

Date of Issue: **February 4, 2011**

For the subscribing companies

By 
President

Endorsement No: **142**

Countersigned by 

NE-36

CERTIFIED COPY