



November 14, 1980

Mr. Jerome Saltzman, Chief
Antitrust and Indemnity Group
Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Price-Anderson Act
Retrospective Premium System

Duane Arnold Energy Center
Docket No. 50-331

Dear Mr. Saltzman:

This letter is filed to comply with the provisions of the Price-Anderson Act regarding the Cooperative's guarantee of its ability to respond to a call for retrospective premium.

Corn Belt, a 10% owner, has reserved \$1 million of the \$13 million Line of Credit available from the National Rural Utilities Cooperative Finance Corporation. We attach a copy of a letter and agreement from the National Rural Utilities Cooperative Finance Corporation indicating the availability of the funds.

Yours very truly,

CORN BELT POWER COOPERATIVE

ORIGINAL SIGNED BY:
GEORGE W. TOYNE

George W. Toyne
General Manager

GWT:bs

Enclosure

DUPE 8011250272 (3pp.)

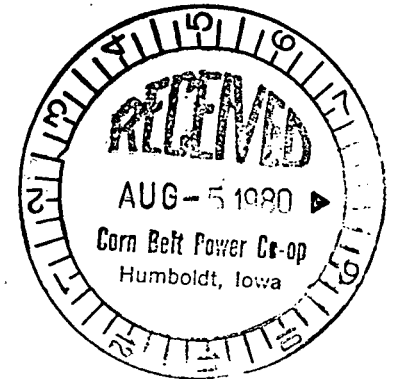


NATIONAL RURAL UTILITIES
COOPERATIVE FINANCE CORPORATION

1115 30th STREET, N.W., WASHINGTON, D.C. 20007 • (202) 337-6700

July 31, 1980

Mr. George W. Toyne, Manager
Corn Belt Power Cooperative
1300 North 13th Street
Humboldt, Iowa 50548



Dear Mr. Toyne:

Re: Line of Credit # 05-16-084-R-13

We are pleased to advise you that your system's application for a line of credit for short-term loans in the amount of \$13,000,000 for a term of 12 months has been approved. A copy of the approved line of credit agreement (CFC Form 10) and the executed promissory note (CFC Form 24) are enclosed.

Please note that the Terms and Conditions of the agreement require:

- (1) that CFC be notified by the applicant of any delinquency or default on any of its obligations; (Section i)
- (2) that applicant will not, without prior written consent of CFC become obligated in respect of any indebtedness for moneys borrowed other than indebtedness to CFC or REA; (Section iii) and
- (3) that applicant will deliver to CFC a copy of financial and statistical reports prepared for REA and a copy of any CPA audit report prepared subsequent to the submission of the loan application. (Section v)

The CPA audit report should include a copy of the supplemental letter prepared by the auditor. We request that you submit a copy of REA Form 7 for every month in which a balance is outstanding on any advances.

CFC policy establishing the interest rate for line of credit loans provides that such interest rate will be bank prime rate plus 1 percent or such lesser total rate per annum, as may be fixed by the CFC Board. Under this policy the Board has provided that the interest rate shall be the bank prime rate plus 1/4 percent. (See enclosed memorandum for current interest rate).

Full or partial repayments of advances on the note may be made at any time and funds may be reborrowed as the need arises, so long as the total amount of advances outstanding at any one time does not exceed the amount of the note. This process may be repeated as often as necessary during the period of the line of credit.

Requests for advance of funds may be made by telephone or by letter. We should appreciate having notice at least one day prior to the date that the funds are required. If the request is by telephone, a letter confirming the request should be sent to CFC. Telephone requests for advances may be made to your Area Loan Examiner,* Loan Department, or the Money Desk, Finance Department. The funds will be wired to your General Funds account at First National Bank, Humboldt, Iowa. The promissory note for your system's maturing \$13,000,000 line of credit (05-16-084-R-12) has been cancelled and will be returned shortly.

A stop-order has been placed on \$1,000,000 for the line of credit pursuant to Corn Belt's request. The stop-order amount will evidence the availability of \$1,000,000 to Corn Belt should it be called upon by the U. S. Nuclear Regulatory Commission (NRC) to provide Corn Belt's proportionate share of a retrospective premium which may be assessed by NRC to the Duane Arnold Energy Center (DAEC) participants. Upon submission of documentation that Corn Belt has been requested to meet its proportionate share of DAEC retrospective premiums, the stop-order will be removed.

If you have any questions, please let me know.

Sincerely,

George King
for Gary A. Gordy
Loan Officer

*Ruth Stockton

GG:lmj

cc: Mr. Warren C. Snell, President
Mr. Dale M. Arends, Asst. Gen. Mgr.