TO: Mr. Jerome Saltzman		FHOM: Lowenstein, Washington, Joel S. Wig		DATE OF DOCUMENT 4/5/77 DATE RECEIVED 4/7/77
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ATTACHED FOR YOU INDEMNITY/ENDORS INDICATED PLANT NAME: Duane RJL	JR ACTION/INFO SEMENT AGREEME ne Arnold	O IS A COPY OF ENT FOR PERIOD (1-P) (6-P)		(NOWLEDGES WI, KLINDVE
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LAW OFFICES

LOWENSTEIN, NEWMAN, REIS & AXELRAD

1025 CONNECTICUT AVENUE, N. W.

WASHINGTON, D.C. 20036

202 833-8371

Regulatory

-33/

April 5, 1977

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



File Cy.

RE: Duane Arnold Energy Center NELIA POLICY No. NF-214 MAELU POLICY No. MF-72

Dear Mr. Saltzman:

On behalf of Iowa Electric Light and Power Company, transmitted herewith is one copy each of Endorsement Nos. 23, 24 and 25 to the MAELU Policy No. MF-72 and Endorsement No. 33 to NELIA Policy No. NF-214.

Sincerely, Joel S. Wight

JSW:dlk Enclosures

Sec. .

770980219

ROBERT LOWENSTEIN JACK R. NEWMAN HAROLD F. REIS MAURICE AXELRAD KATHLEEN H. SHEA J. A. BOUKNIGHT, JR.

MICHAEL A. BAUSER ROBERT H. CULP FREDERIC S. GRAY LINDA L. HODGE KENNETH G. STARLING JOEL S. WIGHT (ADM. CALIF.)

## NUCLEAR ENERGY LIABILITY INSURANCE

### MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF CONDITION 2 "INSPECTION; SUSPENSION" (FACILITY FORM)

It is agreed that Condition 2 "INSPECTION; SUSPENSION" is replaced by the following:

2. INSPECTION; SUSPENSION. The companies shall at any time be permitted but not obligated to inspect the facility and all operations relating thereto and to examine the insured's books and records as far as they relate to the subject matter of this insurance. Neither the right to make inspections and examinations nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking, on behalf of or for the benefit of the insured or others, to determine or warrant that such facility or operations are safe or healthful, or are in compliance with any law, rule or regulation.

If a representative of the companies discovers a condition which he believes to be unduly dangerous with respect to the nuclear energy hazard, a representative of the companies may request that such condition be corrected without delay. In the event of non-compliance with such request, a representative of the companies may, by notice to the named insured, to any other person or organization considered by the companies to be responsible for the continuance of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend the insurance with respect to the named insured and such other person or organization effective 12:00 midnight of the next business day of such Commission following the date that such Commission receives such notice. The period of such suspension shall terminate as of the time stated in a written notice from the companies to the named insured and to each such person or organization that such condition has been corrected.

Effective Date of	- -	1 1077	To form a part	
this Endorsement	January	1, 1977	of Policy No	<u>MF-72</u>

Issued to <u>Iowa Electric Light and Power, Central Iowa Power Cooperative and Corn Belt</u> Power Cooperative

Date of Issue January 31, 1977

THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF ENDORSEMENT NO.	For the Subscribing Companies
MADE PART OF NUCLEAR ENERGY POLICY (FACILITY FORM) NO. MF. 22. NO	MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS
INSURANCE IS AFFORDED UNDER THIS THE COPY.	By
RICHARD E. GOODMAN, SECRETARY MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS Endorsement No. 23	Countersigned by

POINTEL IN U.B.A.

## NUCLEAR ENERGY LIABILITY INSURANCE

## MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF DEFINITION OF "NUCLEAR ENERGY HAZARD" (Indemnified Nuclear Facility)

It is agreed that:

- Solely with respect to an "insured shipment" to which the policy applies as proof of financial protection required by the Nuclear Regulatory Commission subdivision (2) of the definition of "nuclear energy hazard" is amended to read:
  - (2) the nuclear material is in an insured shipment which is away from any other nuclear facility and is in the course of transportation, including handling and temporary storage incidental thereto, within
    - (a) the territorial limits of the United States of America, its territories or possessions, Puerto Rico or the Canal Zone; or
    - (b) international waters or airspace provided that the nuclear material is in the course of transportation between two points located within the territorial limits described in (a) above and there are no deviations in the course of the transportation for the purpose of going to any other country, state or nation, except a deviation in the course of said transportation for the purpose of going to or returning from a port or place of refuge as the result of an emergency.
- 2. As used here, "financial protection," has the meaning given it in the Atomic Energy Act of 1954, as amended.

Effective Date of this Endorsement	January 1, 1	L977		orm a part licy No	MF-72	
Iowa El Issued to <u>Power Coc</u>	ec <b>tri</b> c Light ۵ <del>مو</del>	Power,	Central	Iowa Pow	er Cooperative	and Corn Belt
Date of IssueJanua		<u> </u>				
THIS IS TO CERTIFY THAT THIS IS A THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF ENDORSEMENT NO. TRUE COPY OF NUCLEAR ENERGY F MADE PAST OF NUCLEAR ENERGY (FACILITY FORM) NO. MF (FACILITY FORM) NO. MF (FACILITY FORM) NO.		MUTUA	Subscribing (	•	GY LIABILITY (	JNDERWRITERS
Endorsement <sup>M</sup> No. 2	N. STY UNDER	Countersig	gned by		harles, King AUTHORIZED REPRESENT	ATIVE

## NUCLEAR ENERGY LIABILITY INSURANCE

## MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

WAIVER OF DEFENSES ENDORSEMENT (Extraordinary Nuclear Occurrence)

The named insured, acting for himself and every other insured under the policy, and the members of the Mutual Atomic Energy Liability Underwriters agree as follows:

- 1. With respect to any extraordinary nuclear occurrence to which the policy applies as proof of financial protection and which
  - (a) arises out of or results from or occurs in the course of the construction, possession, or operation of the facility, or
  - (b) arises out of or results from or occurs in the course of the transportation of nuclear material to or from the facility,

the insureds and the companies agree to waive

- (1) any issue or defense as to the conduct of the claimant or the fault of of the insureds, including but not limited to:
  - (i) negligence,
    - (ii) contributory negligence,
  - (iii) assumption or risk, and
  - (iv) unforeseeable intervening causes, whether involved the conduct of a third person, or an act of God,
- (2) any issue or defense as to charitable or governmental immunity, and
- (3) any issue or defense based on any statute of limitations if suit is instituted within three years from the date on which the claimant first knew, or reasonably could have known, of his bodily injury or property damage and the cause thereof, but in no event more than twenty years after the date of the nuclear incident.

The waiver of any such issue or defense shall be effective regardless of whether such issue or defense may otherwise be deemed jurisdictional or relating to an element in the cause of action.

- 2. The waivers set forth in paragraph 1. above do not apply to
  - (a) bodily injury or property damage which is intentionally sustained by the claimant or which results from a nuclear incident intentionally and wrongfully caused by the claimant;
  - (b) bodily injury sustained by any claimant who is employed at the site of and in connection with the activity where the extraordinary nuclear occurrence takes place if benefits therefor are either payable or required to be provided under any workers' compensation or occupational disease law;
  - (c) any claim for punitive or exemplary damages, provided, with respect to any claim for wrongful death under any state law which provides for damages only punitive in nature, this exclusion does not apply to the extent that the claimant has sustained actual damages, measured by the pecuniary injuries resulting from such death but not to exceed the maximum amount otherwise recoverable under such law.

The waivers set forth in paragraph 1. above shall be effective only with respect . 3. to bodily injury or property damage to which the policy applies under its terms other than this endorsement; provided, however that with respect to bodily injury or property damage resulting from an extraordinary nuclear occurrence, Insuring Agreement IV, "Application of Policy," shall not operate to bar coverage for bodily injury or property damage (a) which is caused during the policy period by the nuclear energy hazard and (b) 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. Such waivers shall not apply to, or prejudice the prosecution or defense of any claim or portion of claim which is not within the protection afforded under (a) the provisions of the policy applicable to the financial protection required of the named insured; (b) the agreement of indemnification between the named insured and the Nuclear Regulatory Commission made pursuant to Section 170 of the Atomic Energy Act of 1954, as amended; and (c) the limit of liability provisions of Subsection 170 e. of the Atomic Energy Act of 1954 as amended.

Such waivers shall not preclude a defense based upon the failure of the claimant to take reasonable steps to mitigate damages.

- 4. Subject to all of the limitations stated in this endorsement and in the Atomic Energy Act of 1954, as amended, the waivers set forth in paragraph 1. above shall be judicially enforceable in accordance with their terms against any insured in an action to recover damages because of bodily injury or property damage to which the policy applies as proof of financial protection.
- 5. As used herein: "extraordinary nuclear occurrence" means an event which the Nuclear Regulatory Commission has determined to be an extraordinary nuclear occurrence as defined in the Atomic Energy Act of 1954, as amended. "financial protection" and "nuclear incident" have meanings given them in the Atomic Energy Act of 1954, as amended. "claimant" means the person or organization actually sustaining the bodily injury or property damage and also include his assignees, legal representatives and other persons or organizations entitled to bring an action for damages on account of such injury or damage.

Effective Date of this EndorsementJanuary 1, 197	To form a par 7of Policy No	tMF-72
Issued to Iowa Electric Light & P Power Cooperative	ower, Central Iowa Powe	r Cooperative and Corn Belt
Date of Issue January 31, 1977		
THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF ENDORSEMENT NO. 25 MADE PART OF NUCLEAR ENERGY POLICY (FACILITY FORM) NO. MF. 72 NO (FACILITY FORM) NO. MF. 72 NO INDERANCE IS ALTORDED (ONDER INFO MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS Endorsement No. 25	и Ву()	RGY LIABILITY UNDERWRITERS
Endorsement No.	Countersigned by	Authorized Representative

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# Sar Energy Liability Insurance

#### NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDMENT OF CONDITION 4 AND AMENDMENT IN 1977 SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT

It is agreed that:

- 1. with respect to bodily injury or property damage caused after the effective date of this endorsement by the nuclear energy hazard, the figure \$96,875,000 stated in Condition 4 of the policy is amended to read \$108,500,000.
- 2. the listing of subscribing companies and their proportionate liability for calendar year 1977 shown on the reverse side of the Advance Premium and Standard Premium Endorsement for Calendar Year 1977 is replaced by the listing on the reverse side of this endorsement.

(over)

This is to certify that this is a true copy of the original Enderscene having the objects of a call of Ard being unde part of the Muelean Normy Lie Anno reason (Southley Form) as designated hereign. No Jacarance is a rounded hereunder.

Charle-Nuclear E.

Lagar the Armer

Effective Date of this Endorsement		To form a part of Policy NoNF-214
	12:01 A.M. Standard Time	
Issued to	Iowa Electric Light Company,	Central Iowa Power Cooperative and Corn
<sup>1</sup> г	Belt Power Cooperative	
Date of Issue	<u>January 31,</u> 1977	For the subscribing companies
		By Michgon
		V General Manager
Endorsement No NE-43D (1/1/7	33	Countersigned by Charles King

SUBSCRIBING COMPANIES	PROPORT	10N OF 100%	
Aetna Casualty and Surety Co., The, 151 Farmington Ave., Hartford, CT 06156	•	••	
Aetha Insurance Company, 55 Elm St., Hartford, CT 06155		11.4807836	•
Allstate Insurance Co., 8324 Skokie Blvd., Skokie, IL 60076		2.3753345	
American Home Assurance Co., 102 Maiden La., New York, NY 10005		4.7506691	
American Motorists Insurance Co., Long Grove, IL 60049		.6730115	
Centennial Insurance Co., 45 Wall St., New York, NY 10005		.3958891	
Commercial Union Insurance Co., One Beacon St., Boston, MA 02108		.3958891 3.4838240	
Continental Casualty Co., CNA Plaza, Chicago, IL 60685		4.4339578	
Continental Insurance Co., The, 80 Maiden La., New York, NY 10038	· ·	6.3342254	
Federal Insurance Co., 51 John F. Kennedy Pkwy., Short Hills, N1 07078	· .	1.2668451	
Fireman's Fund Insurance Co., 3333 California St., San Francisco, CA 94119		4.3547800	
General Accident fire and Life Assurance Corp., 1td. 414 Walnut St. Philadelphia D/	19105	1.3460229	
Great American Insurance Co., 580 Walnut St., Cincinnati, OH 45201	15105	1.3301873	
Gulf Insurance Co., 3015 Cedar Springs, Dallas, TX 75221		.1583556	
Hanover Insurance Co., The, 440 Lincoln St., Worcester, MA 01605		.4750669	
Hartford Accident and Indemnity Co., Hartford Plaza, Hartford CT 06115		7.9177818	
* Hartford Steam Boiler Insp. & Ins. Co., The, 56 Prospect St., Hartford CT 06102		4354780	
nome indemnity to., inc. 59 Maiden La., New York, NY 10038		2.7712236	
Insurance"Co. of North America, 1600 Arch Street, Philadelphia, PA 19101		6.3342250	
Maryland Casualty Co., P.O. BOX 1228, Baltimore, MD 21203		1.5835564	
Monarch Insurance Co. of Ohio, The, 19 Rector St., New York, NY 10006	· · · ·	.2771224	
Northwestern National Ins. Co., 731 No. Jackson St., Milwaukee, WI 53202		.5542447	
Pacific Indemnity Co., 3200 Wilshire Blvd., Los Angeles, CA 90054		.3167113	
Peerless Tinsurance Co., 62 Maple Ave., Keene, NH 03431		.0989723	
Phoenix Assurance Co. of New York, 80 Maiden La., New York, NY 10038		.4750669	
Protective Insurance Co., 3100 No. Meridian St., Indianapolis, IN 46208		.1583556	
Providence Washington Insurance Co., 20 Washington Place, Providence, RI 02903 Puritan Insurance Company, 1515 Summer St., Stamford, CT 06905		.0989723	
Reliance Insurance Company, 4 Penn Center Plaza, Philadelphia, PA 19103		.2375335	
Royal Globe Insurance Company, 150 William Street, New York, New York 10038		1.2668451	
St. Paul Fire & Marine Ins. Co., 385 Washington St., St. Paul, MN 55102		3.5630018	
Seaboard Surety Co., 90 William St., New York, NY 10038		3.9335540	
Security Insurance Company of Hartford, 1000 Asylum Ave., Hartford, CT 06101		.3167113	
State Farm Fire & Casualty Company, 112 East Washington St., Bloomington, IL 61701		1,0689005	
Transamerica Insurance Co., 1150 So. Olive St., Los Angeles, CA 90015		.7917782	
Travelers Indemnity Company, the, One Tower Square, Hartford CT 06115	• -	.6334225	
United States Fidelity and Guaranty Co., P.O. ROX 1138 Baltimore MD 21202		11.2432501 9.0262712	
United States fire Insurance Co., Madison Ave. at Canfield Rd Mornistown N1 07050	•	2.8504014	
zurich Insurance Co., ill west Jackson Blvd., Chicago, IL 60604		.7917782	
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Attachment to Endt. No. 33

#### RECEIVED DOCUMENT PROCESSING UNIT

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