

Paul A. Harden
Senior Vice President and Chief Operating Officer

May 27, 2016
L-16-171

Director, Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT:
Perry Nuclear Power Plant
Docket No. 50-440, License No. NPF-58
Required Notification of Receipt of All Required Regulatory Approvals of the Proposed
Transfer Actions and Documentary Evidence of Required Insurance (CAC No. MF6412)

By letter dated April 15, 2016 [Agencywide Documents Access and Management System (ADAMS) Accession No. ML16078A092], the Nuclear Regulatory Commission (NRC) issued an Order approving the direct transfer of license for the Perry Nuclear Power Plant (PNPP) resulting from transfer of ownership interests from the Ohio Edison Company to FirstEnergy Nuclear Generation, LLC (FENGen). The Order includes requirements to complete the following actions:

- After receipt of all required regulatory approvals of the proposed direct transfer action, FirstEnergy Nuclear Operating Company (FENOC) shall inform the Director of the Office of Nuclear Reactor Regulation in writing of such receipt no later than 1 business day prior to the date of the closing of the direct transfer.
- FENOC and FENGen shall provide satisfactory documentary evidence to the Director of the Office of Nuclear Reactor Regulation, that as of the date of license transfer, the licensees reflected in the amended license have obtained the appropriate amount of insurance required by 10 CFR 140 and 10 CFR 50.54(w).

The documentary evidence of insurance is enclosed. All required regulatory approvals have been obtained and the transaction (closing) date is set for May 31, 2016. This fulfills the notification requirement specified in the Order.

Perry Nuclear Power Plant

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There are no regulatory commitments contained in this letter. If there are any questions, or if additional information is required, please contact Mr. Thomas A. Lentz, Manager – Fleet Licensing, at 330-315-6810.

Sincerely,



Paul A. Harden

Enclosure:

Documentary Evidence of Insurance

cc: NRC Region III Administrator
NRC Resident Inspector
NRR Project Manager

Enclosure
L-16-171

Documentary Evidence of Insurance
(5 Pages Follow)



76 S. Main St.
Akron, Oh 44308
1-800-633-4766

May 27, 2016

Indemnity Specialist
U.S. Nuclear Regulatory Commission
Mail Stop 12D3
1 White Flint North
Rockville, MD 20852

Re: FirstEnergy Nuclear Generation, LLC

Dear Mr. Olvera:

Commensurate with transfer of Ohio Edison Company's ownership in Perry Nuclear Power Plant to FirstEnergy Nuclear Generation, LLC, the following changes will be made to the nuclear liability and property insurance policies:

- Under Facility Form Policy No. NF-0291, Facility Worker Form Certificate No. NW- 0644, and Secondary Financial Protection Certificate No. N-0102, Ohio Edison Company is deleted as Named Insured. Enclosed, please find an Acord Certificate of Insurance that provides evidence of financial protection which satisfies the requirements set forth in Section 170b. of the Atomic Energy Act of 1954, as amended, and the requirements of 10 CFR Part 140.
- The following Primary Property and Decontamination Liability Policies, and Decontamination Liability, Decommissioning Liability and Excess Property Insurance Policies, for the Perry Nuclear Power Plant are amended to delete Ohio Edison Company as an Insured: P16-067 and BX16-016. Enclosed, please find a letter from NEIL confirming these amendments.

Please feel free to contact me at (330) 761-4341 if you have any questions.

Sincerely,

FIRSTENERGY CORP.

BY: Peter M. Nadel
Manager, Corporate Insurance



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/26/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH USA INC. 540 W. MADISON CHICAGO, IL 60661 Attn: chicago.CertRequest@marsh.com	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):
016265-Nucle-Nucle-16-17	INSURER(S) AFFORDING COVERAGE	
INSURED FirstEnergy Corporation Attn: Pete Nadel pnadel@firstenergycorp.com 76 South Main Street Akron, OH 44308	NAIC #	
	INSURER A: American Nuclear Insurers	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** CHI-005417270-06 **REVISION NUMBER:** 9

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N/A						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Nuclear Energy Liability Insurance			See Attached Acord 101	01/01/2016	01/01/2017	See Attached Acord 101

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Effective on the closing date of asset transfer, the insurance policy and certificates for the Perry Nuclear Power Plant will be amended to delete Ohio Edison Company as a Named Insured.

CERTIFICATE HOLDER

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

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

Manashi Mukherjee

Manashi Mukherjee

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ADDITIONAL REMARKS SCHEDULE

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AGENCY MARSH USA INC.		NAMED INSURED FirstEnergy Corporation Attn: Pete Nadel pnadel@firstenergycorp.com 76 South Main Street Akron, OH 44308	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance

CERTIFICATE OF NUCLEAR ENERGY LIABILITY INSURANCE

This is to certify that there is in force as of the effective date of this Certificate a Nuclear Energy Liability Insurance Policy issued by members of American Nuclear Insurers as indicated (Companies), to the Insured named herein, with respect to the Nuclear Facility at the Location shown and/or with respect to the Insured's operations described herein. If such policy is cancelled or otherwise terminated prior to the end of December 31st of the calendar year in which the Effective Date of this Certificate occurs, notice will be delivered in accordance with the policy provisions. Otherwise this Certificate shall terminate as of the end of such December 31st. A Certificate will NOT be issued for any subsequent calendar year unless requested in writing.

Types of Insurance: NF - [Facility Form], NW - [Master Worker Certificate], NS - [US Domestic Supplier's & Transporters], FS - [Foreign Suppliers & Transporters], N-[Secondary Financial Protection Certificate]

COVERAGE FOR NUCLEAR FACILITIES:

1. SITE #1 - BEAVER VALLEY

LOCATION OF NUCLEAR FACILITY: Beaver Valley Nuclear Power Plant in Shippingport Borough, Beaver County, Pennsylvania

NAMED INSURED [LISTED ON POLICY]: FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, The Toledo Edison Company and FirstEnergy Nuclear Operating Company

POLICY NUMBER:	POLICY EFFECTIVE:	LIMIT OF LIABILITY:
NF-0226	08/01/1974	\$375 Million
NW-0603	08/01/1974	\$375 Million**
N-0058	08/01/1977	***
N-0110	05/28/1987	***

2. SITE #2 - DAVIS-BESSE

LOCATION OF NUCLEAR FACILITY: Davis-Besse Nuclear Power Plant on Lake Erie approx 20 miles ESE of Toledo in Ottawa County, Ohio

NAMED INSURED [LISTED ON POLICY]: FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company

POLICY NUMBER:	POLICY EFFECTIVE:	LIMIT OF LIABILITY:
NF-0236	11/01/1975	\$375 Million
NW-0608	11/01/1975	\$375 Million**
N-0061	08/01/1977	***

3. SITE #3 - PERRY

LOCATION OF NUCLEAR FACILITY: Perry Nuclear Power Plant on Lake Erie approx 35 miles NE of Cleveland, Ohio

NAMED INSURED [LISTED ON POLICY]: FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company

POLICY NUMBER:	POLICY EFFECTIVE:	LIMIT OF LIABILITY:
NF-0291	09/01/1984	\$375 Million
NW-0644	09/01/1984	\$375 Million**
N-0102	03/18/1986	***

4. SITE #4 - SAXTON

LOCATION OF NUCLEAR FACILITY: Saxton Nuclear Experimental Corporation Facility in Liberty Township, Bedford County, Pennsylvania

NAMED INSURED [LISTED ON POLICY]: Saxton Nuclear Experimental Corporation

POLICY NUMBER:	POLICY EFFECTIVE:	LIMIT OF LIABILITY:
NF-0107	06/01/1961	\$1 Million
NW-0532	06/01/1961	\$375 Million**

5. SITE #5 - THREE MILE ISLAND

LOCATION OF NUCLEAR FACILITY: Three Mile Island Nuclear Power Plant in Londonderry Township, Dauphin County, Pennsylvania

NAMED INSURED [LISTED ON POLICY]: Metropolitan Edison Company, Jersey Central Power & Light Company, Pennsylvania Electric Company and GPU Nuclear Inc.

AGENCY CUSTOMER ID: 016265

LOC #: Chicago

**ADDITIONAL REMARKS SCHEDULE**

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AGENCY MARSH USA INC.		NAMED INSURED FirstEnergy Corporation Attn: Pete Nadel pnadel@firstenergycorp.com 76 South Main Street Akron, OH 44308	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance

NW-0599 12/31/1973 \$375 Million**

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER.

The insurance afforded by the policy(ies) is subject to the exclusions, conditions and other provisions of the policy(ies). Neither this Certificate nor any contract or other document with respect to which it is issued shall amend, extend or alter the coverage afforded by the policy. The Limit of Liability shown above may have been reduced by payment of claims or claims expenses.

COMMENTS/NOTES:

** Master Worker Certificate - This limit is shared by all Certificates to the Master Worker Policy of which each Certificate is a part and is subject to all of the provisions of such Policy and Certificate having reference thereto. Such limit may have been reduced by payment of claims or claims expenses.

*** Secondary Financial Protection Certificate - Financial protection available under an industry retrospective rating plan.



Nuclear Electric Insurance Limited
Suite 1100
1201 Market Street
Wilmington, DE 19801
U.S.A.

Michael W. Kolodner, CPCU
Vice President – Member Insurance

302 573-2263 Direct
302 888-3000 Tel
302 888-3008 Fax
302-588-5654 Cell
mkolodner@nmlneil.com

May 26, 2016

Eric Olvera
Indemnity Specialist
U.S. Nuclear Regulatory Commission
Mail Stop 12D3
1 White Flint North
Rockville, MD 20852

Re: FirstEnergy Nuclear Generation, LLC

Dear Mr. Olvera:

This letter confirms that Nuclear Electric Insurance Limited will write nuclear property insurance for FirstEnergy Nuclear Generation, LLC (FENGen) as the owner of 100% of the Perry Nuclear Power Plant. The insurance will be effective on the date of the transfer of the licensed plant from Ohio Edison Company to FENGen.

Effective on the closing date of the asset transfer, the following Primary Property and Decontamination Liability Policies, and Decontamination Liability, Decommissioning Liability and Excess Property Insurance Policies, for the Perry Nuclear Power Plant will be amended to delete Ohio Edison Company as an Insured:

Perry - P16-067 and BX16-016

The combined limits on the above policies will satisfy the NRC required minimum property insurance limit of \$1.06 billion in accordance with 10 CFR 50.54(w).

This commitment to write nuclear property insurance for FENGen remains valid through March 31, 2017. If the asset transfer takes place after that date, we will review the circumstances before re-stating our commitment.

Sincerely,

Michael W. Kolodner, CPCU, ARM, ARe
Vice President – Member Insurance

C: Pete Nadel Mark Webster Chip Hardie Steve Nusspickel