ACCESSION NBR:8312130350 DOC.DATE: 83/12/02 NOTARIZED: NO DOCKET # FACIL:50-397 WPPSS Nuclear Project, Unit 2, Washington Public Powe 05000397 AUTHOR AFFILIATION AUTH.NAME

SORENSON, G.C. Washington Public Power Supply System

RECIP.NAME RECIPIENT AFFILIATION

SALTZMAN, J.D. Assistant Director for State & Licensee Relations

SUBJECT: Forwards Certificate of Insurances to NELIA & MAELU.Policies N=91 & M=91, respectively.

DISTRIBUTION CODE: MOOIS COPIES RECEIVED:LTR \_/ ENCL \_/ TITLE: Insurance: Indemnity/Endorsement Agreements

# NOTES:

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# **Washington Public Power Supply System**

3000 George Washington Way P.O. Box 968 Richland, Washington 99352-0968 (509)372-5000

December 2, 1983 G02-83-1112

Docket No. 50-397

Mr. Jerome D. Saltzman
Assistant Director for State
and Licensee Relations
Office of State Programs
US Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. Saltzman:

Subject: CERTIFICATE OF INSURANCES - WNP-2

Enclosed for your information are two (2) copies (each) of the secondary financial protection certificates (ANI #N-91 and MAELU #M-91). These certificates will become effective upon issuance of the Operating License for WNP-2 by the Nuclear Regulatory Commission.

Should you have any questions, please contact Mr. J. O. DeLuca, Manager, Corporate Insurance at (509) 372-6351.

Very truly yours,

G. C. Sorensen

Manager, Regulatory Programs

cc: R. Auluck, NRC - w/a
NS Reynolds, D&L - w/a

# NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL CFRTIFICATE, BEARING THE NUMBER DESIGNATED HEREON, FOR INSURANCE COVERAGE UNDER THE MASTER POLICY - NUCLEAR ENERGY LIABILITY INSURANCE (SECONDARY FINANZIAL PROTECTION). NO INSURANCE IS AFFORDED BY THIS COPY.

ODAT TROCCH

VICE PRESIDENT-LIABILITY UNDERWRITING

AMERICAN NUCLEAR INSURERS

Certificate No.	N- 91
Forming Part of	Master
Policy No. 1	

## CERTIFICATE OF INSURANCE

#### DECLARATIONS AND

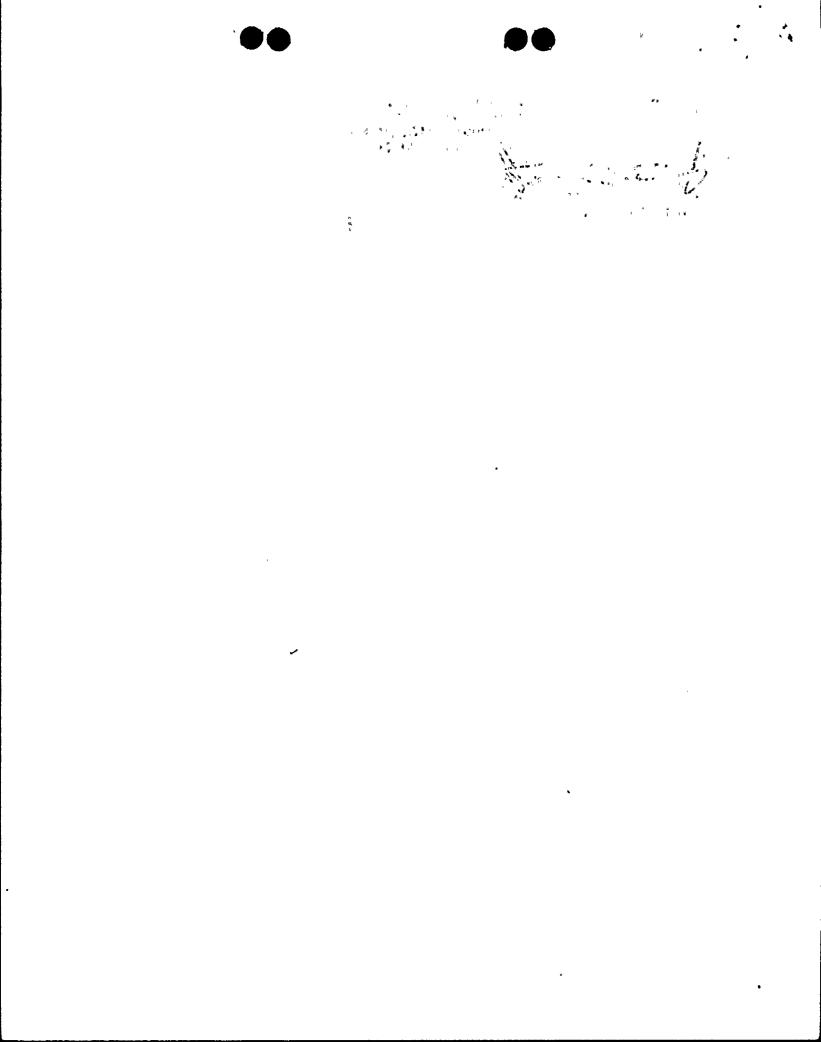
## BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

#### Certificate of Insurance

This is to certify that the persons and organizations designated in Item 1 of the Declarations are named insureds under the Master Policy -Nuclear Energy Liability Insurance (Secondary Financial Protection), herein called the "Master Policy", issued by Nuclear Energy Liability Insurance Association.

Such insurance as is provided by the Master Policy applies, through this certificate, only:

- (a) to the insureds identified in Items 1 and 2 of the Declarations,
- (b) for the certificate period stated in Item 6 of the Declarations,
- to bodily injury or property damage
  - (1) with respect to which the primary financial protection described in Item 4 of the Declarations would apply but for exhaustion of its limit of liability as described in Condition 6 of the Master Policy, and `
  - (2) which is caused during the certificate period stated in Item 6 of the Declarations by a nuclear incident arising out of or in connection with the nuclear reactor described in Item 3 of the Declarations, and



(3) which is discovered and for which written claim is made against the <u>insured</u> not later than ten years after the end of the <u>certificate</u> period stated in Item 6 of the <u>Declarations</u>. However, with respect to <u>bodily injury</u> or <u>property damage</u> caused by an <u>extraordinary nuclear occurrence</u> this subparagraph (3) shall not operate to bar coverage for <u>bodily injury</u> or <u>property damage</u> which is discovered and for which written claim is made against the <u>insured</u> not later than twenty years after the date of the <u>extraordinary nuclear occurrence</u>.

#### Declarations

- Item 1. Named insureds and addresses:
  - (a) Washington Public Power Supply System, P.O. Box 968, Richland, Washington 99352(b)
- Item 2. Additional insureds:

Any other person or organization who would be insured under the <a href="mailto:primary financial">primary financial</a> protection identified in Item 4 of the Declarations but for exhaustion of the limit of liability of such <a href="primary financial">primary financial</a> protection.

- Item 3. Description and location of nuclear reactor: Washington Public Power Supply System's Nuclear Porject No. 2 (WNP-2) located in Benton County, Washington.
- Item 4. (a) Identification of <u>primary financial protection</u> applicable to the nuclear reactor and limit(s) of liability thereof:

  Nuclear Energy Liability Insurance Association's
  Policy NF- 270 \$124,000,000

  Mutual Atomic Energy Liability Underwriters'
  Policy MF- \$ 36,000,000

- (b) The ing endorsements, attached primary

  financial protection policies listed in Item 4 (a) also

  apply to the insurance afforded by the Master Policy through
  this certificate as though they were attached hereto:
  - (1) Waiver of Defenses Endorsement (Extraordinary Nuclear Occurrence) and
  - (2) Supplementary Endorsement Waiver of Defenses Reactor Construction at the Facility,
- (c) The limits of liability provided under the <u>primary financial</u>
  protection specified in Item 4 (a) above are not shared with
  any other reactor except as follows:

#### No Exceptions

- Item 5. Limits of Liability: The amount of retrospective premium actually received by the companies plus the amount of the companies' contingent liability, if any, pursuant to Conditions 2, 3 and 4 of the Master Policy.
- Item 6. <u>Certificate</u> Period: Beginning at the same time and date that the Facility Operating License issued by the United States Nuclear Regulatory Commission for the reactor described in Item 3 of this <u>certificate</u> becomes effective and continuing to the effective date and time of cancellation or termination of the <u>Master Policy</u> or this <u>certificate</u>, whichever first occurs, eastern standard time.
- Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each <u>nuclear incident</u>: \$3,875,000.
- Item 8. Portion of the annual premium payable for the companies' contingent liability described in Condition 4 of the Master Policy from the effective date hereof to the end of calendar year 1983: The pro rata portion of \$4,650 for the period from the effective date of this certificate to the end of the calendar year during which such effective date occurs.

Page 3 of Certificate No. N-91

Know All Men By These Presents, that the undersigned do hereby acknowledge that they are named insureds under the Master Policy described in the above Certificate of Insurance and Declarations. The named insureds do hereby covenant with and are held and are firmly bound to the members of Nuclear Energy Liability Insurance Association subscribing the Master Policy (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the Master Policy, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in the Master Policy from the date payment thereof is specified to be due the companies in written notice to the first named insured as provided in Condition 2 of the Master Policy until paid;

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts;

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs, and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond and (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of the Master Policy relating to such covenants or provisions;

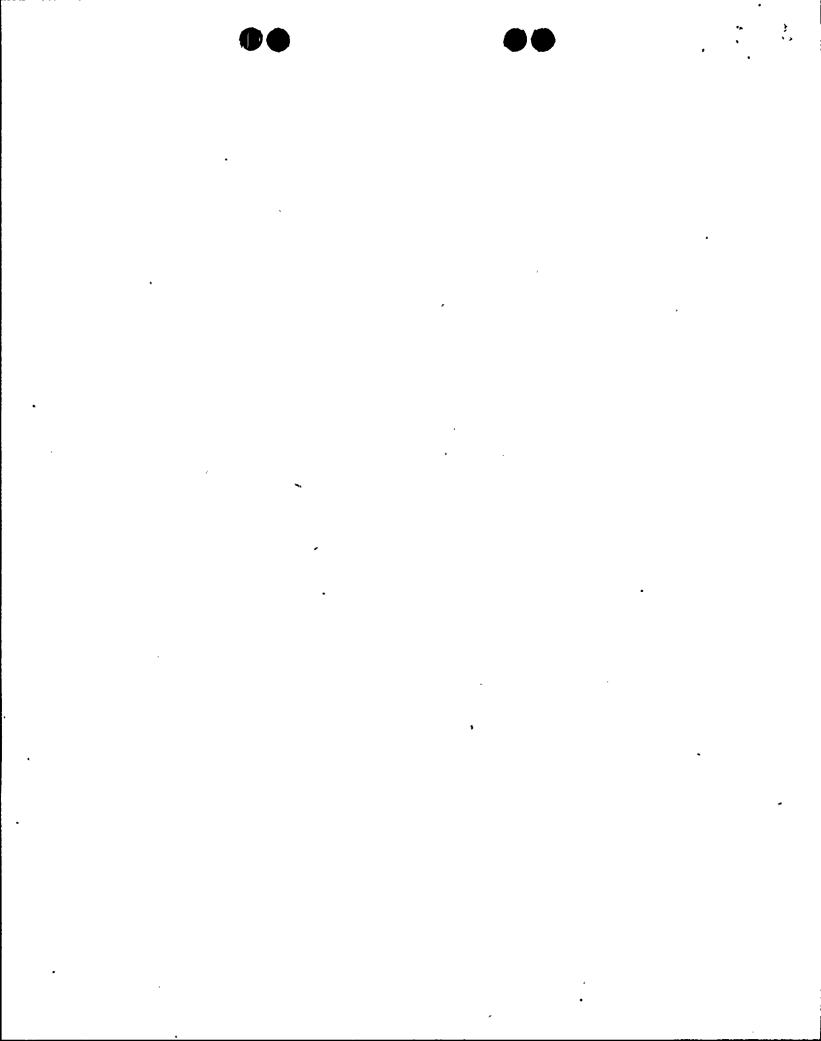
For the purpose of recording this agreement, a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

The preceding Certificate of Insurance, Declarations and Bond form a part of the Master Policy. Cancellation or termination of the Master Policy or the Certificate of Insurance shall not affect the named insured's obligations under the policy or the Bond to pay the retrospective premiums and allowances for premium taxes, as provided in this <u>Certificate</u> and Condition 2 of the Master Policy.

IN WITNESS WHEREOF, the named insureds have caused this <u>Certificate</u>, these Declarations and this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective as of the time and date of the inception of the <u>Certificate</u> period.

•	
Attest or Witness	Named Insureds:
Chief Counsel	Washington Public Power Supply System  (Named Insured - Type or Print)  By Communication (SEAL)  (Signature of Officer)
	Joseph O. DeLuca, Mgr., Corp. Insurance
	(Type or Print Name & Title of Officer) Date: $9/1/83$
	bate
	(Named Insured - Type or Print)
•	By(SEAL)
	(Signature of Officer)
•	(Type or Print Name & Title of Officer) Date:
	(Named Insured - Type or Print)
	By(SEAL
	(Signature of Officer)
	(Type or Print Name & Title of Officer) Date:

Page 5 of Certificate No.N- 91



IN WITNESS WHEREOF, the companies subscribing the Master Policy have caused the Certificate of Insurance and the Declarations to be signed on their behalf by the President of Nuclear Energy Liability Insurance Association to be effective as of the time and date of the inception of the <u>Certificate</u> period, and countersigned below by a duly authorized representative.

Attest or Witness

For the Subscribing Companies of

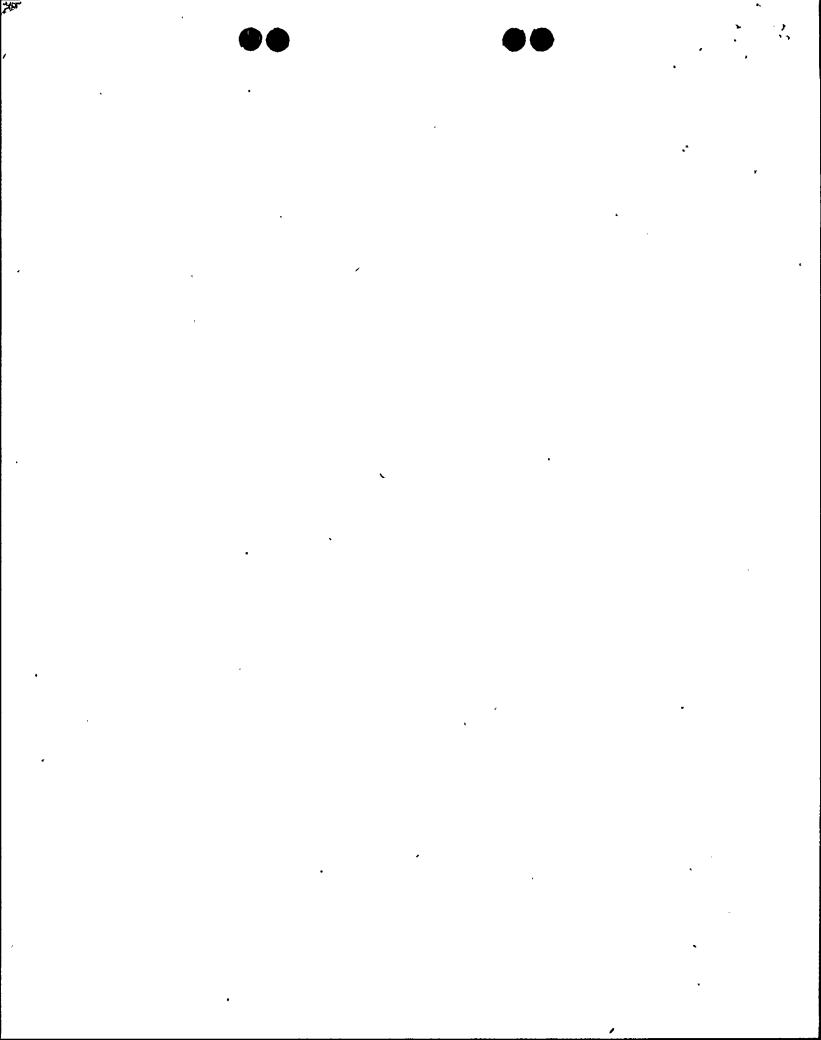
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

BY:

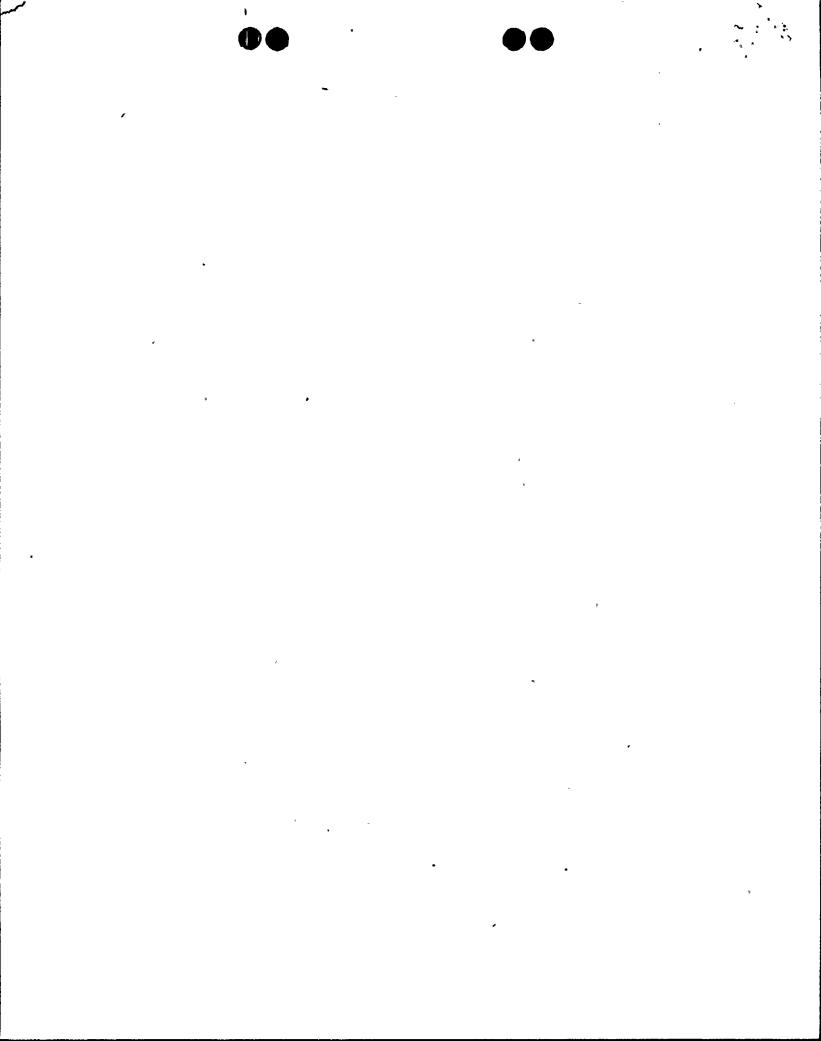
Burt C. Proom, President

Countersigned by

(Authorized Representative)



SUBSCRIBENC CO-PANICS	PROPORTION OF TOOL
Actno Casualty & Surety Co., The, 151 farmington Avenue, Hartford, CT 06156	8,841063
Affiliated for Insurance Co., Allandate Park, P.O. don 1500, Johnston, RI 02319	.257607
Allians Insurance Company, 6635 Vilghire Blvd., tos Angeles, CA 90018	1,347210
Allistate Insurance Co., 1 Attacase Comit Plaza, a TIA, 51 Vest Higgins Ad., South barrington, 1t. 60010	4,210030
American Home Assurance Company, 70 Pine Street, How York, NY 10005	.884106
American motorists insurance Company, Long Grove, It 60019	.42100)
Aftunious Casualty Corporation, 320-18th St., Rock Island, IL 61201	,421003
Centennial Insurance Company, Atlantic Iuliding, AS Vall Street, New York, NY 1000S	.252603
Commercial Union Insurance Co., One Beacon Street, Boston, PA 02108	3.368024
Connecticut Indumity Company, The, 9 farm Springs Ad., Farmington, CT 06032	.42100)
Continental Casualty Co., CMA Plaza, Chicago, IL 60685	4,210030
Continental Insurance Co., The, 2 Corporate Place South, Piscatemay, NJ 08855	7 784555
federal Injurance Co., SI John F. Kannedy Parkway, Short Hills, NJ 07078	1,515611
Firemen's fund insurance Companies, P.O. Box 777, Moveto, CA 94938	5.3888)8
General Accident Insurance Company of America, 616 Valout St., Philadelphia, PA 19105	1.347210
General Insurance Company of America, Sefeco Plaza, Seattle, VA 38185	1,684012 ,505204
Manover Insurance Co., The, 610 Lincoln St., Worcester, FA 01605  Martford Accident and Indomnity Co., The, Martford Plaze, Martford, CT 06115	6,736018
Martiford Steam boller Insp. 6 Ins. Co., The, 56 Prospect St., Periford, CT 06102	.505204
Highlands Insurance Co., 600 Jefferson St., Nouston, TK 77001	.336802
Home Indomnity Co., The,59 Haiden Lane, how York, RY 10038	3.704826
Interioric Co. of Marth America, c/o CICAL, 10 Accessation Plaza, New York, NY 10020	4, 883635
Patropolitan Prop. 6 Liab. Insurance Co., 125 Palden Lane, Suite 1200, New York, NY 10038	1,684012
Mission Insurance Company, 2601 Wilshire Blvd., Los Angeles, CA 90057	.505204
Monerch Insurance Co. of Onlo, The, 19 Rector St., New York, NT 10006	.336802
notors insurance Corporation, 30th Vest Grand Blvd., Detroit, MI 48101	168401
Northwestern Haltonal Insurance Company, 731 No. Jackson Str., Milwaukee, VI 53202	,673605
Onio Casualty Insurance Company, the, 136 worth Third St., Kanfiton, OH 45025	,168401
Pacific Indemnity Co., St John F. Konnedy Parkway, Short Hills, HJ 07078	.336502
Protective Insurance Co., 3100 Morth Peridian St., Indianapolis, IX 66208	.054201
Providence Vashington Insurance Co., 20 Vashington Place, Providence, RI 02903	.168401
Actionce Insurance Company, & Penn Center Plaza, Philadelphia, PA 19103	1.010407
Royal Insurance Company of America, ISO VIIIIam Street, How York, HY 10038	3.368024
St. Paul Fire 6 Marine Ins. Co., 385 Vashington St., St. Paul, PM 55102	4.769122
Seaboard Surety Co., 30 VIIIIam St., How York, NY 10038	.168101
State form fire 6 Casualty Company, 112 Cast Vashington St., 11comington, 1t. 61701	.812006
Transamerica Insurance Company, P.O. Dox 54256, Los Angeles, CA 30054	*#12006
Transport Indumnity Company, 3670 Vilenira Blvd., Los Angeles, CA 30010	.004701
Travelers Indomity Company, The, One Tower Square, Hertford, CT 06115	10.546078
United States Fidelity and Guaranty Co., P.O. box 1138, Baltimore, NO. 21203	10.609270
United States Fire Insurance Co., P.O. Soz 2357, Morristonn, NJ 07960	2.778620
Universal Underwriters insurance Co., 5115 Oak Street, Kansas City, no 64112	,168401
Eurich Insurance Co., 231 ×o. narzingale Ad., Schaumourg, 10 60196	1.263009
ME=83	



#### MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

O CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL RANCE COVERAGE UNDER THE MASTER POLICY - NUCLEAR ENERGY BABILITY INSURANCE (SECONDARY FINANCIA) PROTECTION). NO

JOHN L. OBATTROCCHI

VICE PRESIDENT-LIABILITY UNDERWRITING

AMERICAN NUCLEAR INSURERS.

Certificate !	No.	M- 91		
Forming Part	of	Master		
Policy No.	1	•	•	

## CERTIFICATE OF INSURANCE

#### DECLARATIONS AND

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

#### Certificate of Insurance

This is to certify that the persons and organizations designated in Item 1 of the Declarations are named insureds under the Master Policy -Nuclear Energy Liability Insurance (Secondary Financial Protection), herein called the "Master Policy", issued by Mutual Atomic Energy Liability Underwriters.

Such insurance as is provided by the Master Policy applies, through this <u>certificate</u>, only:

- (a) to the insureds identified in Items 1 and 2 of the Declarations,
- for the certificate period stated in Item 6 of the Declarations,
- to bodily injury or property damage
  - (1) with respect to which the primary financial protection described in Item 4 of the Declarations would apply but for exhaustion of its limit of liability as described in Condition 6 of the Master Policy, and
  - (2) which is caused during the certificate period stated in Item 6 of the Declarations by a nuclear incident arising out of or in connection with the nuclear reactor described in Item 3 of the Declarations, and

against the <u>insured</u> not later than ten years after the end of the <u>certificate</u> period stated in Item 6 of the <u>Declarations</u>. However, with respect to <u>bodily injury</u> or <u>property damage</u> caused by an <u>extraordinary nuclear occurrence</u> this subparagraph (3) shall not operate to bar coverage for <u>bodily injury</u> or <u>property damage</u> which is discovered and for which written claim is made against the <u>insured</u> not later than twenty years after the date of the <u>extraordinary nuclear occurrence</u>.

#### Declarations

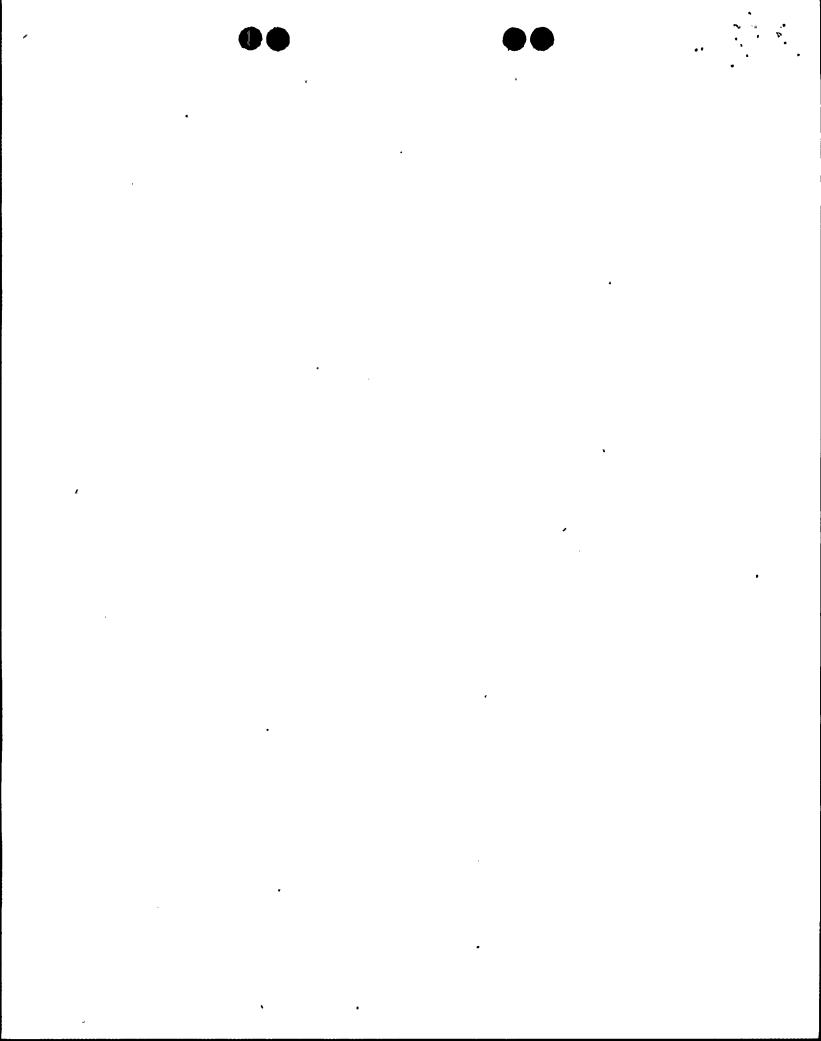
- Item 1. Named insureds and addresses:
  - (a) Washington Public Power Supply System, P.O. Box 968, Richland, Washington 99352
- Item 2. Additional <u>insureds</u>:

Any other person or organization who would be insured under the primary financial protection identified in Item 4 of the Declarations
but for exhaustion of the limit of liability of such primary financial
protection.

- Item 3. Description and location of nuclear reactor: Washington Public Power Supply System's Nuclear Project No. 2 (WNP-2) located in Benton County, Washington.
- Item 4. (a) Identification of <u>primary financial protection</u> applicable to the nuclear reactor and limit(s) of liability thereof:

  Nuclear Energy Liability Insurance Association's
  Policy NF-270 \$124,000,000

  Mutual Atomic Energy Liability Underwriters'
  Policy MF- \$36,000,000



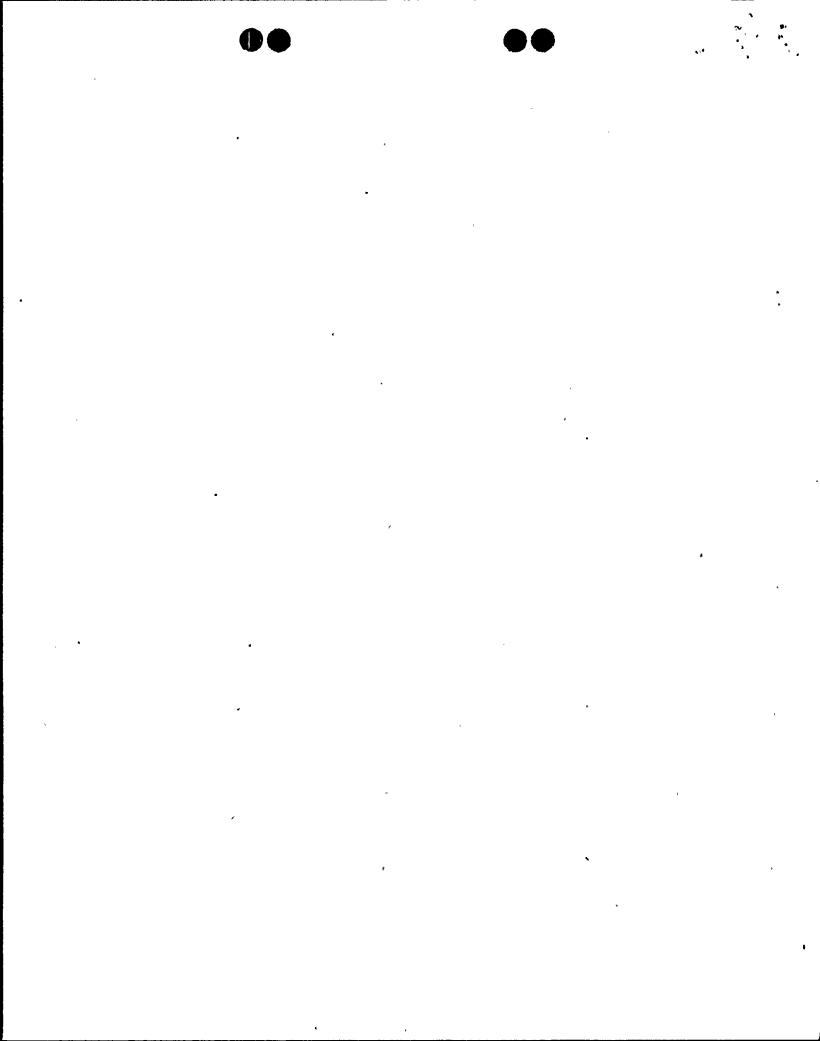
- (b) The forcowing endorsements, attached to the <u>primary</u>

  <u>financial protection</u> policies listed in Item 4 (a) also

  apply to the insurance afforded by the Master Policy through
  this certificate as though they were attached hereto:
  - (1) Waiver of Defenses Endorsement (Extraordinary Nuclear Occurrence) and
  - (2) Supplementary Endorsement Waiver of Defenses Reactor Construction at the Facility,
- (c) The limits of liability provided under the <u>primary financial</u>
  protection specified in Item 4 (a) above are not shared with
  any other reactor except as follows:

## No Exceptions

- Item 5. Limits of Liability: The amount of retrospective premium actually received by the companies plus the amount of the companies' contingent liability, if any, pursuant to Conditions 2, 3 and 4 of the Master Policy.
- Item 6: Certificate Period: Beginning at the same time and date that the Facility Operating License issued by the United States Nuclear Regulatory Commission for the reactor described in Item 3 of this certificate becomes effective and continuing to the effective date and time of cancellation or termination of the Master Policy or this certificate, whichever first occurs, eastern standard time.
- Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each nuclear incident: \$1,125,000
- Item 8. Portion of the annual premium payable for the companies' contingent liability described in Condition 4 of the Master Policy from the effective date hereof to the end of calendar year 1983: The pro rata portion of \$1,350.00 for the period from the effective date of this certificate to the end of the calendar year during which such effective date occurs.

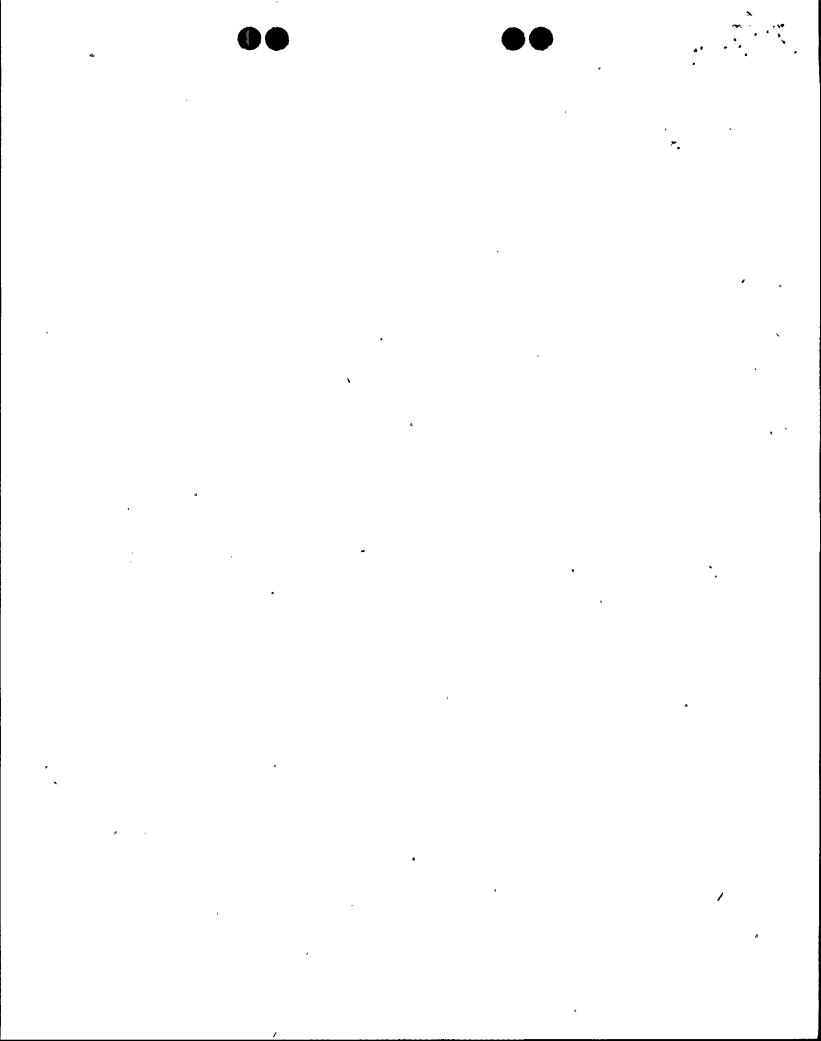


Know All Men By These Presents, that the undersigned do hereby acknowledge that they are named insureds under the Master Policy described in the above Certificate of Insurance and Declarations. The named insureds do hereby covenant with and are held and are firmly bound to the members of Mutual Atomic Energy Liability Underwriters subscribing the Master Policy (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the Master Policy, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in the Master Policy from the date payment thereof is specified to be due the companies in written notice to the first named insured as provided in Condition 2 of the Master Policy until paid;

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts;

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs, and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond and (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of the Master Policy relating to such covenants or provisions;

For the purpose of recording this agreement, a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.



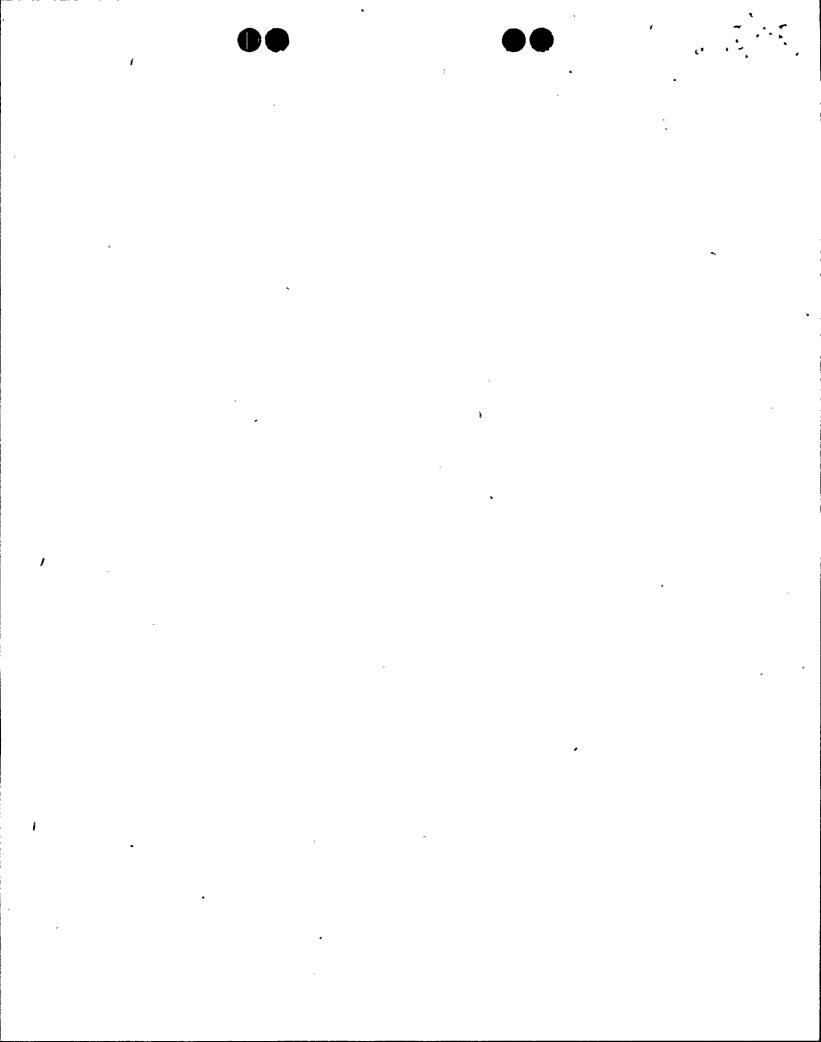
The preceding Certificate of Insurance, Declarations and Bond form a part of the Master Policy. Cancellation or termination of the Master Policy or the Certificate of Insurance shall not affect the named insured's obligations under the policy or the Bond to pay the retrospective premiums and allowances for premium taxes, as provided in this <u>Certificate</u> and Condition 2 of the Master Policy.

IN WITNESS WHEREOF, the named insureds have caused this <u>Certificate</u>, these Declarations and this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective as of the time and date of the inception of the <u>Certificate</u> period.

time and date of the incepti	IOH OF CH	ie <u>cercificate</u> periou.	
Attest or Witness		Named Insureds:	
Chief Counsel	j.	(Named Insured Type or Print)  By (Spature of Officer)	Millianos
		Joseph O. DeLuca, Mgr., Corp. Insurance	<u>e</u>
	-	(Type or Print Name & Title of Officer	^)
		Date: 9/1/83	
		4.*	
***	•	(Named Insured - Type or Print)	
•	h .	By(SEA	AL)
	•	(Signature of Officer)	
	*	(Type or Print Name & Title of Officer Date:	r)
,	-	(Named Insured - Type or Print)	-
	,	By (SE	EAL)
	-	(Signature of Officer)	
	•	(Type or Print Name & Title of Officer	<u>r)</u>

Date:

Page 5 of Certificate No. M-91



IN WITNESS WHEREOF, the companies subscribing the Master Policy have caused the Certificate of Insurance and the Declarations to be signed on their behalf by Mutual Atomic Energy Liability Underwriters to be effective as of the time and date of the inception of the <u>Certificate</u> period, and countersigned below by a duly authorized representative.

Attest or Witness

For the Subscribing Companies of

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

RY.

Authorized Agent

Countersigned by

(Authorized Representative)

Subscribing Companies -	PROPORTION OF 100%
American Mutual Liability Insurance Company, Wakefield, MA	15.0000000
Employers Insurance of Wausau, A Mutual Company, Wausau, WI	15.0000000
Liberty Mutual Insurance Company, Boston, MA	30:0000000
Lumbermens Mutual Casualty Company, Long Grove, IL	30.0000000
Michigan Mutual Insurance Company, Detroit, MI	5.0000000
Sentry Insurance, A Mutual Company, Stevens Point, WI	5.0000000