

**Marsh &
McLennan**

Docket # F

Marsh & McLennan, Incorporated
11 South 10th St., P. O. Box 1857
Richmond, Virginia 23215
Telephone 804 649-4100
Telex 827317
March 30, 1981



Mr Ira Dinitz
Indemnity Specialists
Anti-Trust & Indemnity Group
Nuclear Reactor Regulations
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Re: Virginia Electric and Power Company

Dear Mr. Dintz:

Enclosed you will find ten (10) copies of endorsements as listed below.

<u>Policy</u>	<u>Endorsement #</u>
XB-27	5
XB-28	5
XB-63	5&6
EB-70	3
EB-63	6
EB-27	5
EB-28	5
XB-70	2
MF-96	24
MF-57	46

Trusting you will find these in order, I remain,

Yours very truly,

Carolyn Ellis
Carolyn Ellis
Casualty Technician

CSE: ce

CC: Stewart Foulke, Manager
Insurance Dept.
Vepco

810.4140569

J

moor
5/11

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF CONDITION 2 "INSPECTION; SUSPENSION"
AND DEFINITION OF "INSURED SHIPMENT"
(Indemnified Nuclear Facility)

It is agreed that:

1. 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 of this insurance and any property insurance afforded the insured through any company who is a member of Mutual Atomic Energy Reinsurance Pool. 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 noncompliance 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 continuation of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend this 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.

Neither the right to make such 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. In consideration of the issuance or continuation of this policy, the insured agrees that neither the companies nor any persons or organizations making such inspections or examinations on their behalf shall be liable with respect to injury to or destruction of property at the facility, or any consequential loss or expense resulting therefrom, or any loss resulting from interruption of business or manufacture, arising out of the making of or a failure to make any such inspection or examination, or any report thereon, or any such suspension of

insurance, but this provision does not limit the contractual obligations of the companies under this policy or any policy affording the insured property insurance through any company who is a member of Mutual Atomic Energy Reinsurance Pool.

2. The definition of "insured shipment" in Insuring Agreement III, "DEFINITIONS" is replaced by the following:

"insured shipment" means a shipment of source material, special nuclear material, spent fuel, waste, or tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, herein called "material," (1) to the facility from any location except an indemnified nuclear facility, but only if the transportation of the material is not by predetermination to be interrupted by removal of the material from a transporting conveyance for any purpose other than the continuation of its transportation, or (2) from the facility to any other location, but only until the material is removed from a transporting conveyance for any purpose other than the continuation of its transportation.

Effective Date of this Endorsement January 1, 1981 To form a part of Policy No. MF-57
12:01 A.M. Standard Time

Issued to Virginia Electric and Power Company

Date of Issue March 18, 1981

For the Subscribing Companies

Mutual Atomic Energy Liability Underwriters

By _____

Endorsement No. 46 Countersigned by _____

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ADVANCE PREMIUM ENDORSEMENT
and
STANDARD PREMIUM ENDORSEMENT

Calendar Year 1981

1. ADVANCE PREMIUM

It is agreed that the Advance Premium due the companies for the calendar year designated above is \$ 106,589.25.

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 and Reserve Premium are:

Standard Premium	\$ <u>106,589.25</u>
Reserve Premium	\$ <u>80,332.83</u>

Effective Date of this Endorsement January 1, 1981 To form a part of Policy No. MF-96

Issued to Virginia Electric and Power Company

Date of Issue February 2, 1981

24
NUCLEAR ENERGY POLICY
NO. MF-96
COVERAGE IS AFFORDED UNDER THIS
POLICY

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By _____

Endorsement No. 24 Countersigned by _____
AUTHORIZED REPRESENTATIVE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

- 1) ANNUAL PREMIUM ENDORSEMENT
- 2) SUBSCRIBING COMPANIES AND THEIR PROPORTIONATE LIABILITY ENDORSEMENT

Calendar Year 1981

1. ANNUAL PREMIUM: It is agreed that the Annual Premium due the companies for the period designated above is: \$1,350.00.
2. It is agreed that with respect to (i) bodily injury or property damage caused, during the effective period or this endorsement, by the radioactive, toxic, explosive or other hazardous properties of nuclear material, and (ii) contingent liability as provided in Condition 4 for excess incurred losses because retrospective premium due under one or more binders with respect to such bodily injury or property damage is not paid:
 - a. The word "companies" wherever used in the policy means the subscribing companies listed on the reverse side of this endorsement.
 - b. The policy shall be binding on such companies only.
 - c. Each such company shall be liable only for its proportion designated next to its name of any obligation assumed or expense incurred under the policy.
3. It is agreed that the effective period of this endorsement is from the beginning of the effective date of this endorsement stated below, to the close of December 31st of the Calendar Year designated in the caption above, or to the time of the termination or cancellation of the Draft Master Policy, or this binder, whichever first occurs, eastern standard time.

Effective Date of this Endorsement January 1, 1981 To form a part of Binder No. XB-70
12:01 A.M. Standard Time

Issued to Virginia Electric and Power Company

Date of Issue January 29, 1981

By

Theodore Geras

Endorsement No. 2

Countersigned by _____

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

This is to certify that this is a true copy of the original endorsement, bearing the number designated hereon, for insurance coverage under the DRAFT MASTER POLICY-NUCLEAR ENERGY LIABILITY POLICY (Secondary Financial Protection). No insurance is afforded by this copy.

J.M. O'Connell

Mutual Atomic Energy Liability Underwriters

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ENDORSEMENT TO BINDER NO. EB- 27

Forming Part of Draft Master Policy

Nuclear Energy Liability Policy

(Secondary Financial Protection)

(dated June 24, 1977)

It is agreed that Item 4. of the DECLARATIONS is amended to read as follows:

Item 4. Identification of primary financial protection applicable to the nuclear reactor and limit of liability thereof:

Nuclear Energy Liability Insurance Association

Policy NF- 186 \$124,000,000

Mutual Atomic Energy Liability Underwriters

Policy MF- 57 \$ 36,000,000

Do other nuclear reactors share the limit of liability provided under the primary financial protection? Yes

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 herein. No Insurance is afforded hereunder.

[Signature]
 John L. Quattrocchi, Vice President-Liability Underwriting
 American Nuclear Insurers

Effective Date of this Endorsement May 1, 1979 To form a part of Binder No. EB-27

Issued to Virginia Electric & Power Company 12:01 A.M. Standard Time

Date of Issue February 5, 1981

For the subscribing companies
 By *[Signature]* General Manager

Endorsement No 5

Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ENDORSEMENT TO BINDER NO. EB- 28

Forming Part of Draft Master Policy

Nuclear Energy Liability Policy

(Secondary Financial Protection)

(dated June 24, 1977)

It is agreed that Item 4. of the DECLARATIONS is amended to read as follows:

Item 4. Identification of primary financial protection applicable to the nuclear reactor and limit of liability thereof:

Nuclear Energy Liability Insurance Association

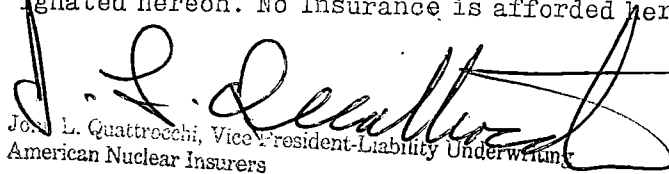
Policy NF- 186 \$124,000,000

Mutual Atomic Energy Liability Underwriters

Policy MF- 57 \$ 36,000,000

Do other nuclear reactors share the limit of liability provided under the primary financial protection? Yes

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.


Joe L. Quattrecchi, Vice President-Liability Underwriting
American Nuclear Insurers

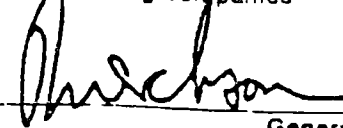
Effective Date of this Endorsement May 1, 1979

To form a part of Binder No. EB- 28

Issued to Virginia Electric & Power Company

Date of Issue February 5, 1981

For the subscribing companies

By 
General Manager

Endorsement No 5

Countersigned by _____

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

- 1) ANNUAL PREMIUM ENDORSEMENT
- 2) SUBSCRIBING COMPANIES AND THEIR PROPORTIONATE LIABILITY ENDORSEMENT

Calendar Year 1981

1. ANNUAL PREMIUM: It is agreed that the Annual Premium due the companies for the period designated above is: \$1,350.00.
2. It is agreed that with respect to (i) bodily injury or property damage caused, during the effective period or this endorsement, by the radioactive, toxic, explosive or other hazardous properties of nuclear material, and (ii) contingent liability as provided in Condition 4 for excess incurred losses because retrospective premium due under one or more binders with respect to such bodily injury or property damage is not paid:
 - a. The word "companies" wherever used in the policy means the subscribing companies listed on the reverse side of this endorsement.
 - b. The policy shall be binding on such companies only.
 - c. Each such company shall be liable only for its proportion designated next to its name of any obligation assumed or expense incurred under the policy.
3. It is agreed that the effective period of this endorsement is from the beginning of the effective date of this endorsement stated below, to the close of December 31st of the Calendar Year designated in the caption above, or to the time of the termination or cancellation of the Draft Master Policy, or this binder, whichever first occurs, eastern standard time.

Effective Date of this Endorsement January 1, 1981 To form a part of Binder No. XB-63
12:01 A.M. Standard Time

Issued to Virginia Electric and Power Company

Date of Issue January 28, 1981

By Sheldon Gees

Endorsement No. 5

Countersigned by _____

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

This is to certify that this is a true copy of the original endorsement, bearing the number designated hereon, for insurance coverage under the DRAFT MASTER POLICY-NUCLEAR ENERGY LIABILITY POLICY (Secondary Financial Protection). No insurance is afforded by this copy.

J.M. O'Connell

Mutual Atomic Energy Liability Underwriters

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO BINDER NO. XB-63

Forming Part of Draft Master Policy

Nuclear Energy Liability Policy

(Secondary Financial Protection)

(Dated June 24, 1977)

It is agreed that Item 4. of the DECLARATIONS is amended to read as follows:

Item 4. Identification of primary financial protection applicable to the nuclear reactor and limit of liability thereof:

Nuclear Energy Liability Insurance Association
Policy NF- 240 \$124,000,000

Mutual Atomic Energy Liability Underwriters
Policy MF- 96 \$ 36,000,000

Do other nuclear reactors share the limit of liability provided under the primary financial protection? Yes

Effective Date of this Endorsement May 1, 1979 To form a part of Binder No. XB-63
12:01 A.M. Standard Time

Issued to Virginia Electric and Power Company

Date of Issue February 27, 1981

By _____

Endorsement No 6 Countersigned by _____

This is to certify that this is a true copy of the original endorsement, bearing the number designated hereon, for insurance coverage under the DRAFT MASTER POLICY-NUCLEAR ENERGY LIABILITY POLICY (Secondary Financial Protection). No insurance is afforded by this copy.

J. M. O'Connell

Mutual Atomic Energy Liability Underwriters

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO BINDER NO. XB-28

Forming Part of Draft Master Policy

Nuclear Energy Liability Policy

(Secondary Financial Protection)

(Dated June 24, 1977)

It is agreed that Item 4. of the DECLARATIONS is amended to read as follows:

Item 4. Identification of primary financial protection applicable to the nuclear reactor and limit of liability thereof:

Nuclear Energy Liability Insurance Association
Policy NF- 186 \$124,000,000

Mutual Atomic Energy Liability Underwriters
Policy MF- 57 \$ 36,000,000

Do other nuclear reactors share the limit of liability provided under the primary financial protection? Yes

Effective Date of
this Endorsement May 1, 1979 To form a part of Binder No. XB-28
12:01 A.M. Standard Time

Issued to Virginia Electric & Power Company

Date of Issue February 27, 1981

By _____

Endorsement No 5

Countersigned by _____

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO BINDER NO. XB-27

Forming Part of Draft Master Policy

Nuclear Energy Liability Policy

(Secondary Financial Protection)

(Dated June 24, 1977)

It is agreed that Item 4. of the DECLARATIONS is amended to read as follows:

Item 4. Identification of primary financial protection applicable to the nuclear reactor and limit of liability thereof:

Nuclear Energy Liability Insurance Association
Policy NF- 186 \$124,000,000

Mutual Atomic Energy Liability Underwriters
Policy MF- 57 \$ 36,000,000

Do other nuclear reactors share the limit of liability provided under the primary financial protection? Yes

Effective Date of
this Endorsement May 1, 1979 To form a part of Binder No. XB-27
12:01 A.M. Standard Time

Issued to Virginia Electric & Power Company

Date of Issue February 27, 1981

By _____

Endorsement No 5

Countersigned by _____

This is to certify that this is a true copy of the original endorsement, bearing the number designated hereon, for insurance coverage under the DRAFT MASTER POLICY-NUCLEAR ENERGY LIABILITY POLICY (Secondary Financial Protection). No insurance is afforded by this copy.

J.M. O'Connell

Mutual Atomic Energy Liability Underwriters