

50-346

NRC DISTRIBUTION FOR PART 50 DOCKET MATERIAL

INSURANCE

TO:
Mr. Jerome Saltzman

FROM:
Toledo Edison Company
Toledo, Ohio
Lowell E. Roe

DATE OF DOCUMENT
7/28/77

DATE RECEIVED
8/2/77

LETTER
 ORIGINAL
 COPY

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 UNCLASSIFIED

PROP

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NUMBER OF COPIES RECEIVED

1 signed

DESCRIPTION

Advising that applicant is accepting the Swiss Bank Corporation's proposal for a line of credit arrangement in the amount of \$5,000,000, effective 8/1/77 with attached ltr.....

ENCLOSURE

ACKNOWLEDGE

DO NOT REMOVE

PLANT NAME: Davis-Besse

(1-P) (2-P)

RJL 8/2/77

1 CY ENCL Rec'd

SAFETY

FOR ACTION/INFORMATION

ENVIRONMENTAL

ASSIGNED AD:		ASSIGNED AD:	V. MOORE (LTR)
BRANCH CHIEF:		BRANCH CHIEF:	
PROJECT MANAGER:		PROJECT MANAGER:	
LICENSING ASSISTANT:		LICENSING ASSISTANT:	

X DINITZ

(2) CTS

B. HARLESS

INTERNAL DISTRIBUTION

<input checked="" type="checkbox"/> REG FILES	SYSTEMS SAFETY	PLANT SYSTEMS	SITE SAFETY & ENVIRON ANALYSIS
<input checked="" type="checkbox"/> REG PDR	HEINEMAN	TEDESCO	DENTON & MULLER
T & E	SCHROEDER	BENAROYA	CRUTCHFIELD
FIELD		LAINAS	
GOSSICK & STAFF	ENGINEERING	IPPOLITO	ENVIRO TECH.
HANAUER	KNIGHT	F. ROSA	ERNST
MTRC	BOSNAK		BALLARD
CASE	SIHWELL	OPERATING REACTORS	YOUNGBLOOD
BOYD	PAWLICKI	STELLO	
X H. JORDAN		EISENHUT	
PROJECT MANAGEMENT	REACTOR SAFETY	SHAO	SITE TECH.
SKOVHOLT	ROSS	BAER	GAMMILL (2)
P. COLLINS	NOVAK	BUTLER	
HOUSTON	ROSZYCZY	GRIMES	SITE ANALYSIS
MELTZ	CHECK		VOLLMER
HELTJES			BUNCH
SK	AT&T		J. COLLINS
	SALTMAN		KREGER
	RUTBERG		

EXTERNAL DISTRIBUTION

CONTROL NUMBER

LPDR:
 TIC
NAT LAB
REG IV (J. HANCHETT)
16 CYS ACRS SENT CATEGORY

NSIC

772140225

1544

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Docket No. 50-346

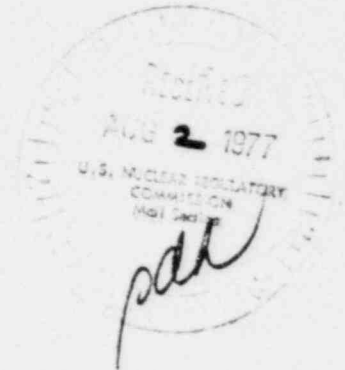


July 28, 1977

Serial No. 331

REGULATORY DOCKET FILE COPY

United States Nuclear Regulatory Commission
Attn: Mr. Jerome Saltzman, Chief
Antitrust & Indemnity Group
Nuclear Reactor Regulation
Washington, D. C. 20555




RE: Davis-Besse #1
Retrospective Premium Guarantee

Gentlemen:

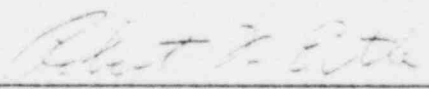
Please refer to our letter of June 30, 1977, whereby we advised that we were electing to provide our portion of the retrospective premium guarantee by utilizing a line of credit arrangement.

Attached is a copy of a letter from the Swiss Bank Corporation outlining their proposal for a line of credit arrangement in the amount of \$5,000,000, effective August 1, 1977. Based on our ownership share of Davis-Besse #1 (48.62%), the amount of our retrospective premium guarantee would be \$4,862,000.

This is to advise you that we are accepting the Swiss Bank Corporation's proposal. As mentioned in their proposal, they will furnish a separate letter specifying that the line of credit will only be made available in the case of an assessment by the Nuclear Regulatory Commission if a letter is requested. Please advise us if the letter is necessary, or if this letter stating our commitment is sufficient.



Lowell E. Roe
Vice President, Facilities Development



Robert F. Ertle
Assistant Treasurer

attachment
copy: Cleveland Electric Illuminating Company

77214023

Societe de Banque Suisse
Schweizerischer Bankverein
Societa di Banca Svizzera

SWISS BANK CORPORATION

NEW YORK BRANCH

15 NASSAU STREET, NEW YORK, N. Y. 10005

JUL 25 1977



Telephone (212) 791-2500
Cable: Swisbank, New York

Our ref.: National I
(please quote in your reply)

AMS/mw

New York,

July 15, 1977

Toledo Edison Company
300 Madison Avenue
Toledo, Ohio 43604

Att: Mr. Donald G. Nicholson
Vice President, Finance

Gentlemen:

Following up on our visit to your offices in Toledo last month, and confirming our more recent telephone conversations, we are pleased to offer you the following stand-by credit facility:

-BORROWER: Toledo Edison Company
Toledo, Ohio

-AMOUNT: \$5,000,000.--

-UTILIZATION: Straight cash advances against promissory notes.

-RESTRICTION: In keeping with new regulations set forth by the Nuclear Regulatory Commission (NRC), we hereby agree to allow actual usage of this stand-by credit line only in the event that a claim is asserted against Toledo Edison as a result of your liability arising out of any extraordinary mishap connected with your nuclear reactor. We would require official written notice of such an occurrence and specific authorization from the NRC to make this \$5,000,000 facility available to you. (If requested, we will furnish a separate letter specifically stipulating that this line of credit will only be made available to Toledo Edison in the case of a nuclear liability assessment by the Nuclear Regulatory Commission.)

SWISS BANK CORPORATION
NEW YORK BRANCH

-VALIDITY: Two years; Commencing August 1, 1977 and
expiring July 31, 1979. Renewable if mutually
agreeable.

-RATE OF INTEREST:

-COMPENSATING BALANCES:

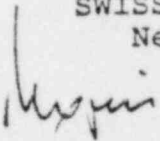
-COMMITMENT FEE:

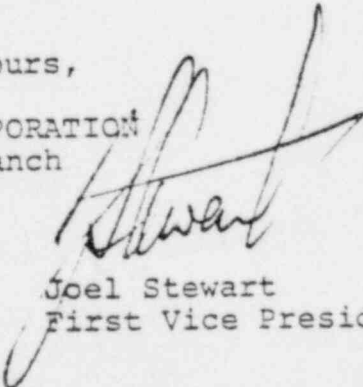
-DOCUMENTATION: This aspect would be kept fairly simple
and straightforward, with no formal loan
agreement necessary. We would require
the execution of a Corporate Borrowing
Resolution and a Signature Card.

We are delighted that this initial personal contact is de-
veloping to our mutual benefit and are looking forward to
seeing you again. If you will let us know the next time
business brings you to New York we would very much like to
host a luncheon for you and your associates. In the mean-
time, we look forward to your response to the offer outlined
in this letter.

Very truly yours,

SWISS BANK CORPORATION
New York Branch


Alberto Togni
Executive Vice President


Joel Stewart
First Vice President