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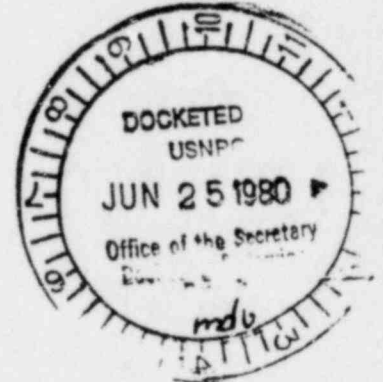
DOCKET NUMBER  
PETITION RULE PRM-140-2 (9)  
(45 FR 26973)

Secretary of the Commission  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

Attention: Docketing and Service Branch

RE: Docket No. PRM-140-2

Gentlemen:



This letter is in response to the petition by the Public Citizen Litigation Group requesting the Nuclear Regulatory Commission (NRC) to amend its regulations relating to "Financial Protection Requirements and Indemnity Agreements" to increase the amount of liability insurance required of persons licensed to operate large commercial nuclear power plants, Docket No. PRM-140-2.

Alabama Power Company owns and operates the Joseph M. Farley Nuclear Plant located in Houston County, Alabama.

In the above-mentioned petition, the Public Citizen Litigation Group contends that the \$160 million liability insurance currently required is not the "maximum insurance available." The contention is supported by aggregating or combining the liability insurance available from the nuclear liability insurance pools (currently \$160 million) with insurance available to cover physical damage to property and extra expense of replacement power related to accidental outages of nuclear plants.

Inasmuch as insurance covering physical damage to property and extra expense of replacement power covers different risks, it is not appropriate to combine such coverage with liability insurance required of persons to operate large commercial nuclear power plants. Accordingly, the \$160 million of liability insurance provided by the nuclear insurance pools is the maximum amount available; and no change in the NRC's regulations relating to "Financial Protection Requirements and Indemnity Agreements" is warranted at this time.

Yours very truly,

Travis J. Bowden

Acknowledged by card... 6/26/80... mdu

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