

DM/GAS

Distribution: Docket No 50-133  
TJohnson MBell  
JSurmeier

NMSS r/f  
JGreeves

LLRB r/f  
RBangart

DMartin  
PLOhaus

PDR Yes  No  Proprietary  or CF Only   
ACNW Yes  No   
SUBJECT ABSTRACT: AMENDMENT TO INDEMNITY AGREEMENT-PACIFIC GAS/ELECTRIC

Docket No. 50-133

Mr. J. D. Shiffer, Vice President  
Nuclear Power Generation  
c/o Nuclear Power Generation Licensing  
Pacific Gas and Electric Company  
77 Beale Street, Room 1451  
San Francisco, California 94016

OCT 23 1989

Dear Mr. Shiffer:

SUBJECT: PACIFIC GAS AND ELECTRIC COMPANY - AMENDMENT TO INDEMNITY AGREEMENT

We are enclosing herewith an amendment to your indemnity agreement reflecting the changes to 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," effective July 1, 1989. The amendments to Part 140 reflect the increase from \$160 million to \$200 million in the primary layer of nuclear energy liability insurance provided by American Nuclear Insurers and Mutual Atomic Energy Liability Underwriters. The amendment also conforms to changes made to the Price-Anderson Act by "The Price-Anderson Amendments Act of 1988" which was enacted on August 20, 1988.

Please signify your acceptance of the amendment to your indemnity agreement in the space provided and return one signed copy to Ira Dinitz, Senior Insurance/Indemnity Specialist, U.S. Nuclear Regulatory Commission, Mail Stop 12-E-4, Washington, D.C. 20555. If you have any questions about the foregoing, please contact Mr. Dinitz at (301) 492-1289.

Sincerely,

Original Signed by  
MICHAEL J. BELL  
MICHAEL J. BELL

Michael J. Bell, Chief  
Regulatory Branch  
Division of Low-Level Waste Management  
and Decommissioning  
Office of Nuclear Material Safety  
and Safeguards

Enclosure: Amendment to Indemnity Agreement

cc w/enclosure: See next page

-----  
OFC :LLRB :LLRB :LLRB :  
-----  
NAME:DMartin/es:TJohnson :MBell :  
-----  
DATE:10/23/89 :10/23/89 :10/23/89 :  
-----

DPD 3/11  
50-133  
114

Mr. J. D. Shiffer  
Pacific Gas and Electric Company

Humboldt Bay Nuclear Power Plant  
Docket No. 50-133

cc:  
Richard F. Locke  
Pacific Gas and Electric Company  
Law Department  
Post Office Box 7442  
San Francisco, California 94120

Mr. Joseph O. Ward, Chief  
Radiological Health Branch  
State Department of Health Services  
714 P Street, Office Bldg. #18  
Sacramento, California 95814

Chairman  
Humboldt County Board of Supervisors  
County Courthouse  
825 Fifth Street  
Eureka, California 95501

Director  
Energy Facilities Siting Division  
Energy Resources Conservation &  
Development Commission  
1516 9th Street  
Sacramento, California 95814

Linda J. Brown, Esquire  
Donohew, Jones, Brown & Clifford  
100 Van Ness Avenue, 19 Floor  
San Francisco, California 94102

Gretchen Dumas, Esquire  
Public Utilities Commission  
of the State of California  
5066 State Building  
San Francisco, California 94102

U.S. Environmental Protection Agency  
Region IX Office  
ATTN: Regional Radiation Representative  
215 Fremont Street  
San Francisco, California 94105

Public Affairs Officer  
Region V  
U.S. Nuclear Regulatory Commission  
1450 Maria Lane  
Walnut Creek, California 94596

Regional Administrator  
Nuclear Regulatory Commission, Region V  
1450 Maria Lane, Suite 210  
Walnut Creek, California 94596

Office of Intergovernmental  
Management  
State of California  
1400 10th Street, Room 108  
Sacramento, California 95814

Michael R. Sherwood, Esquire  
Sierra Club Legal Defense Fund, Inc.  
2044 Fillmore Street  
San Francisco, California 94115

Dr. Perry Aminoto  
Department of Conservation  
Division of Mines & Geology  
1416 9th Street, Room 1341  
Sacramento, California 95814



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

Docket No. 50-133

Amendment to Indemnity Agreement No. B-21  
Amendment No. 23

Effective July 1, 1989, Indemnity Agreement No. B-21, between Pacific Gas and Electric Company and the Atomic Energy Commission, dated August 28, 1962, as amended, is hereby further amended as follows:

The amount "\$160,000,000" is deleted wherever it appears and the amount "\$200,000,000" is substituted therefor.

The amount "\$124,000,000" is deleted wherever it appears and the amount "\$155,000,000" is substituted therefor.

The amount "\$36,000,000" is deleted wherever it appears and the amount "\$45,000,000" is substituted therefor.

Paragraph 1, Article I is modified to read as follows:

1. "Nuclear reactor," "byproduct material," "person," "source material," "special nuclear material," and "precautionary evacuation" shall have the meanings given them in the Atomic Energy Act of 1954, as amended, and the regulations issued by the Commission.

The definition of "public liability" in paragraph 7, Article I is deleted, and the following is substituted therefor:

"Public liability" means any legal liability arising out of or resulting from a nuclear incident or precautionary evacuation (including all reasonable additional costs incurred by a State or a political subdivision of a State, in the course or responding to a nuclear incident or precautionary evacuation), except (1) claims under State or Federal Workmen's Compensation Acts of employees of persons indemnified who are employed (a) at the location or, if the nuclear incident occurs in the course of transportation of the radioactive material, on the transporting vehicle, and (b) in connection with the licensee's possession, use or transfer of the radioactive material; (2) claims arising out of an act of war; and (3) claims for loss of, or damage to, or loss of use of (a) property which is located at the location and used in connection with the licensee's possession, use, or transfer of the radioactive material, and (b) if the nuclear incident occurs in the course of transportation of the radioactive material, the transporting vehicle, containers used in such transportation, and the radioactive material.

Paragraph 4(c), Article II is revised to read as follows:

- (c) Any issue or defense based on any statute of limitations if suit is instituted within three years from the date on which the claimant first knew, or reasonably could have known, of his injury or damage and the cause thereof.

In paragraph 1, Article VIII, the amount "\$5,000,000" is deleted and the amount "\$63,000,000" is substituted therefor.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

*Cecil O. Thomas*

\_\_\_\_\_  
Cecil O. Thomas, Chief  
Policy Development and Technical Support Branch  
Program Management Policy Development  
and Analysis Staff  
Office Nuclear Reactor Regulation

Accepted \_\_\_\_\_, 1989

By \_\_\_\_\_  
Pacific Gas and Electric Company



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

Docket No. 50-133

Amendment to Indemnity Agreement No. B-21  
Amendment No. 23

Effective July 1, 1989, Indemnity Agreement No. B-21, between Pacific Gas and Electric Company and the Atomic Energy Commission, dated August 28, 1962, as amended, is hereby further amended as follows:

The amount "\$160,000,000" is deleted wherever it appears and the amount "\$200,000,000" is substituted therefor.

The amount "\$124,000,000" is deleted wherever it appears and the amount "\$155,000,000" is substituted therefor.

The amount "\$36,000,000" is deleted wherever it appears and the amount "\$45,000,000" is substituted therefor.

Paragraph 1, Article I is modified to read as follows:

1. "Nuclear reactor," "byproduct material," "person," "source material," "special nuclear material," and "precautionary evacuation" shall have the meanings given them in the Atomic Energy Act of 1954, as amended, and the regulations issued by the Commission.

The definition of "public liability" in paragraph 7, Article I is deleted, and the following is substituted therefor:

"Public liability" means any legal liability arising out of or resulting from a nuclear incident or precautionary evacuation (including all reasonable additional costs incurred by a State or a political subdivision of a State, in the course or responding to a nuclear incident or precautionary evacuation), except (1) claims under State or Federal Workmen's Compensation Acts of employees of persons indemnified who are employed (a) at the location or, if the nuclear incident occurs in the course of transportation of the radioactive material, on the transporting vehicle, and (b) in connection with the licensee's possession, use or transfer of the radioactive material; (2) claims arising out of an act of war; and (3) claims for loss of, or damage to, or loss of use of (a) property which is located at the location and used in connection with the licensee's possession, use, or transfer of the radioactive material, and (b) if the nuclear incident occurs in the course of transportation of the radioactive material, the transporting vehicle, containers used in such transportation, and the radioactive material.

Paragraph 4(c), Article II is revised to read as follows:

- (c) Any issue or defense based on any statute of limitations if suit is instituted within three years from the date on which the claimant first knew, or reasonably could have known, of his injury or damage and the cause thereof.

In paragraph 1, Article VIII, the amount "\$5,000,000" is deleted and the amount "\$63,000,000" is substituted therefor.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

*Cecil O. Thomas*

---

Cecil O. Thomas, Chief  
Policy Development and Technical Support Branch  
Program Management Policy Development  
and Analysis Staff  
Office Nuclear Reactor Regulation

Accepted \_\_\_\_\_, 1989

By \_\_\_\_\_  
Pacific Gas and Electric Company