

JUL 16 1982

Docket Nos. 50-289
50-320

AMENDMENT TO INDEMNITY AGREEMENT NO. B-64
AMENDMENT NO. 10

Effective June 1, 1980, Indemnity Agreement No. B-64 between Metropolitan Edison Company, Jersey Central Power & Light Company, and Pennsylvania Electric Company, and the Atomic Energy Commission, dated December 11, 1973, as amended, is hereby further amended as follows:

1. Article II, Paragraph 8 is revised as follows:

8. With respect to any common occurrence arising out of an accident under DPR-50, or with respect to any common occurrence arising out of an accident under DPR-73 subsequent to May 1, 1979, which is determined by the Commission to be an "extraordinary nuclear occurrence;"

(a) If the sum of the limit of liability of any Nuclear Energy Liability Insurance Association policy designated in Item 5 of the Attachment and the limits of liability of all other nuclear energy liability insurance policies (facility form) applicable to such common occurrence and issued by Nuclear Energy Liability Insurance Association exceeds \$124,000,000, the amount of financial protection specified in Item 2a and b of the Attachment shall be deemed to be reduced by that proportion of the difference between said sum and \$124,000,000 as the limit of liability of the Nuclear Energy Liability Insurance Association policy designated in Item 5 of the Attachment bears to the sum of the limits of liability of all nuclear energy liability insurance policies (facility form) applicable to such common occurrence issued by Nuclear Energy Liability Insurance Association;

(b) If the sum of the limit of liability of any Mutual Atomic Energy Liability Underwriters policy designated in Item 5 of the Attachment and the limits of liability of all other nuclear energy liability insurance policies (facility form) applicable to such common occurrence and issued by Mutual Atomic Energy Liability Underwriters exceeds \$36,000,000, the amount of financial protection specified in Item 2a and b of the Attachment

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shall be deemed to be reduced by that proportion of the difference between said sum and \$36,000,000 as the limit of liability of the Mutual Atomic Energy Liability Underwriters policy designated in Item 5 of the Attachment bears to the sum of the limits of liability of all nuclear energy liability insurance policies (facility form) applicable to such common occurrence and issued by Mutual Atomic Energy Liability Underwriters;

(c) If any of the other applicable agreements is with a person who has furnished financial protection in a form other than a nuclear energy liability insurance policy (facility form) issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters, and if also the sum of the amount of financial protection established under this agreement and the amounts of financial protection established under all other applicable agreements exceeds an amount equal to the sum of \$160,000,000 and the amount available as secondary financial protection, the obligation of the licensee shall not exceed a greater proportion of an amount equal to the sum of \$160,000,000 and the amount available as secondary financial protection, than the amount of financial protection established under this agreement bears to the sum of such amount and the amounts of financial protection established under all other applicable agreements;

(d) As used in this paragraph 8, Article II, and in Article III, "other applicable agreements" means each other agreement entered into by the Commission pursuant to subsection 170c of the Act in which agreement the nuclear incident is defined as a "common occurrence." As used in this paragraph 8, Article II, "the obligations of the licensee" means the obligations of the licensee under subsection 53e(8) of the Act to indemnify the United States and the Commission from public liability, together with any public liability satisfied by the insurers under the policy or policies designated in the Attachment, and the reasonable costs of investigating and settling claims and defending suits for damage.

2. A new paragraph 9 is inserted in Article II to read as follows:

9. With respect to any common occurrence arising out of an accident under DPR-73 subsequent to May 1, 1979, which is not determined by the Commission to be an "extraordinary nuclear occurrence;"

(a) If the sum of the limit of liability of any Nuclear Energy Liability Insurance Association policy designated in Item 5 of the Attachment and the limits of liability of all other nuclear energy liability insurance policies (facility form) applicable to such common occurrence and issued by Nuclear Energy Liability Insurance Association exceeds \$108,500,000, the amount of financial protection specified in Item 2a and b of the Attachment

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shall be deemed to be reduced by that proportion of the difference between said sum and \$108,500,000 as the limit of liability of the Nuclear Energy Liability Insurance Association policy designated in Item 5 of the Attachment bears to the sum of the limits of liability of all nuclear energy liability insurance policies (facility form) applicable to such common occurrence issued by Nuclear Energy Liability Insurance Association;

- (b) If the sum of the limit of liability of any Mutual Atomic Energy Liability Underwriters policy designated in Item 5 of the Attachment and the limits of liability of all other nuclear energy liability insurance policies (facility form) applicable to such common occurrence and issued by Mutual Atomic Energy Liability Underwriters exceeds \$31,500,000, the amount of financial protection specified in Item 2a and b of the Attachment shall be deemed to be reduced by that proportion of the difference between said sum and \$31,500,000 as the limit of liability of the Mutual Atomic Energy Liability Underwriters policy designated in Item 5 of the Attachment bears to the sum of the limits of liability of all nuclear energy liability insurance policies (facility form) applicable to such common occurrence and issued by Mutual Atomic Energy Liability Underwriters;
- (c) If any of the other applicable agreements is with a person who has furnished financial protection in a form other than a nuclear energy liability insurance policy (facility form) issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters, and if also the sum of the amount of financial protection established under this agreement and the amounts of financial protection established under all other applicable agreements exceeds an amount equal to the sum of \$140,000,000 and the amount available as secondary financial protection, the obligation of the licensee shall not exceed a greater proportion of an amount equal to the sum of \$140,000,000 and the amount available as secondary financial protection, than the amount of financial protection established under this agreement bears to the sum of such amount and the amounts of financial protection established under all other applicable agreements;
- (d) As used in this paragraph 9, Article II, and in Article III, "other applicable agreements" means each other agreement entered into by the Commission pursuant to subsection 170c of the Act in which agreement the nuclear incident is defined as a "common occurrence." As used in this paragraph 9, Article II, "the obligations of the licensee" means the obligations of the licensee under subsection 53e(8) of the Act to indemnify

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the United States and the Commission from public liability, together with any public liability satisfied by the insurers under the policy or policies designated in the Attachment, and the reasonable costs of investigating and settling claims and defending suits for damage.

3. Article II, paragraph 9 is renumbered as paragraph 10 and reads as follows:

10. The obligations of the licensee under this Article shall not be affected by any failure or default on the part of the Commission or the Government of the United States to fulfill any or all of its obligations under this agreement. Bankruptcy or insolvency of any person indemnified other than the licensee, for the estate of any person indemnified other than the licensee, shall not relieve the licensee of any of his obligations hereunder.

4. Article III, paragraph 4(b) is revised as follows:

4(b) With respect to a common occurrence arising out of an accident under DPR-50, or with respect to any common occurrence arising out of an accident under DPR-73 subsequent to May 1, 1979 which is determined by the Commission to be an "extraordinary nuclear occurrence," the obligations of the Commission under this agreement shall apply only with respect to such public liability, such damage to property of persons legally liable for the nuclear incident (other than such property described in the proviso to paragraph 2 of this Article), and to such reasonable costs described in paragraph 3 of this Article, as in the aggregate exceed whichever of the following is lower: (1) The sum of the amounts of financial protection established under this agreement and all other applicable agreements; or (2) an amount equal to the sum of \$160,000,000 and the amount available as secondary financial protection.

5. A new paragraph 4(c) is added to Article III, to read as follows:

4(c) With respect to a common occurrence arising out of an accident under DPR-73 subsequent to May 1, 1979 which is determined by the Commission not to be an "extraordinary nuclear occurrence," the obligations of the Commission under this agreement shall apply only with respect to such public liability, such damage to property of persons legally liable for the nuclear incident (other than such property described in the proviso to paragraph 2 of this Article), and to such reasonable costs described in paragraph 3 of this Article, as in the aggregate exceed whichever of the following is lower: (1) The sum of the amounts of

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financial protection established under this agreement and all other applicable agreements; or (2) an amount equal to the sum of \$140,000,000 and the amount available as secondary financial protection.

FOR THE UNITED STATES NUCLEAR REGULATORY COMMISSION

Jerome Saltzman, Assistant Director
State and Licensee Relations
Office of State Programs

ACCEPTED _____ 1982

BY
METROPOLITAN EDISON COMPANY

ACCEPTED _____ 1982

BY
JERSEY CENTRAL POWER AND LIGHT
COMPANY

ACCEPTED _____ 1982

BY
PENNSYLVANIA ELECTRIC COMPANY

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