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P.O. Box 480 Middletown, Pennsylvania 17057 717-944-7621 Writer's Direct Dial Number:

September 7, 1982 5211-82-205

Jerome Saltzman, Assistant Director State and Licensee Relations Office of State Programs U. S. Nuclear Regulatory Commission Washington, D.C. 20555

Dear Sir:

Three Mile Island Nuclear Stations, Units 1 and 2 (TMI-1 and TMI-2)
Operating License Nos. DPR-50 and DPR-73
Docket Nos. 50-289 and 50-320
Indemnity Agreement No. B-64

As requested in your letter dated July 16, 1982, attached is one executed copy of Amendment Nos. 10 and 11 to Indemnity Agreement No. B-64.

These Amendments have been signed by the appropriate corporate Officers of the owner/operating companies of the Three Mile Island Nuclear Station.

Sincerely,

Director, TMI-1

HDH:CWS:CJS:jrg Enclosures

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

JUL 1 6 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

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

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

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 desribed 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; cr(2) an amount equal to the sum of \$140,000,000 and the amount available as secondary financial protection.

	Jerome Saltzman, Assistant Director State and Licensee Relations Office of State Programs
ACCEPTED Ave. 9,	1982
BY METROPOLITAN EDISON COMPAN	1
ACCEPTED ang 24	1982
JERSEY CENTRAL POWER AND L	TGHT
ACCEPTED aug. 18	1982
BY PENNSYLVANTA ELECTRIC COMP	PANY

FOR THE UNITED STATES NUCLEAR REGULATORY COMMISSION

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

Docket Nos. 50-289 50-320

COMPANY

AMENDMENT TO INDEMNITY AGREEMENT NO. B-64 AMENDMENT NO. 11

Effective January 1, 1982, Indemnity Agreement No. B-64, between Metropolitan Edison Company, Jersey Central Power and Light Company, and Pennsylvania Electric Company, and the Atomic Energy Commission, dated December 11, 1973, as amended, is hereby further amended as follows:

Wherever the names "Metropolitan Edison Company", "Jersey Central Power and Light Company", and "Pennsylvania Electric Company" appear in the indemnity agreement, the following named licensee is added:

"GPU Nuclear Corporation"

FOR THE NUCLEAR REGULATORY COMMISSION

Jerome Saltzman, Assistant Director

State and Licensee Relations

Office of State Programs

ACCEPTED 8/9 1982 ACCEPTED ang /8 1982

BY PENNSYLVANIA ELECTRIC COMPANY

ACCEPTED 8/2 1982

BY PENNSYLVANIA ELECTRIC COMPANY

ACCEPTED 8/2 1982

BY GPU NUCLEAR CORPORATION