



CHARLES CENTER • P.O. BOX 1475 • BALTIMORE, MARYLAND 21203

FINANCE DEPARTMENT

November 28, 1984

Mr. Ira Dinitz
Insurance Indemnity Analyst
Licensee Relations Section
Office of State Programs
M/S AR 5037
United States Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Docket Nos. 50-317 and 50-318
Agreement No. B-70

Dear Mr. Dinitz:

In response to your letter of November 27, 1984, enclosed are two (2) copies of the following nuclear liability endorsements which your letter stated had not been received:

Endorsement No. 40 to MF-76
Endorsement Nos. 15 and 50 to NF-216

As to Endorsement No. 15 to NF-216, please note the attached copies have an ink overprint on the Endorsement No. line. This Endorsement and Endorsement No. 14 were stamped in on the same day, August 2, 1974, and both had the number "14" typed on them. The correction must have been made by me subsequent to mailing both to the NRC. I apologize for not having made the correction to your copies. For your reference, I have enclosed one (1) copy of Endorsement No. 14. The number is circled in red. This Endorsement you must have since you did not request it in your letter.

Also attached is a copy of my letter of May 21, 1982 to you transmitting Endorsement No. 50 to NF-216 and Endorsement No. 40 to MF-76. The fact that we never received from you the acknowledgement copy of this transmittal does not indicate non-receipt. The May 21, 1982 letter was the last requesting acknowledgement of receipt because only once did we receive a signed and dated receipt. On several prior occasions, we telephoned and found you had received the applicable endorsements. My records indicate the next batch of endorsements was sent to you on January 6, 1983 to your current Mail Stop AR-5037. It may be the endorsements referred to above never got to you because they were sent to Mail Stop AR-2016. It would be helpful to licensees if letters from the Commission would contain the appropriate current Mail Stop designation.

Sincerely,

G. B. Gammie
Senior Insurance Analyst

8412030411 841128
PDR ADOCK 05000317
PDR

GBG:sed

Attachments

MOO
1/1

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

- 1. Amendment of Advance Premium Endorsement
- 2. Standard Premium and Reserve Premium Endorsement
- 3. Additional Premium Due

Inspiration Card Prepared _____
 Passed by Insurance Dept _____

- 1. Advance Premium

It is agreed that the Amended Advance Premium due the companies for the calendar year 1981 is \$110,648.25.

- 2. Standard Premium and Reserve Premium

Subject to the provisions of the Industry Credit Rating Plan, it is agreed that the Standard Premium and Reserve Premium for the calendar year designated above are:

Standard Premium \$110,648.25

Reserve Premium \$83,417.67

- 3. Additional Premium \$1,459.12

Effective Date of this endorsement January 1, 1981 To form a part of Policy No. MF-76

Issued to Baltimore Gas & Electric Company

Date of Issue April 15, 1982

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By J. E. Quattrocchi

Endorsement No. 40 Countersigned by [Signature]
 Authorized Representative

This is to certify that this is a true copy of the original Endorsement having the endorsement number and being made part of the Nuclear Energy Liability Policy (Facility Form) as designated hereon. No insurance is afforded hereunder.

ME-36

[Signature]
 John L. Quattrocchi, Vice President-Liability Underwriting
 American Nuclear Insurers

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 1981

Endorsement Card Prepared _____

Passed by Insurance Dept. _____

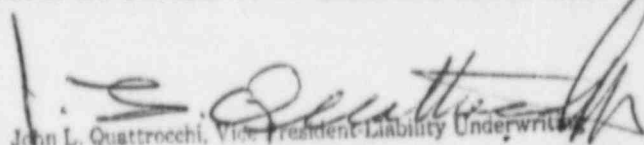
It is agreed that Items 1a. and 1b. of Endorsement No. 44

are amended to read:

1a. ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is: \$ 381,121.75.

1b. STANDARD PREMIUM AND RESERVE PREMIUM: In the absence of a change in the Advance Premium indicated above, it is agreed that, subject to the provisions of the Industry Credit Rating Plan, the Standard Premium is said Advance Premium and the Reserve Premium is: \$ 287,327.53.
Additional Premium: \$5,025.88.

This is to certify that this is a true copy of the original Endorsement having the endorsement number and being made part of the Nuclear Energy Liability Policy (Facility Form) as designated hereon. No Insurance is afforded hereunder.

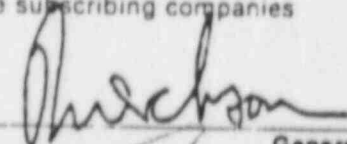

John L. Quattrocchi, Vice President-Liability Underwriting
American Nuclear Insurers

Effective Date of this Endorsement January 1, 1981 To form a part of Policy No. NF-216

Issued to Baltimore Gas & Electric Company
12:01 A.M. Standard Time

Date of issue April 15, 1982

For the subscribing companies

By 
General Manager

Endorsement No. 50
NE-36

Countersigned by 

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AUG 2 1974

-Insurance
Fire Prevention

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

Calendar Year 1974

It is agreed that Items 1a. and 1b. of Endorsement No. 11
are amended to read:

1a. ADVANCE PREMIUM: It is agreed that the Advance Premium
due the companies for the period designated above is:

\$ 5,718.82 ✓

1b. STANDARD PREMIUM AND RESERVE PREMIUM: In the absence
of a change in the Advance Premium indicated above, it is
agreed that, subject to the provisions of the Industry Credit
Rating Plan, the Standard Premium is said Advance Premium and
the Reserve Premium is: \$ 3,831.61 ✓

Additional Premium: \$3,791.02 ✓

Expiration Card Prepared
Passed by Insurance Dept

Effective Date of this Endorsement January 1, 1974 To form a part of Policy No. NF-216
12:01 A.M. Standard Time
Issued to Baltimore Gas and Electric Company
Date of Issue July 29, 1974

For the subscribing companies

By Joseph Marone
General Manager

Countersigned by Andrew W. [Signature]
OFFICE OF
RIGGS, COUNSELMAN, MICHAELS & DOWNES, INC.

Endorsement No. 14

NE:36

May 21, 1982

Mr. Ira Dinitz
State and Licensee Relations
Office of State Programs
M/S AR-2016
United States Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. Dinitz:

Enclosed please find eight copies of each of the following endorsements:

<u>Policy No.</u>	<u>Endorsement No.</u>	<u>Coverage</u>
NF 216	50	Facility Form
MF 76	40	Facility Form

Please sign and return the attached copy of this transmittal letter, acknowledging receipt of the subject endorsements.

Sincerely,

(Signed) G. B. GAMMIE

G. B. Gammie
Senior Insurance Analyst

GBG/seb

Enclosures

RECEIVED BY _____

DATE _____

NOV 27 1984

Docket No. 50-271

Vermont Yankee Nuclear Power Corporation
ATTN: Mr. Warren P. Murphy
Vice President and Manager of Operations
RD 5, Box 169
Brattleboro, Vermont 05301

Gentlemen:

Subject: Inspection 50-271/84-10

This refers to your letter dated August 9, 1984, in response to our letter dated July 12, 1984. Thank you for informing us of the corrective and preventive measures documented in your response. These actions will be examined during a future inspection of your licensed program.

The violation concerned a failure by Instrument & Control (I&C) technicians to complete a calibration of the torus narrow range level channels in accordance with the instructions of OP 4374. In your response, you disagreed that an actual violation of OP 4374 occurred since the actions by I&C personnel to postpone the completion of the calibration until the following day was not specifically disallowed by the procedure. You stated that previous experience with that particular calibration showed it was customary to defer final verification that the instruments were properly returned to service for about 2 hours until after thermal stabilization of the reference legs could be assured.

We agree that the circumstances particular to the torus level channels necessitate a wait period for thermal stabilization prior to final verification that the channels were properly returned to service. Two hours is sufficient to assure thermal stabilization and it would be proper to observe this wait period as part of the OP 4374 instructions. We believe that the actions to defer the final check to the next day was not only unnecessary to assure thermal stabilization, but also excessive.

However, the length of the wait period was not the point of the violation, nor does it characterize the concern we had in bringing this matter to your attention. Our concerns regarding the activities on May 8, 1984 involve the incomplete and informal manner in which test activities were terminated following the calibration, which left the duty Shift Supervisor unaware of the status of testing, and unaware of the status of instruments important to safe operation of the plant. Further, the high pressure coolant injection suction valves were found out of normal alignment after 4:00 p.m. by operations personnel during shift checks. These valves were apparently out of position as a result of the incomplete status of OP 4374.

We believe that your management directives in OP 4374 were violated because the procedures does not explicitly allow stopping the test and deferring final verifications. Whether a test is stopped at the end, middle or beginning, we consider it a violation of the procedure requirements and your management directives if the

8412030387 841127
PDR ADDCK 05000271
PDR
G

OFFICIAL RECORD COPY

50-271/84-10REPLY - 0001.0.0
11/07/84

SE01
1/1