

**Marsh &
McLennan**

Marsh & McLennan, Incorporated
1221 Avenue of the Americas
New York, New York 10020
Telephone 212 997-2000

Docket

January 28, 1985

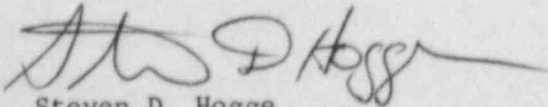
Mr. Ira Dinitz
State and Licensee Relations
Office of State Programs
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Duke Power Company
Catawba Nuclear Station
ANI/MAELU SFP Policies N-97/M-97

Dear Ira:

On behalf of the Duke Power Company, I am enclosing two copies of Endorsements 3 and 4 to the above captioned policies.

Sincerely,



Steven D. Hogge
Nuclear Consultant

SH:ef
enc.

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PDR ADOCK 05000413
J PDR

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Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ENDORSEMENT TO CERTIFICATE NO. N-97
FORMING PART OF MASTER POLICY NO. 1
NUCLEAR ENERGY LIABILITY INSURANCE
(SECONDARY FINANCIAL PROTECTION)

In consideration of its being added as a fifth named insured in Certificate No. N-97 by Endorsement thereto and issued concurrently herewith, Piedmont Municipal Power Agency hereby executes the following Bond:

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Know All Men By These Presents, that the undersigned does hereby acknowledge that Duke Power Company and the undersigned are named insureds under Master Policy No. 1 described in the Certificate of Insurance and Declarations of Certificate No. N-97, which was issued to and signed by Duke Power Company on July 18, 1984 and as amended. The undersigned does hereby covenant with and is held and is firmly bound to the subscribing members of Nuclear Energy Liability Insurance Association (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the terms of Master Policy No. 1, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in Master Policy No. 1 from the date payment thereof is specified to be due the companies in a written notice to the first named insured, as provided in Condition 2 of Master Policy No. 1 until paid.

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts.

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants or provisions of this Bond, or any provisions of Master Policy No. 1 relating to such covenants or provisions.

For the purpose of recording this agreement a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

THE ABOVE BOND FORMS A PART OF MASTER POLICY NO. 1. CANCELLATION OR TERMINATION OF MASTER POLICY NO. 1 OR CERTIFICATE NO. N-97 SHALL NOT AFFECT THE OBLIGATIONS OF THE NAMED INSUREDS UNDER MASTER POLICY NO. 1 OR THE BONDS TO PAY THE RETROSPECTIVE PREMIUMS AND ALLOWANCES FOR PREMIUM TAXES AS PROVIDED IN CERTIFICATE NO. N-97 AND CONDITION 2 OF THE MASTER POLICY NO. 1.

(2)

IN WITNESS WHEREOF, the undersigned named insured has caused this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective from and after the date stated below, eastern standard time.

Attest of Witness

Named Insured

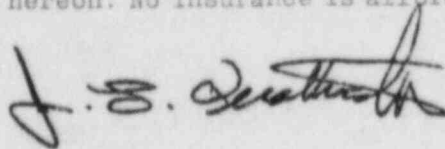
Piedmont Municipal Power Agency
(Named Insured - Type or Print)

By _____ (Seal)
(Signature of Officer)

(Type or Print Name & Title of Officer)

Date: _____

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.



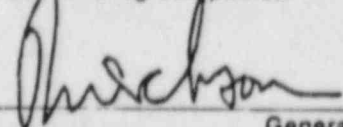
John L. Quattrocchi, Vice President-Liability Underwriting
American Nuclear Insurers

Effective Date of this Endorsement December 20, 1984 To form a part of Policy No N-97

12:01 A.M. Standard Time
Issued to Duke Power Company

Date of Issue January 16, 1985

For the subscribing companies

By  _____
General Manager

Endorsement No 4

Countersigned by _____

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO CERTIFICATE NO. M-97
FORMING PART OF MASTER POLICY NO. 1
NUCLEAR ENERGY LIABILITY INSURANCE
(SECONDARY FINANCIAL PROTECTION)

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And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts.

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants or provisions of this Bond, or any provisions of Master Policy No. 1 relating to such covenants or provisions.

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Attest of Witness

Named Insured

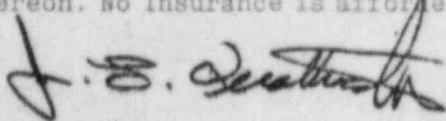
Piedmont Municipal Power Agency
(Named Insured - Type or Print)

By _____ (Seal)
(Signature of Officer)

(Type or Print Name & Title of Officer)

Date: _____

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

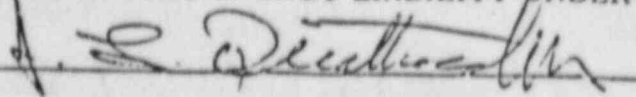
Effective Date of this Endorsement December 20, 1984 To form a part of Policy No. M-97

Issue to Duke Power Company

Date of Issue January 16, 1985

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By 

Endorsement No. 4

Countersigned by _____
AUTHORIZED REPRESENTATIVE

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ENDORSEMENT TO CERTIFICATE NO. M-97
FORMING PART OF MASTER POLICY NO. 1
NUCLEAR ENERGY LIABILITY INSURANCE
(SECONDARY FINANCIAL PROTECTION)

It is agreed that:

1. On and after the Effective Date stated below, the "Declarations" which are part of Certificate No. M-97 which was issued to Duke Power Company on July 18, 1984, are amended as follows:
 - a. In Item 1, "Named Insureds and addresses", of such Declarations, a second named insured is added, namely
 - (e) Piedmont Municipal Power Agency
P.O. Box 64
Gaffney, South Carolina 29340
 - b. In Item 6, "Certificate Period", of such Declarations, the Certificate Period remains unchanged for Duke Power Company, but the Certificate Period applicable to Piedmont Municipal Power Agency begins on the Effective Date stated below and continues for the remainder of the period described in said Item 6.
2. This endorsement amends none of the other provisions of the "Certificate of Insurance, Declarations and Bond for Payment of Retrospective Premiums" of said Certificate No. M-97.

Effective Date of this Endorsement December 20, 1984 To form a part of Policy No. M-97

Issue to Duke Power Company

Date of Issue January 16, 1985

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

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By

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

Endorsement No. 3

Countersigned by _____

AUTHORIZED REPRESENTATIVE

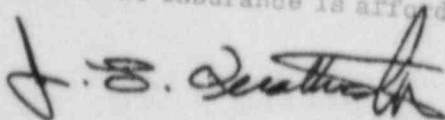
Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ENDORSEMENT TO CERTIFICATE NO. N-97
FORMING PART OF MASTER POLICY NO. 1
NUCLEAR ENERGY LIABILITY INSURANCE
(SECONDARY FINANCIAL PROTECTION)

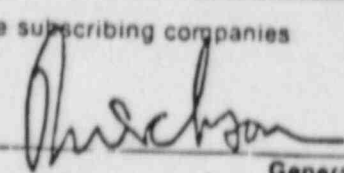
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2. This endorsement amends none of the other provisions of the "Certificate of Insurance, Declarations and Bond for Payment of Retrospective Premiums" of said Certificate No. N-97.

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

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12:01 A.M. Standard Time
Issued to Duke Power Company
Date of Issue January 16, 1985
For the subscribing companies
By  General Manager
Endorsement No. 3 Countersigned by _____