

July 23, 1992

Document Control Desk
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Re: Niagara Mohawk Power Corporation
(Nine Mile Point, Units 1 and 2)
Docket Nos. 50-220 and 50-410

Amendment Nos. 12 and 18 to
Indemnity Agreement No. B-36

Gentlemen:

It has recently come to our attention that there is an apparent clerical error in either Amendment No. 12 or Amendment No. 18 to Indemnity Agreement B-36.

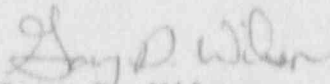
Specifically, the reference to "paragraph 1, Article VIII" in Amendment 18 purports to delete two dollar amounts that are not specified in Article VIII of Indemnity Agreement B-36, which was added by Amendment 12 to that Indemnity Agreement, dated August 18, 1978 and effective August 1, 1977. It further appears that Amendment 12 did not comport with the form of indemnity agreement set forth in 10 C.F.R. § 140.92, Appendix B prior to the 1989 amendments to those regulations (54 Fed. Reg. 24158) to implement the 1988 amendments to Price-Anderson, in that Agreement B-36 appears to omit the lines in which the dollar amounts of retrospective premiums appear.

While we believe that the intent is clear in light of: (1) the Atomic Energy Act of 1954, as amended; (2) 10 C.F.R. Part 140; and (3) the footnote to the Attachment to Indemnity Agreement B-36, as most recently amended, i.e. the listed licensees are on notice that they are subject to retrospective premiums under the 1975 amendments to Price-Anderson and the limits on such retrospective premiums were increased by the 1988 amendments, we are concerned that the Indemnity Agreement is not in the form now set forth in the regulations. See 10 C.F.R. § 140.92, Appendix B. We would, therefore, suggest that an amendment to Indemnity Agreement B-36 be issued to replace Article VIII as added by Amendment 12, made retroactive to the July 1, 1989 effective date of Amendment 18, in the form provided in 10 C.F.R. § 140.92, Appendix B.

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We appreciate your attention to this matter.

Very truly yours,


Gary D. Wilson
Managing Attorney

GDW:jml

xc: Mr. Ira Dinitz
Senior Insurance/Indemnity Specialist