

**CP&L**

**Carolina Power & Light Company**

P. O. Box 1551 • Raleigh, N. C. 27602

*Docket*

CHARLES D. BARHAM, JR.  
Senior Vice President and General Counsel

December 31, 1984

Mr. Ira Dinitz  
Insurance Indemnity Analyst  
Licensee Relations Section  
Office of State Programs  
Nuclear Regulatory Commission  
Washington, D.C. 20555

Re: Docket Nos. 50-324  
50-325  
Agreement No. B-71

Dear Mr. Dinitz:

Attached are six copies each of Endorsement Nos. 6, 9, 10 and 50 to NF-218 as requested by your letter of November 27, 1984, a copy of which is attached for your reference.

Amendment No. 11 to B-71 which is also discussed in the referenced letter will be addressed in separate correspondence.

Sincerely,

*Charles D. Barham, Jr.*  
Charles D. Barham, Jr.

CDBjr:mc

Enclosures

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Nuclear Energy Liability Insurance  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

Waiver of Defenses Endorsement  
(Extraordinary Nuclear Occurrence)  
(FACILITY FORM)

The named insured, acting for himself and every other insured under the policy, and the members of Nuclear Energy Liability Insurance Association agree as follows:

1. With respect to any extraordinary nuclear occurrence to which the policy applies as proof of financial protection and which

(a) Arises out of or results from or occurs in the course of the construction, possession, or operation of the facility, or

(b) Arises out of or results from or occurs in the course of the transportation of nuclear material to or from the facility,

the insureds and the companies agree to waive

(1) any issue or defense as to the conduct of the claimant or the fault of the insureds, including, but not limited to:

- (i) negligence,
- (ii) contributory negligence,
- (iii) assumption of risk, and
- (iv) unforeseeable intervening causes, whether involving the conduct of a third person, or an act of God,

(2) any issue or defense as to charitable or governmental immunity, and

(3) any issue or defense based on any statute of limitations if suit is instituted within three years from the date on which the claimant first knew, or reasonably could have known, of his bodily injury or property damage and the cause thereof, but in no event more than ten years after the date of the nuclear incident.

The waiver of any such issue or defense shall be effective regardless of whether such issue or defense may otherwise be deemed jurisdictional or relating to an element in the cause of action.

2. The waivers set forth in paragraph 1. above do not apply to

(a) Bodily injury or property damage which is intentionally sustained by the claimant or which results from a nuclear incident intentionally and wrongfully caused by the claimant;

(b) Bodily injury sustained by any claimant who is employed at the site of and in connection with the activity where the extraordinary nuclear occurrence takes place if benefits therefor are either payable or required to be provided under any workmen's compensation or occupational disease law;

(over)

(c) Any claim for punitive or exemplary damages, provided, with respect to any claim for wrongful death under any State law which provides for damages only punitive in nature, this exclusion does not apply to the extent that the claimant has sustained actual damages, measured by the pecuniary injuries resulting from such death but not to exceed the maximum amount otherwise recoverable under such law.

3. The waivers set forth in paragraph 1. above shall be effective only with respect to bodily injury or property damage to which the policy applies under its terms other than this endorsement.

Such waivers shall not apply to, or prejudice the prosecution or defense of any claim or portion of claim which is not within the protection afforded under

- (1) The provisions of the policy applicable to the financial protection required of the named insured,
- (2) The agreement of indemnification between the named insured and the Atomic Energy Commission made pursuant to section 170 of the Atomic Energy Act of 1954, as amended, and
- (3) The limit of liability provisions of subsection 170 e. of the Atomic Energy Act of 1954, as amended.

Such waivers shall not preclude a defense based upon the failure of the claimant to take reasonable steps to mitigate damages.

4. Subject to all of the limitations stated in this endorsement and in the Atomic Energy Act of 1954, as amended, the waivers set forth in paragraph 1. above shall be judicially enforceable in accordance with their terms against any insured in an action to recover damages because of bodily injury or property damage to which the policy applies as proof of financial protection.

5. As used herein:

"Extraordinary nuclear occurrence" means an event which the Atomic Energy Commission has determined to be an extraordinary nuclear occurrence as defined in the Atomic Energy Act of 1954, as amended.

"Financial protection" and "nuclear incident" have the meanings given them in the Atomic Energy Act of 1954, as amended.

"Claimant" means the person or organization actually sustaining the bodily injury or property damage and also includes his assignees, legal representatives and other persons or organizations entitled to bring an action for damages on account of such injury or damage.

Effective Date of this Endorsement October 25, 1973 To form a part of Policy No. NF-218  
12:01 A.M. Standard Time  
Issued to Carolina Power & Light Company  
Date of Issue October 29, 1973

For the Subscribing Companies

By Joseph M. Malone  
General Manager  
Countersigned by William S. Ingram

Endorsement No. 6

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

Calendar Year 1973

It is agreed that Item 5 of the Declarations "Advance Premium: is amended to read:

ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is: \$100.00

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: \$67.00

Effective Date of this Endorsement October 25, 1973 To form a part of Policy No. NE-218  
12:01 A.M. Standard Time  
Issued to Carolina Power & Light Company  
Date of Issue October 29, 1973 For the Subscribing Companies

By Joseph Marone  
General Manager  
Countersigned by William S. Isgrig

Nuclear Energy Liability Insurance

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

- 1) ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT
- 2) CHANGES IN SUBSCRIBING COMPANIES AND IN THEIR PROPORTIONATE LIABILITY ENDORSEMENT

Calendar Year 1974

- 1a. ADVANCE PREMIUM: It is agreed that the Advance Premium due the companies for the period designated above is: \$ 100.00
- b. 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: \$ 67.00
2. It is agreed that with respect to bodily injury or property damage caused, during the effective period of this endorsement, by the nuclear energy hazard:
- a. The word "companies" wherever used in the policy means the subscribing companies listed on the reverse side of this endorsement.
  - b. The policy shall be binding on such companies only.
  - c. Each such company shall be liable only for its proportion of any obligation assumed or expense incurred under the policy because of such bodily injury or property damage as designated on the reverse side of this endorsement.
3. It is agreed that the effective period of this endorsement is to the close of December 31st of the Calendar Year designated in the caption above, or to the time of the termination or cancelation of the policy, if sooner.

(over)

Effective Date of this Endorsement January 1, 1974 To form a part of Policy No. NF-218  
12:01 A.M. Standard Time  
Issued to Carolina Power & Light Company  
Date of Issue November 1, 1973 For the Subscribing Companies

By Joseph Marone General Manager  
Countersigned by Miller S. Johnson

Endorsement No. 10  
NE-35 (1/1/74)

SUBSCRIBING COMPANIESPROPORTION OF LOGS

Aetna Casualty and Surety Company, The, 151 Farmington Ave., Hartford Conn. 06115	10.229597
Aetna Insurance Company, 55 Elm St., Hartford, Conn. 06115	2.273244
Allstate Insurance Company 8324 Skokie Blvd., Skokie, Illinois 60076	4.091839
American Insurance Company, The, 3333 California St., San Francisco, California 94120	1.449193
Centennial Insurance Company, 45 Wall Street, New York, New York 10005	.363719
Commercial Union Insurance Company, One Beacon Street, Boston, Mass. 02108	3.819050
Continental Casualty Company 310 South Michigan Avenue, Chicago, Illinois 60604	5.683110
Continental Insurance Company, The 80 Maiden Lane, New York, New York 10038	7.388043
Federal Insurance Company, 51 John F. Kennedy Parkway, Short Hills, New Jersey 07078	1.022960
Fireman's Fund Insurance Company, 3333 California St., San Francisco, California 94119	2.585815
General Accident Fire and Life Assurance Corporation, Ltd., Fourth and Walnut Sts., Philadelphia, Pa. 19106	1.363946
Great American Insurance Company, 6310 St. Vincente Blvd., Los Angeles, Calif. 90048	1.136622
Hanover Insurance Company, The 440 Lincoln Street, Worcester, Massachusetts 01605	.625142
Hartford Accident and Indemnity Company 690 Asylum Ave., Hartford, Conn. 06115	9.092976
Hartford Steam Boiler Inspection and Insurance Company, The 56 Prospect St., Hartford, Conn. 06102	.500114
Home Indemnity Company, The, 59 Maiden Lane, New York, New York 10038	2.216413
Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa. 19101	9.092976
Manhattan Fire and Marine Insurance Company, The, 260 Long Ridge Road, Stamford, Conn. 06902	.227324
Maryland Casualty Company, 3910 Keewick Road, Baltimore, Maryland 21211	1.704933
Monarch Insurance Company of Ohio, The, 19 Rector Street, New York, New York 10006	.227324
New Hampshire Insurance Company, 1750 Elm Street, Manchester, New Hampshire 03104	.227324
Pacific Indemnity Company, 3200 Wilshire Blvd., Los Angeles, Calif. 90054	.340987
Peerless Insurance Company, 62 Maple Ave., Keene, New Hampshire 03431	.142078
Phoenix Assurance Company of New York, 80 Maiden Lane, New York, New York 10038	.681973
Providence Washington Insurance Company, 20 Washington Place, Providence, Rhode Island 02901	.085247
Reliance Insurance Company, 4 Penn Plaza, Philadelphia, Pa. 19103	1.136622
Royal-Globe Insurance Company, 150 William Street, New York, New York 10038	4.603319
St. Paul Fire and Marine Insurance Company, 385 Washington Street, St. Paul, Minnesota 55102	3.978177
Seaboard Surety Company, 90 William Street, New York, New York 10038	.454649
Security Insurance Company of Hartford, 1000 Asylum Avenue, Hartford, Conn. 06101	1.420777
Transamerica Insurance Company, 1150 South Olive St., Los Angeles, Calif. 90015	.397818
Travelers Indemnity Company, The, One Tower Square, Hartford, Connecticut 06115	11.593543
United States Fidelity and Guaranty Company, U.S. Fidelity and Guaranty Bldg., Baltimore, Md. 21203	6.819732
United States Fire Insurance Company, Madison Ave., and Canfield Road, Morristown, New Jersey 07960	2.455103
Zurich Insurance Company, 111 West Jackson Blvd., Chicago, Illinois 60604	.568311

Nuclear Energy Liability Insurance  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

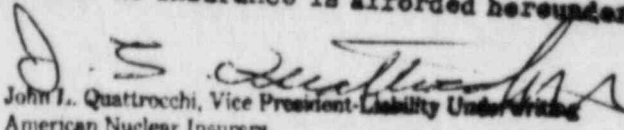
CALENDAR YEAR 1982

It is agreed that Items 1a. and 1b. of Endorsement No. 49  
are amended to read:

1a. ADVANCE PREMIUM: It is agreed that the Advance  
Premium due the companies for the period designated above  
is: \$ 399,918.56.

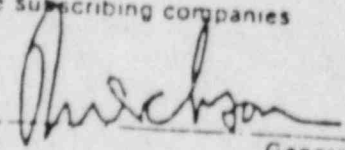
1b. STANDARD PREMIUM AND RESERVE PREMIUM: In the  
absence of a change in the Advance Premium indicated above,  
it is agreed that, subject to the provisions of the Industry  
Credit Rating Plan, the Standard Premium is said Advance  
Premium and the Reserve Premium is: \$ 301,613.11.  
Additional Premium: \$13,116.70.

**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 des-  
ignated hereon. No Insurance is afforded hereunder.**

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

Effective Date of this Endorsement January 1, 1982 To form a part of Policy No. NF-218  
12:01 A.M. Standard Time  
Issued to Carolina Power & Light Company and North Carolina Eastern Municipal Power Agency  
Date of Issue April 20, 1983

For the subscribing companies

By   
General Manager

Endorsement No. 50  
NE-36

Countersigned by 