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August 31, 1988

Mr. Ira Dinitz
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

RE: The Cleveland Electric Illuminating Company - Perry Plant

Facility Form Policies: NF-291/MF-124
Endorsements: 25/18

Secondary Financial Protection Certificates: N-102/M-102
Endorsements: 5/5

Mr. Dinitz:

Enclosed please find two (2) certified copies each of the captioned endorsements.

A handwritten signature in cursive script, appearing to read 'R F Ertle'.

Robert F. Ertle
Manager
Risk & Insurance
(216) 447-3128

RFE:dtb
Enclosures

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PDR ADOCK 05000440
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Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

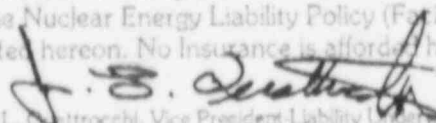
AMENDATORY ENDORSEMENT

It is understood and agreed that this policy is hereby amended as indicated below, all to be effective March 19, 1987.

1. Endorsement No. 24 is deleted.
2. The following are included as Additional Insureds. Except with respect to compliance with the obligations imposed upon the insured by Conditions 5, 6, 7, 8, 9, 10 and 11 of this policy, any obligation imposed upon the Named Insured (including, without limitation, the liability to pay premiums) shall be the sole obligation of the Named Insured and not that of any Additional Insured named hereunder.
 - a. Perry One Beta, Limited Partnership as its interest may appear.
 - b. Security Pacific Capital Leasing Corporation as its interest may appear.
 - c. Perry One Alpha Limited Partnership as its interest may appear.
 - d. Perry One Delta Limited Partnership as its interest may appear.
 - e. Perry One Gamma Limited Partnership as its interest may appear.
 - f. The First National Bank of Boston, as Owner Trustee under the Agreement dated March 19, 1987, and The First National Bank of Boston as its interest may appear.
3. Solely with respect to liability for bodily injury or property damage which arises out of nuclear material which has been used or is to be used or has been irradiated in the course of the operation of the reactor at Perry Unit 1, this policy is further amended as follows:
 - a. It is acknowledged that Ohio Edison has waived, as provided in Section 10 (a)(2)(ii) of the Facility Lease Agreement between the above Additional Insureds and Ohio Edison dated March 19, 1987, their right of recovery against the above Additional Insureds for loss to which this policy applies.
 - b. This insurance shall be primary without right of contribution of any other insurance carried by or on behalf of any of the above Additional Insureds, but this paragraph 2.b. does not apply to (1) insurance issued by Mutual Atomic Energy Liability Underwriters which is concurrent with insurance afforded by this policy, or (2) to other nuclear energy liability policies issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters which also apply to the loss.

- c. If the companies cancel this policy, such cancellation shall be effective as to the above Additional Insureds by mailing or delivering written notice at least 30 days before the effective date of such cancellation to First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110.
- d. If the companies reduce the limit of the companies' liability indicated in Item 4 of the Declarations by 10% or more for a reason other than payment of losses and expenses, or the companies eliminate any coverage in effect at policy issuance or any anniversary date of this policy, the companies will mail or deliver written notice of such reduction or elimination to First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110 within 30 days before the effective date of such reduction or elimination.

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

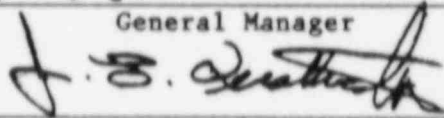
Effective Date of this Endorsement March 19, 1987 To form a part of Policy No NF-291
12:01 A.M. Standard Time

Issued to The Cleveland Electric Illuminating Company

Date of Issue July 27, 1988 For the Subscribing Companies

By 
General Manager

Endorsement No 25

Countersigned by 

Nuclear Energy Liability Insurance
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDATORY ENDORSEMENT

It is understood and agreed that this policy is hereby amended as indicated below, all to be effective March 19, 1987.

1. Endorsement No. 17 is deleted.
2. The following are included as Additional Insureds. Except with respect to compliance with the obligations imposed upon the insured by Conditions 5, 6, 7, 8, 9, 10 and 11 of this policy, any obligation imposed upon the Named Insured (including, without limitation, the liability to pay premiums) shall be the sole obligation of the Named Insured and not that of any Additional Insured named hereunder.
 - a. Perry One Beta, Limited Partnership as its interest may appear.
 - b. Security Pacific Capital Leasing Corporation as its interest may appear.
 - c. Perry One Alpha Limited Partnership as its interest may appear.
 - d. Perry One Delta Limited Partnership as its interest may appear.
 - e. Perry One Gamma Limited Partnership as its interest may appear.
 - f. The First National Bank of Boston, as Owner Trustee under the Agreement dated March 19, 1987, and The First National Bank of Boston as its interest may appear.
3. Solely with respect to liability for bodily injury or property damage which arises out of nuclear material which has been used or is to be used or has been irradiated in the course of the operation of the reactor at Perry Unit 1, this policy is further amended as follows:
 - a. It is acknowledged that Ohio Edison has waived, as provided in Section 10 (a)(2)(ii) of the Facility Lease Agreement between the above Additional Insureds and Ohio Edison dated March 19, 1987, their right of recovery against the above Additional Insureds for loss to which this policy applies.
 - b. This insurance shall be primary without right of contribution of any other insurance carried by or on behalf of any of the above Additional Insureds, but this paragraph 2.b. does not apply to (1) insurance issued by Nuclear Energy Liability Insurance Association which is concurrent with insurance afforded by this policy, or (2) to other nuclear energy liability policies issued by Nuclear Energy Liability Insurance Association or Mutual Atomic Energy Liability Underwriters which also apply to the loss.

- c. If the companies cancel this policy, such cancellation shall be effective as to the above Additional Insureds by mailing or delivering written notice at least 30 days before the effective date of such cancellation to First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110.
- d. If the companies reduce the limit of the companies' liability indicated in Item 4 of the Declarations by 10% or more for a reason other than payment of losses and expenses, or the companies eliminate any coverage in effect at policy issuance or any anniversary date of this policy, the companies will mail or deliver written notice of such reduction or elimination to First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110 within 30 days before the effective date of such reduction or elimination.

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.

J. S. Scatena
 John L. Scatena, Vice President-Liability Underwriting
 American Nuclear Insurers

Effective Date of this Endorsement March 19, 1987 To form a part of Policy No MF-124
12:01 A.M. Standard Time

Issued to The Cleveland Electric Illuminating Company

Date of Issue July 27, 1988 For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By *J. S. Scatena*

Endorsement No 18

Countersigned by *W. D. Jones*
 Authorized Representative

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDATORY ENDORSEMENT

It is understood and agreed that this certificate is hereby amended as indicated below, all to be effective March 19, 1987.

1. Endorsement No. 4 is deleted.
2. The following are included as Additional Insureds with respect to their interest under primary financial protection on the effective date indicated below. Except with respect to compliance with the obligations imposed upon the insured by Conditions 8, 9, 10 and 11 of Master Policy No. 1, any obligation imposed upon the Named Insureds (including, without limitation, the liability to pay premiums) shall be the sole obligation of the Named Insureds and not that of any Additional Insured named hereunder.
 - a. Perry One Beta, Limited Partnership as its interest may appear.
 - b. Security Pacific Capital Leasing Corporation as its interest may appear.
 - c. Perry One Alpha Limited Partnership as its interest may appear.
 - d. Perry One Delta Limited Partnership as its interest may appear.
 - e. Perry One Gamma Limited Partnership as its interest may appear.
 - f. The First National Bank of Boston, as Owner Trustee under the Agreement dated March 19, 1987, and The First National Bank of Boston as its interest may appear.
3. This certificate is further amended as respects each of the above Additional Insureds' interest under primary financial protection as of its respective effective date shown above:
 - a. It is acknowledged that Ohio Edison has waived, as provided in Section 10 (a)(2)(ii) of the Facility Lease Agreement between the above Additional Insureds and Ohio Edison dated March 19, 1987, their right of recovery for loss to which this policy applies.
 - b. If the Additional Insureds listed above have other valid and collectible insurance (other than primary financial protection or concurrent insurance) applicable to excess losses covered by this Master Policy, the insurance afforded by this Master Policy shall be primary insurance under such other insurance.
 - c. If the companies cancel this policy, such cancellation shall be effective as to the above Additional Insureds by mailing or delivering

written notice at least 30 days before the effective date of such cancellation to First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110.

- d. If the companies reduce the limit of the companies' liability indicated in Item 4 of the Declarations by 10% or more for a reason other than payment of losses and expenses, or the companies eliminate any coverage in effect at policy issuance or any anniversary date of this policy, the companies will mail or deliver written notice of such reduction or elimination to First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110 within 30 days before the effective date of such reduction or elimination.

THIS IS TO CERTIFY THAT THIS IS A TRUE COPY OF THE ORIGINAL CERTIFICATE, BEARING THE NUMBER DESIGNATED HEREON, FOR INSURANCE COVERAGE UNDER THE MASTER POLICY - NUCLEAR ENERGY LIABILITY INSURANCE (SECONDARY FINANCIAL PROTECTION). NO ENDORSEMENT REQUIRED.

J. S. Quattrocchi

J. S. QUATTROCCHI
VICE PRESIDENT-LIABILITY UNDERWRITING
AMERICAN NUCLEAR INSURERS

Effective Date of this Endorsement March 19, 1987 To form a part of Certificate No. N-102
12:01 A.M. Standard Time

Issued to The Cleveland Electric Illuminating Company

Date of Issue July 27, 1988

For the Subscribing Companies

By *J. S. Quattrocchi*
 PRESIDENT

Endorsement No. 5

Countersigned by *J. S. Quattrocchi*