

CONOVER & ASSOCIATES, INC.
INSURANCE

931 PENN AVENUE
PITTSBURGH 15222
(412) 281-2330

June 6, 1988

Mr. Ira Dinitz, Indemnity Specialist
Office of Antitrust & Indemnity
Nuclear Reactor Regulation
Nuclear Regulatory Commission
Washington, DC 20555

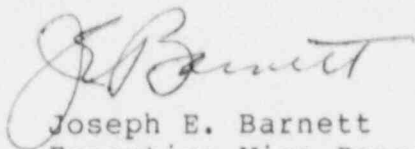
Re: Duquesne Light Company
Beaver Valley Power Station
Secondary Financial Protection
Unit #2

Dear Mr. Dinitz:

We are enclosing two copies each of Endorsements #3 to
NELIA Certificate No. N-110 and MAELU Certificate No.
M-110.

These endorsements add Additional Insureds in regard to
the leaseback of Unit #2.

Sincerely,



Joseph E. Barnett
Executive Vice President

JEB:sak

Enclosures

cc: Mr. H. G. Stoecker
Duquesne Light Company

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PDR ADDCK 05000412
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M001
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Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDATORY ENDORSEMENT

It is understood and agreed that effective September 15, 1987, this certificate is amended as indicated below:

- A. 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.

1. Alexander Hamilton Life Insurance Company of America
2. Beaver Valley Inc.
3. Beaver Valley Leasing Corporation
4. Beaver Valley Two Omega, Inc.
5. Beaver Valley Two Omega Limited Partnership
6. Beaver Valley Two Pi, Inc.
7. Beaver Valley Two Pi Limited Partnership
8. Beaver Valley Two Rho, Inc.
9. Beaver Valley Two Rho Limited Partnership
10. Beaver Valley Two Sigma, Inc.
11. Beaver Valley Two Sigma Limited Partnership
12. Beaver Valley Two Tau, Inc.
13. Beaver Valley Two Tau Limited Partnership
14. BVPS Funding Corporation
15. Chase Manhattan Realty Corporation
16. Chrysler Consortium Corporation
17. Citicorp ESSL 1, Inc.
18. Commerce Union Bank
19. CTC Beaver Valley Funding Corporation
20. DQU Funding Corporation
21. HG Power Plant, Inc.
22. Irving Trust Company, as Indenture Trustee
23. Mission Funding Alpha
24. Mission Funding Beta
25. Mission Funding Gamma
26. Palo Verde Leasing Corporation
27. PARock Limited Partnership

28. Perry One Alpha Limited Partnership
29. Perry One Delta, Inc.
30. Perry One Delta Limited Partnership
31. Perry One Gamma, Inc.
32. Perry One Gamma Limited Partnership
33. Perry One, Inc.
34. PNC Commercial Corp.
35. Resources Capital Financing Corporation
36. Security Pacific Leasing Corporation
37. Sovran Leasing Corporation
38. SPLS, Inc.
39. The First National Bank of Boston, as Owner Trustee
40. Trans Union Leasing Corporation

B. 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:

1. It is acknowledged that Duquesne Light Company and Ohio Edison Company and The Toledo Edison Company and The Cleveland Electric Illuminating Company has waived, as provided in Section 10 (a) (2) (ii) of the Facility Lease Agreement between the above Additional Insureds and Duquesne Light Company and Ohio Edison Company and The Toledo Edison Company and The Cleveland Electric Illuminating Company dated September 15, 1987, their right of recovery against the above Additional Insureds for loss to which this policy applies.
2. 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.
3. 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.

- 4. 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 The First National Bank of Boston, 100 Federal Street, Boston, Massachusetts 02110 at least 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 INSURANCE IS AFFORDED BY THIS COPY.

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

Effective Date of this Endorsement September 15, 1987 To form a part of Certificate No. N-110
12:01 A.M. Standard Time

Issued to Duquesne Light Company, Ohio Edison Company and Pennsylvania Power Company

Date of Issue May 16, 1988

For the Subscribing Companies

By *Quattrocchi*
PRESIDENT

Endorsement No. 3

Countersigned by _____

Nuclear Energy Liability Insurance
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

AMENDATORY ENDORSEMENT

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B. 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:

1. It is acknowledged that Duquesne Light Company and Ohio Edison Company and The Toledo Edison Company and The Cleveland Electric Illuminating Company has waived, as provided in Section 10 (a) (2) (ii) of the Facility Lease Agreement between the above Additional Insureds and Duquesne Light Company and Ohio Edison Company and The Toledo Edison Company and The Cleveland Electric Illuminating Company dated September 15, 1987, their right of recovery against the above Additional Insureds for loss to which this policy applies.
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J. S. Diattrocchi

JOHN L. DIATTROCCHI
VICE PRESIDENT-LIABILITY UNDERWRITING
AMERICAN NUCLEAR INSURERS

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PRESIDENT

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Countersigned by _____

Nuclear Energy Liability Insurance
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDATORY ENDORSEMENT

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J. S. Diattrocchi
 JOHN S. DIATTROCCHI
 VICE PRESIDENT-LIABILITY UNDERWRITING
 AMERICAN NUCLEAR INSURERS

Effective Date of this Endorsement September 15, 1987 To form a part of Certificate No. M-110
12:01 A.M. Standard Time

Issued to Duquesne Light Company, Ohio Edison Company and Pennsylvania Power Company

Date of Issue May 16, 1988

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By *J. S. Diattrocchi*

Endorsement No. 3

Countersigned by _____

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MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

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J.S. Scutts
 JOHN L. QUATTROCCI
 VICE PRESIDENT-LIABILITY UNDERWRITING
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