



November 10, 1999

U. S. Nuclear Regulatory Commission  
Document Control Desk  
Mail Station P1-137  
Washington, DC 20555-0001

Dear Sir or Madam:

Subject: Virgil C. Summer Nuclear Station  
Docket No. 50-395  
Operating License No. NPF-12  
Report of Status of Decommissioning Funding

Enclosed please find a Certificate of Insurance from Nuclear Electric Insurance Limited evidencing South Carolina Electric & Gas Company's (SCE&G) coverage for decontamination and decommissioning liabilities. The staff of the Nuclear Regulatory Commission (NRC), upon review of SCE&G's report of the status of decommissioning funding filed with the NRC on March 31, 1999, had questioned whether SCE&G's decommissioning fund met the minimum assurance requirements specified by the NRC. In response, SCE&G is providing the certificate of insurance, which the staff of the NRC has indicated will address their concerns.

Sincerely,

Mark R. Cannon

**Mark R. Cannon**  
Treasurer

South Carolina Electric & Gas Co.  
Columbia, South Carolina  
29218

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mcannon@scana.com  
www.scana.com

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1201 Market Street  
Wilmington, DE 19801  
U.S.A.

Tel  
302 888-3000  
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302 888-3007 Corporate  
302 573-2213 Finance  
302 888-3008 Insurance  
302 888-3095 Loss Control

### **CERTIFICATE OF INSURANCE**

**ISSUED TO:** United States NRC

**ADDRESS:** Washington, DC 20555  
Attn: Sam Collins  
Director of Nuclear Reactor Regulation

**THIS IS TO CERTIFY** that insurance has been effected with NUCLEAR ELECTRIC INSURANCE LIMITED, 1201 Market Street, Suite 1200, Wilmington, Delaware 19801, under Policy No. X99-052 as follows:

**MEMBER INSURED:** SOUTH CAROLINA ELECTRIC AND GAS COMPANY

**ADDRESS:** P.O. Box 764  
Columbia, SC 29218

**PROPERTY INSURED:** Summer Nuclear Station

**COVERAGE:** Decontamination Liability, Decommissioning Liability, and Excess Property Insurance

**AMOUNT OF INSURANCE:** \$1,500,000,000

**INSUREDS:** South Carolina Electric and Gas Company, South Carolina Public Service Authority, and First Union National Bank

**POLICY TERM:** 12:01 a.m. on April 1, 1999 to 12:01 a.m. on April 1, 2000, Standard time in Hamilton, Bermuda.

**LOSS PAYEE CLAUSE:** A. Expenses covered under the Nuclear Liability Coverage (paragraph V.1(a)) shall be adjusted with the Member Insured and payable to:

South Carolina Electric and Gas Company

The Member Insured may, by written notice to the Insurer, designate other payees.

- B. The expenses covered under the Debris Removal and Decontamination Coverage (paragraph V.1(b)), the losses covered under the Property Damage Coverage (paragraph V.1(c)), and the losses covered under the Functional Total Loss Coverage (paragraph V.2(a)) shall be adjusted with the Member Insured and payable to:

South Carolina Electric and Gas Company

The Member Insured may, by written notice to the Insurer, designate other payees.

- C. Expenses covered under the Decommissioning Liability Coverage (subsection VI.1) shall be adjusted with the Member Insured and payable to:

South Carolina Electric and Gas Nuclear Decommissioning Trust and South Carolina Public Service Authority Nuclear Decommissioning Internal Fund

The Member Insured may, by written notice to the Insurer, designate other payees.

This Certificate is not transferable and may be canceled by NUCLEAR ELECTRIC INSURANCE COMPANY by giving 60 days written notice to the party to whom this Certificate is issued prior to cancellation of the insurance described herein, unless specifically provided for otherwise under the Terms, Conditions and Exceptions of the Policy.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK

THIS CERTIFICATE is for information only; it is not a contract of insurance but attests that a policy as numbered herein, and as it stands at the date of this Certificate, has been issued by the Company. Said policy is subject to change by endorsement and cancellation in accordance with its terms.

EFFECTIVE DATE OF THIS CERTIFICATE: April 1, 1999

CERTIFICATE EXPIRES: April 1, 2000, unless canceled sooner.

Signed by:  
NUCLEAR ELECTRIC INSURANCE LIMITED

*Pat Figorito*

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Patrick R. Figorito  
Vice President - Underwriting