

**Robert G. Byram**  
Senior Vice President and  
Chief Nuclear Officer

Two North Ninth Street  
Allentown, PA 18101-1179  
Tel. 610.774.7502 Fax 610.774.5019  
rgbyram@papl.com



**JUL 17 2000**

U. S. Nuclear Regulatory Commission  
Attn.: Document Control Desk  
Mail Station OP1-17  
Washington, D. C. 20555

**SUSQUEHANNA STEAM ELECTRIC STATION  
DOCUMENTATION TO SUPPORT THE  
SUSQUEHANNA SES 10CFR50.80 LICENSE  
TRANSFER AMENDMENT AND GUARANTEE  
OF PAYMENT OF DEFERRED PREMIUMS  
PURSUANT TO 10CFR140.21  
PLA-5198**

**Docket Nos. 50-387  
and 50-388**

*References:*

1. *American Nuclear Insurers (ANI) letter to NRC (Mr. Ira P Dinitz) concerning the Susquehanna Steam Electric Station, dated June 23, 2000.*
2. *NRC letter to R. G. Byram titled "Order Approving the Transfer of Licenses for Susquehanna Steam Electric Station, Units 1 and 2, to the Extent Held by PP&L, Inc. to PPL Susquehanna, LLC, and Approving Conforming Amendments (TAC Nos. MA7380 and MA7383), dated June 6, 2000.*
3. *NRC letter to R. G. Byram titled "Susquehanna Steam Electric Station, Units 1 and 2 - Issuance of Conforming Amendments Re: Transfer of License from PP&L, Inc. to PPL Susquehanna, LLC (TAC Nos. MA9321 and MA9322), dated July 1, 2000.*

This letter provides documentation (attached) which supports the ANI letter (reference 1), that was submitted to the NRC as part of the NRC's review and approval of the Susquehanna SES 10CFR50.80 license transfer amendment requests. The license transfer amendments were approved on June 6, 2000 (reference 2) and issued on July 1, 2000 (reference 3). This letter also serves as the annual notification of PPL Susquehanna, LLC's guarantee of payment of deferred premiums pursuant to 10CFR140.21.

The following information is being provided in support of the ANI letter:

*MOOJ*

- Amendment of Named Insureds and Addresses Endorsement - for Certificate No. NW-0622 (Endorsement No. 5)
- Amendment of Operator of the Facility Endorsement – for Certificate No. NW-0622 (Endorsement No. 6)
- Amendment of Named Insured and Address Endorsement – for Certificate No. NF-0262 (Endorsement No. 97)
- Amendment of Operator of the Facility Endorsement – for Certificate No. NF-0262 (Endorsement N. 98)
- Endorsement to Certificate No. N-0084 – Named insureds and addresses (Endorsement 30)
- Endorsement to Certificate No. N-0084 – Bond for Payment of Retrospective Premiums (Endorsement No. 31)
- Endorsement to Certificate No. N-0096 – Named insureds and addresses (Endorsement 27)
- Endorsement to Certificate No. N-0096 – Bond for Payment of Retrospective Premiums (Endorsement No. 28)

Also, 10CFR140.21 requires that PPL Susquehanna, LLC annually provide evidence for the guarantee of payment of deferred premiums. The ANI letter (reference 1) in conjunction with the supporting documentation being provided as an attachment to this letter, and the SER associated with the amendment approving the 10CFR50.80 license transfer (reference 2) provides satisfactory evidence of PPL Susquehanna, LLC's guarantee of payment of deferred premiums for the year 2000.

Since PPL Susquehanna, LLC guarantees assessments against Allegheny Electric Cooperative, Inc., only PPL Susquehanna, LLC should be invoiced for the annual fee.

Please contact Mr. Terry L. Harpster, Manager – Nuclear Licensing, at (610) 774-7704 if you have any questions concerning this submittal.

Sincerely,



R. G. Byram

Attachment

copy: NRC Region I  
Mr. S. Hansell, NRC Sr. Resident Inspector - SSES  
Mr. R. G. Schaaf, NRC Sr. Project Manager - OWFN  
Ms. J. Rodriguez  
Division of Accounting and Finance  
Office of Resource Management  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

AMENDMENT OF NAMED INSURED AND ADDRESSES ENDORSEMENT

It is agreed that Item 1 of the Declarations is amended to read:

Item 1.           Named Insureds and Addresses:

PPL Susquehanna, LLC  
Corporate Risk & Insurance  
Two North Ninth Street  
Allentown, PA 18101

Allegheny Electric Cooperative, Inc.  
c/o PPL Susquehanna, LLC  
Corporate Risk & Insurance  
Two North Ninth Street  
Allentown, PA 18101

This is to certify that this is a true copy of the original endorsement having the endorsement number and being made part of the Certificate of Insurance bearing the number designated hereon for insurance coverage under the Nuclear Energy Liability Policy (Facility Workers Form). No insurance is afforded hereunder.

  
John L. D'Amico, Senior Vice President-Underwriting  
American Nuclear Insurers

Effective Date of  
this Endorsement:

**July 1, 2000**  
12:01 A.M. Standard Time

To form a part of Certificate No. NW -0622

Issued to:

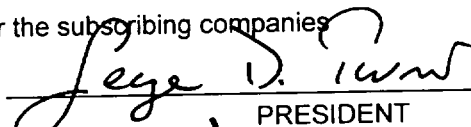
**PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue:

**June 20, 2000**

For the subscribing companies

By

  
PRESIDENT

Endorsement No:

**5**

Countersigned by



**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

AMENDMENT OF OPERATOR OF THE FACILITY ENDORSEMENT

It is agreed that the Operator of the Facility stated in Item 3 of the Declarations is amended to read:

Operator of the Facility:      PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.

This is to certify that this is a true copy of the original endorsement having the endorsement number and being made part of the Certificate of Insurance bearing the number designated hereon for insurance coverage under the Nuclear Energy Liability Policy (Facility Workers Form). No insurance is afforded hereunder.

  
John L. Guattrocchi, Senior Vice President-Underwriting  
American Nuclear Insurers

Effective Date of  
this Endorsement:

**July 1, 2000**  
12:01 A.M. Standard Time

To form a part of Certificate No.   NW -0622

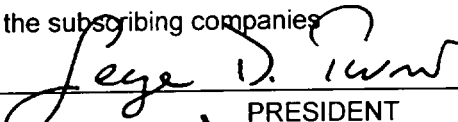
Issued to:      **PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue:

**June 20, 2000**

For the subscribing companies

By

  
\_\_\_\_\_  
PRESIDENT

Countersigned by

  
\_\_\_\_\_

Endorsement No:

**6**

AMENDMENT OF NAMED INSURED AND ADDRESS ENDORSEMENT

Address: Corporate Risk & Insurance  
Two North Ninth Street  
Allentown, PA 18101

This is to certify that this is a true and correct copy of the original  
Endorsement having the signature of the President of the United States  
of the Nuclear Energy Administration, and that the same has been  
signed by the President of the United States.

*J. S. Halliday*

John S. Halliday, President, Nuclear Energy Administration  
American Nuclear Energy Society

Countersigned by

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

AMENDMENT OF OPERATOR OF THE FACILITY ENDORSEMENT

It is agreed that the Operator of the facility stated in Item 3 of the Declarations is amended to read:

PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.

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 herein. No insurance is provided hereunder.

*J. S. Heston*  
John L. Heston, Senior Vice President-Underwriting  
American Nuclear Insurance

Effective Date of  
this Endorsement:

**July 1, 2000**  
(12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0262**

Issued to: **PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue: **June 20, 2000**

For the subscribing companies

By

*Sege D. Turner*  
President

Endorsement No:

**98**

Countersigned by

*J. S. Heston*

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ENDORSEMENT TO CERTIFICATE NO. N -0084  
FORMING PART OF MASTER POLICY NO. 1  
NUCLEAR ENERGY LIABILITY INSURANCE  
(SECONDARY FINANCIAL PROTECTION)

It is agreed that:

1. On and after the Effective Date stated below, Item 1 of the Declarations which are part of Certificate No. N -0084 originally issued to and signed by Pennsylvania Power & Light Company and Allegheny Electric Cooperative, Inc. with a Certificate Period beginning on July 17, 1982, is amended to read:

Item 1.           Named insureds and addresses:

- (a)     PPL Susquehanna, LLC  
          Corporate Risk & Insurance  
          Two North Ninth Street  
          Allentown, PA 18101
- (b)     Allegheny Electric Cooperative, Inc.  
          c/o PPL Susquehanna, LLC  
          Corporate Risk & Insurance  
          Two North Ninth Street  
          Allentown, PA 18101

- (b) All past and future liabilities and obligations of Pennsylvania Power & Light Company under Certificate No. N -0084 are hereby transferred to and assumed by PPL Susquehanna, LLC.
- (c) This endorsement amends none of the other provisions of the "Certificate of Insurance, Declarations and Bond for Payment of Retrospective Premiums" of said Certificate No. N -0084.

ACCEPTED BY:

PPL Susquehanna, LLC

*James E. Abel*  
(Signature of Officer)

James E. Abel

(Type or Print Name)

Treasurer

(Title)

June 22, 2000

(Date)

This is to certify that this is a true copy of the original Endorsement numbered 30 and being made a part of Certificate No. N-0084 to the Master Policy - Nuclear Energy Liability Insurance (Secondary Financial Protection). No Insurance is afforded hereunder.

*J. L. Quattrocchi*

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

Effective Date of  
this Endorsement:

**July 1, 2000**  
12:01 A.M. Standard Time

To form a part of Certificate No. **N -0084**

Issued to:

**PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue:

**June 20, 2000**

For the subscribing companies

By

*Page D. Turner*  
PRESIDENT

Endorsement No:

**30**

Countersigned by

*J. L. Quattrocchi*



**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ENDORSEMENT TO CERTIFICATE NO. N -0084  
FORMING PART OF MASTER POLICY NO. 1  
NUCLEAR ENERGY LIABILITY INSURANCE  
(SECONDARY FINANCIAL PROTECTION)

In consideration of its being added as a named insured in Certificate No. N -0084 by Endorsement thereto and issued concurrently herewith, PPL Susquehanna, LLC hereby executes the following Bond:

**BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS**

Know All Men By These Presents, that the undersigned does hereby acknowledge that PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc. are named insureds under Master Policy No. 1 described in the Certificate of Insurance and Declarations of Certificate No. N -0084, which was originally issued to and signed by Pennsylvania Power & Light Company and Allegheny Electric Cooperative, Inc. with a Certificate Period beginning on July 17, 1982 and as amended. The undersigned does hereby covenant with and is held and is firmly bound to the subscribing members of Nuclear Energy Liability Insurance Association (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the terms of Master Policy No. 1, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in Master Policy No. 1 from the date payment thereof is specified to be due the companies in a written notice to the first named insured, as provided in Condition 2 of Master Policy No. 1 until paid.

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts.

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond or (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of Master Policy No. 1 relating to such covenants or provisions.

For the purpose of recording this agreement a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

THE ABOVE BOND FORMS A PART OF MASTER POLICY NO. 1. CANCELLATION OR TERMINATION OF MASTER POLICY NO. 1 OR CERTIFICATE NO. N-0084 SHALL NOT AFFECT THE OBLIGATIONS OF THE NAMED INSUREDS UNDER MASTER POLICY NO. 1 OR THE BONDS TO PAY THE RETROSPECTIVE PREMIUMS AND ALLOWANCES FOR PREMIUM TAXES AS PROVIDED IN CERTIFICATE NO. N-0084 AND CONDITION 2 OF MASTER POLICY NO. 1.

IN WITNESS WHEREOF, the undersigned named insured has caused this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective from and after the date stated below, eastern standard time.

Attest or Witness

Named Insured:

PPL Susquehanna, LLC  
(Named Insured - Type or Print)

By James E. Abel (Seal)  
(Signature of Officer)

James E. Abel - Treasurer  
(Type or Print Name & Title of Officer)

Date: June 22, 2000

[Signature]  
This is to certify that this is a true copy of the original Endorsement numbered 31 and being made a part of Certificate No. N-0084 to the Master Policy - Nuclear Energy Liability Insurance (Secondary Financial Protection). No Insurance is afforded hereunder.

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

Effective Date of  
this Endorsement:

**July 1, 2000**  
12:01 A.M. Standard Time

To form a part of Certificate No. **N -0084**

Issued to: **PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue: **June 20, 2000**

For the subscribing companies

By George D. Turner  
PRESIDENT

Endorsement No: **31**

Countersigned by J. L. Quattrocchi

**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ENDORSEMENT TO CERTIFICATE NO. N -0096  
FORMING PART OF MASTER POLICY NO. 1  
NUCLEAR ENERGY LIABILITY INSURANCE  
(SECONDARY FINANCIAL PROTECTION)

It is agreed that:

1. On and after the Effective Date stated below, Item 1 of the Declarations which are part of Certificate No. N -0096 originally issued to and signed by Pennsylvania Power & Light Company and Allegheny Electric Cooperative, Inc. with a Certificate Period beginning on March 23, 1984, is amended to read:

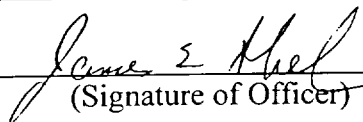
Item 1.          Named insureds and addresses:

- (a)      PPL Susquehanna, LLC  
Corporate Risk & Insurance  
Two North Ninth Street  
Allentown, PA 18101
- (b)      Allegheny Electric Cooperative, Inc.  
c/o PPL Susquehanna, LLC  
Corporate Risk & Insurance  
Two North Ninth Street  
Allentown, PA 18101

2. All past and future liabilities and obligations of Pennsylvania Power & Light Company under Certificate No. N -0096 are hereby transferred to and assumed by PPL Susquehanna, LLC.
3. This endorsement amends none of the other provisions of the "Certificate of Insurance, Declarations and Bond for Payment of Retrospective Premiums" of said Certificate No. N -0096.

ACCEPTED BY:

PPL Susquehanna, LLC

  
(Signature of Officer)

James E. Abel

(Type or Print Name)

Treasurer

(Title)

June 22, 2000

(Date)

This is to certify that this is a true copy of the original Endorsement numbered 27 and being made a part of Certificate No. N-0096 to the Master Policy - Nuclear Energy Liability Insurance (Secondary Financial Protection). No Insurance is afforded hereunder.



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

Effective Date of  
this Endorsement:

**July 1, 2000**  
12:01 A.M. Standard Time

To form a part of Certificate No. **N -0096**

Issued to:

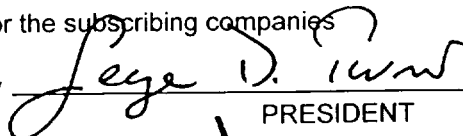
**PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue:

**June 20, 2000**

For the subscribing companies

By

  
PRESIDENT

Endorsement No:

**27**

Countersigned by



**NUCLEAR ENERGY LIABILITY INSURANCE**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ENDORSEMENT TO CERTIFICATE NO. N -0096  
FORMING PART OF MASTER POLICY NO. 1  
NUCLEAR ENERGY LIABILITY INSURANCE  
(SECONDARY FINANCIAL PROTECTION)

In consideration of its being added as a named insured in Certificate No. N -0096 by Endorsement thereto and issued concurrently herewith, PPL Susquehanna, LLC hereby executes the following Bond:

**BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS**

Know All Men By These Presents, that the undersigned does hereby acknowledge that PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc. are named insureds under Master Policy No. 1 described in the Certificate of Insurance and Declarations of Certificate No. N -0096, which was originally issued to and signed by Pennsylvania Power & Light Company and Allegheny Electric Cooperative, Inc. with a Certificate Period beginning on March 23, 1984 and as amended. The undersigned does hereby covenant with and is held and is firmly bound to the subscribing members of Nuclear Energy Liability Insurance Association (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the terms of Master Policy No. 1, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in Master Policy No. 1 from the date payment thereof is specified to be due the companies in a written notice to the first named insured, as provided in Condition 2 of Master Policy No. 1 until paid.

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts.

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond or (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of Master Policy No. 1 relating to such covenants or provisions.

For the purpose of recording this agreement a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

THE ABOVE BOND FORMS A PART OF MASTER POLICY NO. 1. CANCELLATION OR TERMINATION OF MASTER POLICY NO. 1 OR CERTIFICATE NO. N-0096 SHALL NOT AFFECT THE OBLIGATIONS OF THE NAMED INSURED UNDER MASTER POLICY NO. 1 OR THE BONDS TO PAY THE RETROSPECTIVE PREMIUMS AND ALLOWANCES FOR PREMIUM TAXES AS PROVIDED IN CERTIFICATE NO. N-0096 AND CONDITION 2 OF MASTER POLICY NO. 1.

IN WITNESS WHEREOF, the undersigned named insured has caused this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective from and after the date stated below, eastern standard time.

Attest or Witness

Named Insured:

PPL Susquehanna, LLC

(Named Insured - Type or Print)

By James E. Abel (Seal)  
(Signature of Officer)

James E. Abel-Treasurer

(Type or Print Name & Title of Officer)

Date: June 22, 2000

[Signature]  
This is to certify that this is a true copy of the original Endorsement numbered 28 and being made a part of Certificate No. N-0096 to the Master Policy - Nuclear Energy Liability Insurance (Secondary Financial Protection). No Insurance is afforded hereunder.

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

Effective Date of  
this Endorsement:

**July 1, 2000**  
12:01 A.M. Standard Time

To form a part of Certificate No. **N-0096**

Issued to: **PPL Susquehanna, LLC and Allegheny Electric Cooperative, Inc.**

Date of Issue: **June 20, 2000**

For the subscribing companies

By George D. [Signature]  
PRESIDENT

Endorsement No: **28**

Countersigned by J. L. Quattrocchi