



South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

February 27, 2002  
NOC-AE-02001281  
STI No.: 31413290  
File No.: G20  
10CFR140.11(a)(4)  
10CFR140.15  
10CFR140.17  
10CFR140.21

U. S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, D.C. 20555

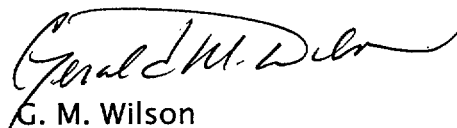
South Texas Project  
Units 1 and 2  
Docket Nos.: STN 50-498, STN 50-499  
Evidence of Financial Protection

Pursuant to the requirements of 10CFR140.11(a)(4), 10CFR140.15, 10CFR140.17, and 10CFR140.21, STP Nuclear Operating Company submits the attached Nuclear Energy Liability Insurance policy endorsements from American Nuclear Insurers (ANI). This submittal contains the following endorsements:

Nuclear Energy Liability

Facility Form (NF-0307)  
Master Worker Form (NW-0657)  
Secondary Financial Protection (N-0113 / N-0116)  
Suppliers & Transporters (NS-0504)

Should you have any questions, concerns, or require additional information on this matter, please contact me at (361) 972-3611 extension 8562 or by E-mail at gmwilson@stpegs.com.

  
G. M. Wilson  
Supervisor,  
Corporate Insurance

KMW

Attachments: Endorsements (11)

MOD1

cc:

Ellis W. Merschoff  
Regional Administrator, Region IV  
U.S. Nuclear Regulatory Commission  
611 Ryan Plaza Drive, Suite 400  
Arlington, Texas 76011-8064

Mohan C. Thadani  
Project Manager  
U. S. Nuclear Regulatory Commission  
1 White Flint North, Mail Stop: O-7D1  
11555 Rockville Place  
Rockville, MD 20852-2738

Cornelius F. O'Keefe  
U. S. Nuclear Regulatory Commission  
P. O. Box 289, Mail Code MN116  
Wadsworth, TX 77483

A. H. Gutterman, Esquire  
Morgan, Lewis & Bockius  
1111 Pennsylvania Avenue  
Washington, DC 20004

M. T. Hardt/W. C. Gunst  
City Public Service  
P. O. Box 1771  
San Antonio, TX 78296

A. Ramirez/C. M. Canady  
City of Austin  
Electric Utility Department  
721 Barton Springs Road  
Austin, TX 78704

Jon C. Wood  
Matthews & Branscomb  
112 East Pecan, Suite 1100  
San Antonio, Texas 78205-3692

Institute of Nuclear Power  
Operations - Records Center  
700 Galleria Parkway  
Atlanta, GA 30339-5957

Richard A. Ratliff  
Bureau of Radiation Control  
Texas Department of Health  
1100 West 49th Street  
Austin, TX 78756-3189

R. L. Balcom/D. G. Tees  
Reliant Energy, Inc.  
P. O. Box 1700  
Houston, TX 77251

C. A. Johnson/A. C. Bakken, III  
AEP - Central Power and Light Company  
P. O. Box 289, Mail Code: N5022  
Wadsworth, TX 77483

U. S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, D.C. 20555-0001

J. V. Izard, w/o N5017  
M D. Meier, w/o N5008  
R. D. Piggott, w/o N5014  
S. C. Beaver N5014  
K. M. Wheaton N5017  
File

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

**LIMITATION OF COVERAGE FOR TERRORIST ACTS**  
**(ONE SHARED INDUSTRY AGGREGATE LIMIT)**

It is agreed that with respect to bodily injury, property damage or environmental damage caused by the nuclear energy hazard and arising out of a terrorist act:

1. the total aggregate liability of the companies shall be \$200,000,000 regardless of (i) the number of terrorist acts affecting this or any other nuclear energy liability policy (Facility Form or Supplier's and Transporter's Form) or (ii) the number of nuclear energy liability policies (Facility Form or Supplier's and Transporter's Form) issued by the Nuclear Energy Liability Insurance Association under which coverage may be sought.
2. the limit of liability shown in Item 4 of the policy Declarations or as amended by endorsement to this policy is subject to the industry aggregate limitation described in paragraph 1 above.
3. the companies may, at their option, reinstate the one shared industry aggregate limit of \$200,000,000, provided that any such reinstatement approved by the companies shall not exceed the balance in the Industry Credit Rating Plan reserve fund.
4. the term "terrorist act" as used herein means a violent or otherwise hostile act or an act dangerous to human life, tangible or intangible property or infrastructure by any person or group, whether acting alone or on behalf of any organization or government, which causes damage to property or injury to persons, or represents a threat thereof and appears to be intended to (i) intimidate or coerce a civilian population; or (ii) disrupt any segment of an economy; or (iii) influence the policy of a government by intimidation or coercion; or (iv) affect the conduct of a government by mass destruction, assassination, kidnapping or hostage-taking.

Effective Date of  
this Endorsement:

**January 1, 2002**  
(12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0307**

Issued to:

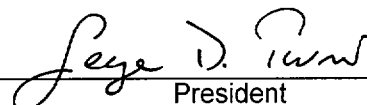
**STP Nuclear Operating Company**

Date of Issue: **December 17, 2001**

For the subscribing companies

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.

By

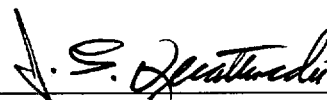
  
President

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

Endorsement No.:

**80**

Countersigned by



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

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2002

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$531,519.00**
  
2. **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: **\$407,537.00**

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, Senior Vice President - Underwriting  
American Nuclear Insurers

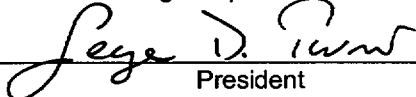
Effective Date of  
this Endorsement: **January 1, 2002**  
(12:01 A.M. Standard Time)

To form a part of Policy No. **NF -0307**

Issued To: **STP Nuclear Operating Company**

Date of Issue: **December 12, 2001**

For the subscribing companies

By  \_\_\_\_\_  
President

Endorsement No: **81**

Countersigned by \_\_\_\_\_

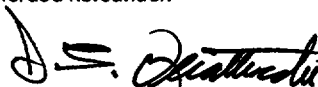
**NUCLEAR ENERGY LIABILITY INSURANCE  
NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2002

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$46,200.00**
  
2. **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: **\$34,650.00**

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. Quattrocchi, Senior Vice President - Underwriting  
American Nuclear Insurers

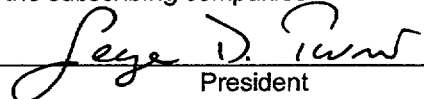
Effective Date of  
this Endorsement: **January 1, 2002**  
(12:01 A.M. Standard Time)

To form a part of Certificate No. **NW -0657**

Issued To: **STP Nuclear Operating Company, et al**

Date of Issue: **November 19, 2001**

For the subscribing companies

By  \_\_\_\_\_  
President

Endorsement No: **6**

Countersigned by \_\_\_\_\_

CERTIFIED COPY

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

ENDORSEMENT TO CERTIFICATE NO. N -0113  
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, the "Declarations" which are part of Certificate No. N -0113 which was issued to and signed by STP Nuclear Operating Company, Houston Lighting & Power Company, City Public Service Board of San Antonio, Central Power and Light Company and The City of Austin with a Certificate Period beginning on August 22, 1987, Item 1, "Named insureds and addresses", of such Declarations is amended as follows:

Item 1. Named insureds and addresses:

- (a) STP Nuclear Operating Company  
P.O. Box 289  
Wadsworth, Texas 77483
- (b) Reliant Energy, Inc.  
P.O. Box 4567  
Houston, Texas 77210-4567
- (c) City Public Service Board of San Antonio  
P.O. Box 1771  
San Antonio, Texas 78296
- (d) Central Power and Light Company  
P.O. Box 2121  
Corpus Christi, Texas 78403
- (e) The City of Austin  
P.O. Box 1088  
Austin, Texas 78767

2. 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 -0113.

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 FUNDING  
PROTECTION. NO ENDORSEMENT IS REQUIRED BY THE CODE.

JOHN L. QUAYTHER  
SENIOR VICE PRESIDENT  
AMERICAN NUCLEAR INSURANCE

Effective Date of  
this Endorsement:

**May 5, 1999**  
12:01 A.M. Standard Time

To form a part of Certificate No. N -0113

Issued to:

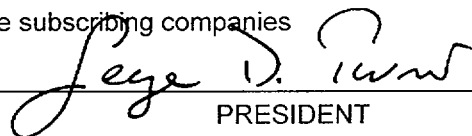
**STP Nuclear Operating Company, Reliant Energy, Inc., City Public Service Board  
of San Antonio, Central Power and Light Company, The City of Austin**

Date of Issue:

**March 29, 2000**

For the subscribing companies

By

  
PRESIDENT

Endorsement No:

**30**

Countersigned by \_\_\_\_\_

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

ENDORSEMENT TO CERTIFICATE NO. N -0116  
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, the "Declarations" which are part of Certificate No. N -0116 which was issued to and signed by STP Nuclear Operating Company, Houston Lighting & Power Company, City Public Service Board of San Antonio, Central Power and Light Company and The City of Austin with a Certificate Period beginning on December 16, 1988, Item 1, "Named insureds and addresses", of such Declarations is amended as follows:

Item 1. Named insureds and addresses:

- (a) STP Nuclear Operating Company  
P.O. Box 289  
Wadsworth, Texas 77483
- (b) Reliant Energy, Inc.  
P.O. Box 4567  
Houston, Texas 77210-4567
- (c) City Public Service Board of San Antonio  
P.O. Box 1771  
San Antonio, Texas 78296
- (d) Central Power and Light Company  
P.O. Box 2121  
Corpus Christi, Texas 78403
- (e) The City of Austin  
P.O. Box 1088  
Austin, Texas 78767



2. 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 -0116.

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.

*[Signature]*  
JOHN L. QUATTROCHI  
SENIOR VICE PRESIDENT-UNDERWRITING  
AMERICAN NUCLEAR INSURANCE

Effective Date of  
this Endorsement:

**May 5, 1999**  
12:01 A.M. Standard Time

To form a part of Certificate No. N -0116

Issued to:

**STP Nuclear Operating Company, Reliant Energy, Inc., City Public Service Board  
of San Antonio, Central Power and Light Company, The City of Austin**

Date of Issue:

**March 29, 2000**

For the subscribing companies

By

*[Signature]*  
PRESIDENT

Endorsement No:

**28**

Countersigned by \_\_\_\_\_

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

ANNUAL PREMIUM ENDORSEMENT

CALENDAR YEAR 2001

1. **ANNUAL PREMIUM:** It is agreed that the Annual Premium due the companies for the period designated above is: **\$7,500.00**

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.



JOHN L. QUATTROCCHI  
SENIOR VICE PRESIDENT - UNDERWRITING  
AMERICAN NUCLEAR INSURERS

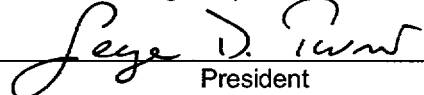
Effective Date of  
this Endorsement: **January 1, 2001**  
(12:01 A.M. Standard Time)

To form a part of Certificate No. **N -0113**

Issued To: **STP Nuclear Operating Company, Reliant Energy, Inc., City Public Service Board  
of San Antonio, Central Power and Light Company, The City of Austin**

Date of Issue: **November 14, 2000**

For the subscribing companies

By  \_\_\_\_\_  
President

Endorsement No: **31**

Countersigned by \_\_\_\_\_

CERTIFIED COPY

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

ANNUAL PREMIUM ENDORSEMENT

CALENDAR YEAR 2002

1. **ANNUAL PREMIUM:** It is agreed that the Annual Premium due the companies for the period designated above is: **\$7,500.00**

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.



JOHN L. QUATTROCCHI  
SENIOR VICE PRESIDENT - UNDERWRITING  
AMERICAN NUCLEAR INSURERS

Effective Date of  
this Endorsement: **January 1, 2002**  
(12:01 A.M. Standard Time)

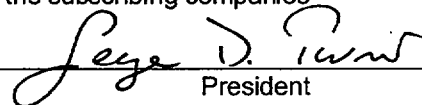
To form a part of Certificate No. **N -0113**

Issued To: **STP Nuclear Operating Company, Reliant Energy, Inc., City Public Service Board  
of San Antonio, Central Power and Light Company, The City of Austin**

Date of Issue: **November 19, 2001**

For the subscribing companies

By

  
President

Endorsement No: **32**

Countersigned by \_\_\_\_\_

CERTIFIED COPY

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

ANNUAL PREMIUM ENDORSEMENT

CALENDAR YEAR 2001

1. **ANNUAL PREMIUM:** It is agreed that the Annual Premium due the companies for the period designated above is: **\$7,500.00**

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.



JOHN L. QUATTROCCHI  
SENIOR VICE PRESIDENT - UNDERWRITING  
AMERICAN NUCLEAR INSURERS

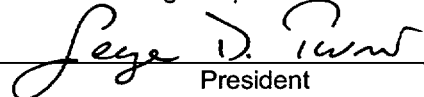
Effective Date of  
this Endorsement: **January 1, 2001**  
(12:01 A.M. Standard Time)

To form a part of Certificate No. **N -0116**

Issued To: **STP Nuclear Operating Company, Reliant Energy, Inc., City Public Service Board  
of San Antonio, Central Power and Light Company, The City of Austin**

Date of Issue: **November 14, 2000**

For the subscribing companies

By  \_\_\_\_\_  
President

Endorsement No: **29**

Countersigned by \_\_\_\_\_

CERTIFIED COPY

**CERTIFIED COPY**

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

**LIMITATION OF COVERAGE FOR TERRORIST ACTS**  
**(ONE SHARED INDUSTRY AGGREGATE LIMIT)**

It is agreed that with respect to bodily injury, property damage or environmental damage caused by the nuclear energy hazard and arising out of a terrorist act:

1. the total aggregate liability of the companies shall be \$200,000,000 regardless of (i) the number of terrorist acts affecting this or any other nuclear energy liability policy (Facility Form or Supplier's and Transporter's Form) or (ii) the number of nuclear energy liability policies (Facility Form or Supplier's and Transporter's Form) issued by the Nuclear Energy Liability Insurance Association under which coverage may be sought.
2. the limit of liability shown in Item 4 of the policy Declarations or as amended by endorsement to this policy is subject to the industry aggregate limitation described in paragraph 1 above.
3. the companies may, at their option, reinstate the one shared industry aggregate limit of \$200,000,000, provided that any such reinstatement approved by the companies shall not exceed the balance in the Industry Credit Rating Plan reserve fund.
4. the term "terrorist act" as used herein means a violent or otherwise hostile act or an act dangerous to human life, tangible or intangible property or infrastructure by any person or group, whether acting alone or on behalf of any organization or government, which causes damage to property or injury to persons, or represents a threat thereof and appears to be intended to (i) intimidate or coerce a civilian population; or (ii) disrupt any segment of an economy; or (iii) influence the policy of a government by intimidation or coercion; or (iv) affect the conduct of a government by mass destruction, assassination, kidnapping or hostage-taking.

Effective Date of  
this Endorsement:

**January 1, 2002**  
(12:01 A.M. Standard Time)

To form a part of Policy No. **NS -0504**

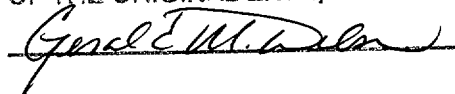
Issued to:

**STP Nuclear Operating Company**

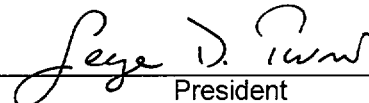
Date of Issue: **December 17, 2001**

For the subscribing companies

CERTIFIED TO BE A TRUE COPY  
OF THE ORIGINAL ENDORSEMENT.



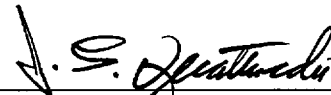
By

  
President

Endorsement No.:

**43**

Countersigned by



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

ADVANCE PREMIUM AND STANDARD PREMIUM ENDORSEMENT

CALENDAR YEAR 2002

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is: **\$23,988.00**
2. **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: **\$18,104.00**

Effective Date of  
this Endorsement: **January 1, 2002**  
(12:01 A.M. Standard Time)

To form a part of Policy No. **NS -0504**

Issued To: **STP Nuclear Operating Company**

Date of Issue: **December 11, 2001**

For the subscribing companies

By *Sege D. Turner*  
President

Endorsement No: **44**

Countersigned by \_\_\_\_\_

NE-36

CERTIFIED TO BE A TRUE COPY  
OF THE ORIGINAL ENDORSEMENT.

*George M. Wilson*