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 DINITZ, I. Office of State Programs, Director

SUBJECT: Requests interpretation of regulations re geographical boundaries for indemnity location described in Indemnity Agreement B-94.

DISTRIBUTION CODE: M001S COPIES RECEIVED: LTR 1 ENCL 1 SIZE: 1
 TITLE: Insurance: Indemnity/Endorsement Agreements

NOTES:

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is crucial for ensuring the integrity of the financial system and for providing a clear audit trail. The text also mentions that this practice helps in identifying any discrepancies or errors early on, which can prevent larger issues from arising.

2. The second part of the document focuses on the role of the accounting department in managing the company's finances. It highlights the need for the accounting team to stay up-to-date with the latest regulations and standards, as well as to maintain strong relationships with external auditors and tax authorities. The text also notes that the accounting department plays a key role in providing financial reports to the management and the board of directors.

3. The third part of the document discusses the importance of budgeting and financial planning. It explains that a well-defined budget helps the company to allocate its resources effectively and to track its performance against its financial goals. The text also mentions that financial planning is essential for identifying potential risks and opportunities, and for developing strategies to address them.

4. The fourth part of the document focuses on the role of the finance department in managing the company's cash flow. It highlights the need for the finance team to monitor the company's cash position closely, and to ensure that there is always enough cash available to meet the company's obligations. The text also notes that the finance department plays a key role in managing the company's debt and equity financing.

5. The fifth part of the document discusses the importance of financial reporting. It explains that financial reports provide a clear and concise summary of the company's financial performance, and that they are essential for providing transparency to the company's stakeholders. The text also mentions that financial reporting helps the company to identify areas for improvement and to make informed decisions about its future.

6. The sixth part of the document focuses on the role of the finance department in managing the company's risk. It highlights the need for the finance team to identify and assess the company's financial risks, and to develop strategies to mitigate them. The text also notes that the finance department plays a key role in managing the company's credit risk and its exposure to foreign exchange.

7. The seventh part of the document discusses the importance of financial control. It explains that financial control is essential for ensuring that the company's financial transactions are recorded accurately and that the company's financial goals are achieved. The text also mentions that financial control helps the company to identify any areas of weakness and to take corrective action.

8. The eighth part of the document focuses on the role of the finance department in managing the company's assets. It highlights the need for the finance team to ensure that the company's assets are protected and that they are used efficiently. The text also notes that the finance department plays a key role in managing the company's investments and its real estate portfolio.

9. The ninth part of the document discusses the importance of financial innovation. It explains that financial innovation is essential for helping the company to stay competitive in a rapidly changing financial market. The text also mentions that financial innovation helps the company to develop new products and services, and to improve its financial performance.

10. The tenth part of the document focuses on the role of the finance department in managing the company's reputation. It highlights the need for the finance team to ensure that the company's financial reporting is accurate and transparent, and that the company's financial performance is consistent with its stated values. The text also notes that the finance department plays a key role in managing the company's financial risk and its exposure to foreign exchange.

Washington Public Power Supply System

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February 10, 1983
G02-83-108

Mr. Ira Dinitz
Insurance and Indemnity Specialist
Office of State Programs
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Dinitz:

Subject: WNP-2 SITE DESCRIPTION FOR INDEMNITY AGREEMENT

As a result of discussion and correspondence among our insurance Manager (Mr. J. O. DeLuca), you and Mr. Salzman, the NRC established a temporary, limited indemnity location for the preoperational storage of fuel at our WNP-2 site in Benton County, Washington. The geographical boundaries of this indemnity location are described in Indemnity Agreement B-94 (attachment to NRC Materials License No. SNM-1890).

The pertinent regulations (10CFR140.96, Appendix F) appear to require that the geographical boundaries of the indemnity location be redefined prior to receipt of the WNP-2 Operating License to include the entire construction area for our WNP-1 and WNP-4 sites which are located near WNP-2. Such a broad definition of the indemnity location would require that we attempt to obtain agreements to modify certain contractual agreements for the project, which at present would prohibit extending WNP-2 insurance to cover the WNP-1 and WNP-4 sites.

Please provide us with your interpretation of the regulations relative to geographical boundaries for the indemnity location. An early response, setting forth your rationale in some detail, would be appreciated. We will need to explain the application of the broad indemnity location in seeking the necessary contract change agreements, in the event the broad indemnity location boundary definition is required.

Very truly yours,

G. D. Bouchey

G. D. Bouchey, Manager
Nuclear Safety & Regulatory Programs

GCS/sm

cc: JO Salzman	NRC
JB Knotts	D&L
NS Reynolds	D&L
A Auluck	NRC

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REFERENCE