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ACCESSION-NBR: 8803040218 DOC. DATE: 88/02/23 NOTARIZED: NO DOCKET #  
 FACIL: 50-400 Shearon Harris Nuclear Power Plant, Unit 1, Carolina 05000400  
 AUTH. NAME AUTHOR AFFILIATION  
 BARHAM, C. D. Carolina Power & Light Co.  
 RECIP. NAME RECIPIENT AFFILIATION  
 NASH, D. NRC - No Detailed Affiliation Given

SUBJECT: Forwards Endorsement 11 & 12 to MAELU Policy MF-126.

DISTRIBUTION CODE: M001D COPIES RECEIVED: LTR 1 ENCL 1 SIZE: 5  
 TITLE: Insurance: Indemnity/Endorsement Agreements

NOTES: Application for permit renewal filed. 05000400

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EXTERNAL: LPDR	1 1	NRC PDR	1 1





Carolina Power & Light Company

P. O. Box 1551 • Raleigh, N. C. 27602

Charles D. Barham, Jr.  
Senior Vice President

February 23, 1988

Mr. Darrel Nash, Section Leader  
Licensee Relations Section  
Office of State Programs  
Nuclear Regulatory Commission  
Washington, D. C. 20555

Re: Harris Steam Electric Plant  
MAELU Policy No. MF-126  
Endorsement Nos. 11 and 12

Dear Mr. Nash:

We enclose two copies of Endorsement Nos. 11 and 12 to MAELU Policy No. MF-126 covering our Harris Steam Electric Plant near New Hill, North Carolina.

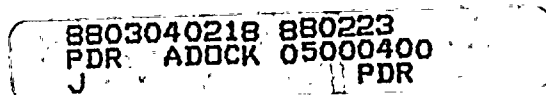
With kindest regards,

Very truly yours,

*Charles D. Barham, Jr.*  
Charles D. Barham, Jr.

CDBjr/swb

Enclosures



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Nuclear Energy Liability Insurance  
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF COVERAGE ENDORSEMENT

FOR WORKERS CLAIMS

(Facility Form)

PREAMBLE

1. The insurance and rating plan presently used by Mutual Atomic Energy Liability Underwriters ("MAELU") and Nuclear Energy Liability Insurance Association ("NELIA") do not make a distinction between workers claims arising from catastrophic events and those arising from lesser events;
2. MAELU and NELIA believe that the lack of such a distinction will adversely affect their ability to continue to attract from world markets very large amounts of nuclear energy liability insurance for the nuclear industry;
3. MAELU and NELIA want to avoid this potential loss of capacity and to continue to provide nuclear energy liability insurance for workers claims. Accordingly MAELU and NELIA desire to restructure their present insurance programs, including this policy, effective January 1, 1988.

NOW, THEREFORE, the Named Insured and the companies do hereby agree as follows:

1. DEFINITIONS

When used in reference to this endorsement:

"this policy" means the policy of which this endorsement forms a part;

"nuclear related employment" means all work performed at one or more than one nuclear facility in the United States of America or in connection with the transportation of nuclear material to or from any such facility. All of a worker's nuclear related employment shall be considered as having begun on the first day of such employment, regardless of the number of employers involved or interruptions in such employment;

"worker" refers to a person who is or was engaged in nuclear related employment;



"workers claims" means claims for damages because of bodily injury to a worker caused by the radioactive, toxic, explosive or other hazardous properties of nuclear material and arising out of or in the course of the worker's nuclear related employment;

"extraordinary nuclear occurrence" means an event which the United States Nuclear Regulatory Commission has determined to be an "extraordinary nuclear occurrence" as defined in the Atomic Energy Act of 1954, or in any law amendatory thereof.

2. APPLICATION OF THIS ENDORSEMENT

This endorsement applies only to such insurance as is afforded by this policy for workers claims which do not arise in whole or in part out of an extraordinary nuclear occurrence.

3. EXCLUSION OF NEW WORKERS CLAIMS

This policy does not apply to bodily injury to a worker which arises in whole or in part out of nuclear related employment that begins on or after January 1, 1988.

4. APPLICATION OF POLICY TO WORKERS CLAIMS NOT EXCLUDED

With respect to such insurance as is afforded by this policy for workers claims which are not excluded, Insuring Agreement IV does not apply and the following Insuring Agreement IV-A does apply:

IV-A APPLICATION OF POLICY TO WORKERS CLAIMS

This policy applies only to bodily injury (1) which is caused during the policy period by the nuclear energy hazard and (2) which is discovered and for which written claim is made against the insured not later than the close of December 31, 1997.

5. AVAILABILITY OF SUPPLEMENTAL INSURANCE

MAELU and NELIA are offering to make insurance under one or more Master Worker Policies available to all holders of Nuclear Energy Liability Policies (Facility Form). THIS OFFER IS CONTINGENT ON SUFFICIENT SUPPORT FROM POLICYHOLDERS, AND MAY BE WITHDRAWN OR MODIFIED BY MAELU OR NELIA AS THEY DEEM NECESSARY OR APPROPRIATE.

The Master Worker Policies will provide, under their separate terms and conditions, coverage for new workers claims. Premiums will be subject to a separate Industry Retrospective Rating Plan.



COVERAGE UNDER THE NEW MASTER WORKER POLICIES IS NOT AUTOMATIC. A WRITTEN REQUEST MUST BE SUBMITTED TO MAELU OR NELIA THROUGH REGULAR MARKET CHANNELS.

It is understood and agreed that all of the provisions of this endorsement shall remain in full force and effect without regard to this Section 5, and without regard to whether or not the Named Insureds become insureds under the Master Worker Policies, or whether or not MAELU or NELIA terminate such policies or withdraw or modify their offer to underwrite such policies.

Executed for the companies

Date 1/6/88 By J. L. Quattrocchi  
(Signature of Authorized Officer)

John L. Quattrocchi, Vice President-Liability Underwriting  
(Print or Type Name and Title of Officer)

Executed for the Named Insured

Carolina Power & Light Company

(Named Insured - Print or Type)

Date 11/11/87 By Charles D. Barham, Jr.  
(Signature of Authorized Officer)

Charles D. Barham, Jr./Senior Vice President  
(Print or Type Name and Title of Officer)

Executed for the Named Insured

North Carolina Eastern Municipal Power Agency

(Named Insured - Print or Type)

Date 11-19-87 By Frederick E. Turnage  
(Signature of Authorized Officer)

Frederick E. Turnage, Chairman  
(Print or Type Name and Title of Officer)

Effective Date of this Endorsement January 1, 1988 To form a part of Policy No. MF-126

12:01 A.M. Standard Time  
Issued to Carolina Power & Light Company and North Carolina Eastern Municipal Power Agency

Date of Issue October 19, 1987

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By J. L. Quattrocchi

Endorsement No. 11

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

Authorized Representative

ME-64 (1/1/88)

This is to certify that this is a true copy of the original Endorsement having the endorsement number and being made pursuant to the Nuclear Energy Liability Policy (Facility Form) as designated hereon. No insurance is afforded hereunder.

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



NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

ADVANCE PREMIUM AND STANDARD PREMIUM CALENDAR YEAR 1988  
ENDORSEMENT

1. **ADVANCE PREMIUM:** It is agreed that the Advance Premium due the companies for the period designated above is:  
\$ 175,200.00
  
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:  
\$ 132,477.00

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, Vice President-Liability Underwriting  
American Nuclear Insurers

Effective Date of This Endorsement January 1, 1988 To form a part of Policy No. ME-126  
12:01 A.M. Standard Time  
Issued to Carolina Power & Light Company and North Carolina Eastern Municipal Power Agency  
Date of Issue December 15, 1987

For the subscribing companies  
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

Endorsement No. 12

By   
Countersigned by   
Authorized Representative

9.5.6