



## PHILADELPHIA ELECTRIC COMPANY

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PHILADELPHIA, PA. 19101

(215) 841-4000

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ASSISTANT GENERAL COUNSEL

EDWARD J. CULLEN, JR.  
JOHN F. KENNEDY, JR.  
ASSISTANT COUNSEL

July 6, 1981



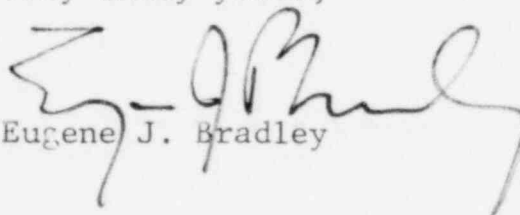
Mr. Jerome Saltzman, Chief  
Utility Finance Branch  
United States Nuclear Regulatory Commission  
Washington, D. C. 20555

Re: Peach Bottom Atomic Power Station Units 2 and 3  
Facility Operating Licenses DPR-44 and DPR-56

Dear Mr. Saltzman:

Enclosed for your records are three copies of  
Endorsements Nos. 93 and 94 to ANI Policy No. NF-140. Also  
enclosed are three copies of Endorsements Nos. 48 and 49  
to MAELU Policy No. MF-67.

Very truly yours,

  
Eugene J. Bradley

EJB:mk  
Enclosures

MOOI  
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Nuclear Energy Liability Insurance  
MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS  
INFORMATION TO BE PROVIDED TO THE COMMONWEALTH OF PENNSYLVANIA  
OF SUSPENSION OR CANCELLATION

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It is agreed that:

If the companies suspend the insurance or cancel the policy they shall at the time they provide notice thereof to the United States Nuclear Regulatory Commission, advise the office of the Commonwealth of Pennsylvania designated below of the action they have taken. Such information may be provided in writing or orally, and if done orally will be confirmed promptly in writing by the companies.

Commonwealth Office:

The Office of the Director  
Bureau of Radiation Protection  
Pennsylvania Dept. of Environmental Resources  
P.O. Box 2063  
Harrisburg, Pennsylvania 17120  
Tel. (717) 787-2480

Effective Date of this Endorsement June 1, 1981 To form a Part of Policy No. MF-67  
12:01 A.M. Standard Time

Issued to: Philadelphia Electric Company, Public Service Electric and Gas Company,  
Delmarva Power and Light Company and Atlantic City Electric Company

Date of Issue: June 10, 1981

For the Subscribing Companies

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

By: J.M. O'Connell

Endorsement No. 49

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

**Nuclear Energy Liability Insurance**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

INFORMATION TO BE PROVIDED TO THE COMMONWEALTH OF PENNSYLVANIA

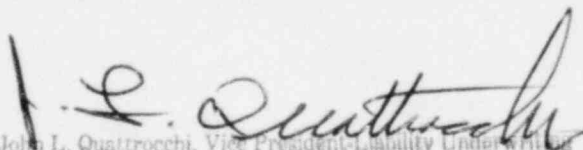
OF SUSPENSION OR CANCELLATION

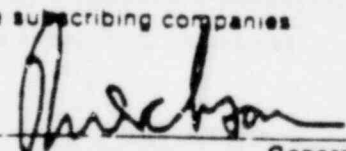
It is agreed that if the companies suspend the insurance or cancel the policy they shall at the time they provide notice thereof to the United States Nuclear Regulatory Commission, advise the office of the Commonwealth of Pennsylvania designated below of the action they have taken. Such information may be provided in writing or orally, and if done orally will be confirmed promptly in writing by the companies.

Commonwealth Office:

The Office of the Director  
Bureau of Radiation Protection  
Pennsylvania Dept. of Environmental Resources  
P.O. Box 2063  
Harrisburg, Pennsylvania 17120  
Tel. (717) 787-2480

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 June 1, 1981 To form a part of Policy No NF-140  
12:01 A.M. Standard Time  
Issued to Philadelphia Electric Company, Public Service Electric and Gas Company,  
Delmarva Power and Light Company and Atlantic City Electric Company  
Date of Issue May 21, 1981 For the subscribing companies  
By  General Manager  
Endorsement No 94 Countersigned by \_\_\_\_\_  
NE-55 (6/81)

**Nuclear Energy Liability Insurance**  
**NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION**

AMENDMENT OF DEFINITION OF CONDITION 2 "INSPECTION; SUSPENSION" AND "INSURED SHIPMENT"  
(Indemnified Nuclear Facility)

It is agreed that:

1.) Condition 2 "INSPECTION; SUSPENSION" is replaced by the following:

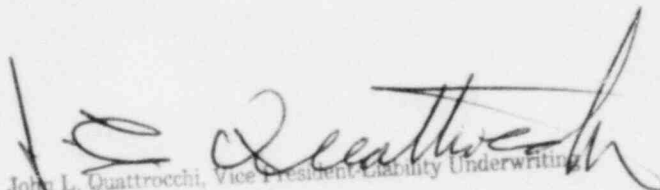
2 INSPECTION; SUSPENSION The companies shall at any time be permitted but not obligated to inspect the facility and all operations relating thereto and to examine the insured's books and records as far as they relate to the subject of this insurance and any property insurance afforded the insured through American Nuclear Insurers. If a representative of the companies discovers a condition which he believes to be unduly dangerous with respect to the nuclear energy hazard, a representative of the companies may request that such condition be corrected without delay. In the event of noncompliance with such request, a representative of the companies may, by notice to the named insured, to any other person or organization considered by the companies to be responsible for the continuation of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend this insurance with respect to the named insured and such other person or organization effective 12:00 midnight of the next business day of such Commission following the date that such Commission receives such notice. The period of such suspension shall terminate as of the time stated in a written notice from the companies to the named insured and to each such person or organization that such condition has been corrected.

Neither the right to make such inspections and examinations nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking, on behalf of or for the benefit of the insured or others, to determine or warrant that such facility or operations are safe or healthful, or are in compliance with any law, rule or regulation. In consideration of the issuance or continuation of this policy, the insured agrees that neither the companies nor any persons or organizations making such inspections or examinations on their behalf shall be liable with respect to injury to or destruction of property at the facility, or any consequential loss or expense resulting therefrom, or any loss resulting from interruption of business or manufacture, arising out of the making of or a failure to make any such inspection or examination, or any report thereon, or any such suspension of insurance, but this provision does not limit the contractual obligations of the companies under this policy or any policy affording the insured property insurance through American Nuclear Insurers.

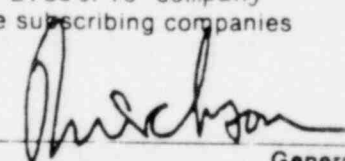
- 2.) The definition of "insured shipment" in Insuring Agreement III, "DEFINITIONS", is replaced by the following:

"insured shipment" means a shipment of source material, special nuclear material, spent fuel, waste, or tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, herein called "material", (1) to the facility from any location except an indemnified nuclear facility, but only if the transportation of the material is not by predetermination to be interrupted by removal of the material from a transporting conveyance for any purpose other than the continuation of its transportation, or (2) from the facility to any other location, but only until the material is removed from a transporting conveyance for any purpose other than the continuation of its transportation.

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 herein. No Insurance is afforded hereunder.

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

Effective Date of this Endorsement June 1, 1981 To form a part of Policy No NF-140  
12:01 A.M. Standard Time  
Issued to Philadelphia Electric Company, Public Service Electric and Gas Company,  
Delmarva Power and Light Company and Atlantic City Electric Company  
Date of Issue May 19, 1981 For the subscribing companies

By   
General Manager

NUCLEAR ENERGY LIABILITY INSURANCE

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

AMENDMENT OF CONDITION 2 "INSPECTION; SUSPENSION"  
AND DEFINITION OF "INSURED SHIPMENT"  
(Indemnified Nuclear Facility)

It is agreed that:

1. Condition 2 "INSPECTION; SUSPENSION" is replaced by the following:

2. INSPECTION;SUSPENSION The companies shall at any time be permitted but not obligated to inspect the facility and all operations relating thereto and to examine the insured's books and records as far as they relate to the subject of this insurance and any property insurance afforded the insured through any company who is a member of Mutual Atomic Energy Reinsurance Pool. If a representative of the companies discovers a condition which he believes to be unduly dangerous with respect to the nuclear energy hazard, a representative of the companies may request that such condition be corrected without delay. In the event of noncompliance with such request, a representative of the companies may, by notice to the named insured, to any other person or organization considered by the companies to be responsible for the continuation of such dangerous condition, and to the United States Nuclear Regulatory Commission, suspend this insurance with respect to the named insured and such other person or organization effective 12:00 midnight of the next business day of such Commission following the date that such Commission receives such notice. The period of such suspension shall terminate as of the time stated in a written notice from the companies to the named insured and to each such person or organization that such condition has been corrected.

Neither the right to make such inspections and examinations nor the making thereof nor any advice or report resulting therefrom shall constitute an undertaking, on behalf of or for the benefit of the insured or others, to determine or warrant that such facility or operations are safe or healthful, or are in compliance with any law, rule or regulation. In consideration of the issuance or continuation of this policy, the insured agrees that neither the companies nor any persons or organizations making such inspections or examinations on their behalf shall be liable with respect to injury to or destruction of property at the facility, or any consequential loss or expense resulting therefrom, or any loss resulting from interruption of business or manufacture, arising out of the making of or a failure to make any such inspection or examination, or any report thereon, or any such suspension of



insurance, but this provision does not limit the contractual obligations of the companies under this policy or any policy affording the insured property insurance through any company who is a member of Mutual Atomic Energy Reinsurance Pool.

2. The definition of "insured shipment" in Insuring Agreement III, "DEFINITIONS" is replaced by the following:

"insured shipment" means a shipment of source material, special nuclear material, spent fuel, waste, or tailings or wastes produced by extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, herein called "material," (1) to the facility from any location except an indemnified nuclear facility, but only if the transportation of the material is not by predetermination to be interrupted by removal of the material from a transporting conveyance for any purpose other than the continuation of its transportation, or (2) from the facility to any other location, but only until the material is removed from a transporting conveyance for any purpose other than the continuation of its transportation.

Effective Date of this Endorsement June 1, 1981 To form a part of Policy No. MF-67  
12:01 A.M. Standard Time

Issued to Philadelphia Electric Company, Public Service Electric and Gas Company,  
Delmarva Power and Light Company and Atlantic City Electric Company  
 Date of Issue May 29, 1981

For the Subscribing Companies

THIS IS TO CERTIFY THAT THIS IS A  
 TRUE COPY OF ENDORSEMENT NO. 48  
 MADE PART OF NUCLEAR ENERGY POLICY  
 (FACILITY FORM) NO. 67 NO  
 INSURANCE IS AFFORDED UNDER THIS  
 TRUE COPY

*Theodore Geras*  
 Endorsement No. 48

Mutual Atomic Energy Liability Underwriters

By \_\_\_\_\_

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