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July 1, 1985

Samuel J. Chilk, Esq.  
Secretary  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Re: Proposed Revision of 10 C.F.R. § 59.54(w)

Dear Mr. Chilk:

On February 6, 1985, Nebraska Public Power District and Omaha Public Power District ("the Districts") jointly filed comments in response to the Commission's notice of proposed rulemaking published on November 8, 1984. 49 Fed. Reg. 44645. In those comments, the Districts opposed both the proposed revision of § 50.54(w)(1) and the proposed deletion of § 50.54(w)(3).

The Commission has not yet taken action on the proposed amendments. The Districts, therefore, submit these supplemental comments to advise the Commission of actions that have been taken since the filing of their February 6 comments.

Effective on March 29, 1985, Nuclear Electric Insurance Limited ("NEIL") amended its charter and bye-laws to permit NEIL to accept non-voting members and to provide that such members would not share in any distributions made by NEIL, but instead would receive premium adjustments. In addition, NEIL proposes to issue endorsements to its standard Decontamination Liability and Excess Property Insurance Policy that would give non-voting members the right to prevent any pledge or assignment of their Retrospective Premium Adjustment obligations. The changes in NEIL's charter and bye-laws, together with the proposed policy endorsements, are designed to

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satisfy the limitations of Nebraska law discussed in the Districts' February 6 comments. Based upon NEIL's actions, the Districts submitted applications to NEIL for decontamination and property insurance.

By letters from NEIL dated June 28, 1985, the Districts were advised that their applications for non-voting membership and decontamination and property insurance had been accepted by NEIL, but that NEIL would not issue policies to the Districts until the Districts had secured a declaratory judgment from the Nebraska Supreme Court that non-voting membership in NEIL and the issuance of policies with appropriate endorsements would not violate the Nebraska Constitution.

On July 1, 1985, the Districts jointly commenced an action for a declaratory judgment in the District Court of Lancaster County, Nebraska.

The Districts submit that, consistent with their February 6 comments, they seasonably have taken appropriate action to secure decontamination and property insurance from NEIL. However, unless and until the Districts receive a favorable decision from the Nebraska Supreme Court and NEIL actually issues the policies, the Districts must continue to oppose the amendments proposed by the Commission.

Sincerely,

LeBOEUF, LAMB, LEIBY & MacRAE

By Harry H. Voigt  
Partner

Attorneys for Nebraska Public  
Power District and Omaha Public  
Power District