

ILLINOIS POWER COMPANY



500 SOUTH 27TH STREET, DECATUR, ILLINOIS 62525-1805

November 15, 1985

NRC  
Office of Anti-Trust and  
Indemnity  
Washington, D. C.  
Attention: J. Saltzman

RE: Illinois Power Company  
Nuclear Liability Secondary  
Financial Certificates

Mr. Saltzman:

Enclosed are 2 copies each of the following:

Certificate NO. M-85 with the Mutual Atomic  
Energy Liability Underwriters (MAELU)

Certificate No. N-85 with the American Nuclear  
Insurers (ANI)

Very truly yours,

A handwritten signature in cursive script, appearing to read 'C. L. Turner'.

C. L. Turner  
Supervisor  
General Insurance and  
Pension

Encl.  
dg

8511190253 851115  
PDR ADOCK 05000461  
J PDR

*mool*  
*11*

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

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 S. QUATTROCHI  
VICE PRESIDENT-LIABILITY UNDERWRITING  
AMERICAN NUCLEAR INSURERS

Certificate No. N- 85

Forming Part of Master

Policy No. 1

CERTIFICATE OF INSURANCE

DECLARATIONS AND

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Certificate of Insurance

This is to certify that the persons and organizations designated in Item 1  
of the Declarations are named insureds under the Master Policy -  
Nuclear Energy Liability Insurance (Secondary Financial Protection), herein  
called the "Master Policy", issued by Nuclear Energy Liability Insurance  
Association.

Such insurance as is provided by the Master Policy applies, through this  
certificate, only:

- (a) to the insureds identified in Items 1 and 2 of the Declarations,
- (b) for the certificate period stated in Item 6 of the Declarations,
- (c) to bodily injury or property damage
  - (1) with respect to which the primary financial protection  
described in Item 4 of the Declarations would apply but for  
exhaustion of its limit of liability as described in Condition  
6 of the Master Policy, and
  - (2) which is caused during the certificate period stated in Item  
6 of the Declarations by a nuclear incident arising out of  
or in connection with the nuclear reactor described in Item  
3 of the Declarations, and

- (3) which is discovered and for which written claim is made against the insured not later than ten years after the end of the certificate period stated in Item 6 of the Declarations. However, with respect to bodily injury or property damage caused by an extraordinary nuclear occurrence this subparagraph (3) shall not operate to bar coverage for bodily injury or property damage which is discovered and for which written claim is made against the insured not later than twenty years after the date of the extraordinary nuclear occurrence.

#### Declarations

Item 1. Named insureds and addresses:

- (a) Illinois Power Company, 500 South 27th Street, Decatur, Illinois 62525
- (b) Western Illinois Power Cooperative, Highway 67 S; Jacksonville, Illinois 62650 (P. O. Box 609, 62651)
- (c) Soyland Power Cooperative, 2535 Millikin Parkway, Suite 1205, 62526 (P.O. Box A1606, 62525)

Item 2. Additional insureds:

Any other person or organization who would be insured under the primary financial protection identified in Item 4 of the Declarations but for exhaustion of the limit of liability of such primary financial protection.

Item 3. Description and location of nuclear reactor: Unit 1 of the Clinton Nuclear Station is located in DeWitt County, Illinois.

Item 4. (a) Identification of primary financial protection applicable to the nuclear reactor and limit(s) of liability thereof:

|  |               |
|--|---------------|
| Nuclear Energy Liability Insurance Association's |               |
| Policy NF- 261                                   | \$124,000,000 |
| Mutual Atomic Energy Liability Underwriters'     |               |
| Policy MF- 121                                   | \$ 36,000,000 |

(b) The following endorsements, attached to the primary financial protection policies listed in Item 4 (a) also apply to the insurance afforded by the Master Policy through this certificate as though they were attached hereto:

- (1) Waiver of Defenses Endorsement (Extraordinary Nuclear Occurrence) and
- (2) Supplementary Endorsement - Waiver of Defenses - Reactor Construction at the Facility,

(c) The limits of liability provided under the primary financial protection specified in Item 4 (a) above are not shared with any other reactor except as follows:

No Exceptions

- Item 5. Limits of Liability: The amount of retrospective premium actually received by the companies plus the amount of the companies' contingent liability, if any, pursuant to Conditions 2, 3 and 4 of the Master Policy.
- Item 6. Certificate Period: Beginning at the same time and date that the Facility Operating License issued by the United States Nuclear Regulatory Commission for the reactor described in Item 3 of this certificate becomes effective and continuing to the effective date and time of cancellation or termination of the Master Policy or this certificate, whichever first occurs, eastern standard time.
- Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each nuclear incident: \$3,875,000.
- Item 8. Portion of the annual premium payable for the companies' contingent liability described in Condition 4 of the Master Policy from the effective date hereof to the end of calendar year 1986 : The pro rata portion of \$5,812.50 for the period from the effective date of this certificate to the end of the calendar year during which such effective date occurs.

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Know All Men By These Presents, that the undersigned do hereby acknowledge that they are named insureds under the Master Policy described in the above Certificate of Insurance and Declarations. The named insureds do hereby covenant with and are held and are firmly bound to the members of Nuclear Energy Liability Insurance Association subscribing the Master Policy (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the Master Policy, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in the Master Policy from the date payment thereof is specified to be due the companies in written notice to the first named insured as provided in Condition 2 of the Master Policy until paid;

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts;

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs, and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond and (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of the Master Policy relating to such covenants or provisions;

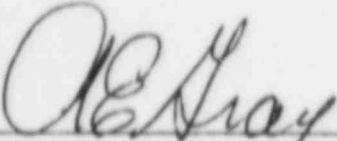
For the purpose of recording this agreement, a photocopy acknowledged before a Notary Public to be a true copy hereof shall be regarded as an original.

The preceding Certificate of Insurance, Declarations and Bond form a part of the Master Policy. Cancellation or termination of the Master Policy or the Certificate of Insurance shall not affect the named insured's obligations under the policy or the Bond to pay the retrospective premiums and allowances for premium taxes, as provided in this Certificate and Condition 2 of the Master Policy.

IN WITNESS WHEREOF, the named insureds have caused this Certificate, these Declarations and this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective as of the time and date of the inception of the Certificate period.

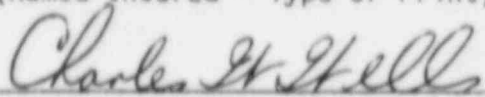
Attest or Witness

Named Insureds:

  
Arthur E. Gray, Secretary

Illinois Power Company

(Named Insured - Type or Print)

By  (SEAL)  
(Signature of Officer)

C. W. Wells, Executive Vice President

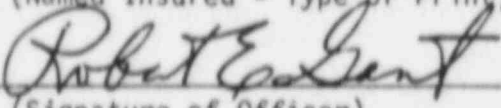
(Type or Print Name & Title of Officer)

Date: September 11, 1985

  
Roger G. Mohrman, Secretary

Western Illinois Power Cooperative

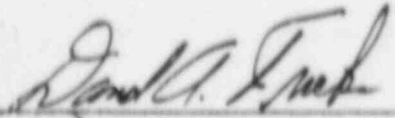
(Named Insured - Type or Print)

By  (SEAL)  
(Signature of Officer)

Robert E. Gant, President

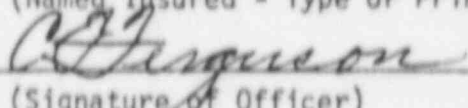
(Type or Print Name & Title of Officer)

Date: September 27, 1985

  
David A. Fricke, Secretary

Soyland Power Cooperative

(Named Insured - Type or Print)

By  (SEAL)  
(Signature of Officer)

C. E. Ferguson, President

(Type or Print Name & Title of Officer)

Date: September 26, 1985

IN WITNESS WHEREOF, the companies subscribing the Master Policy have caused the Certificate of Insurance and the Declarations to be signed on their behalf by the President of Nuclear Energy Liability Insurance Association to be effective as of the time and date of the inception of the Certificate period, and countersigned below by a duly authorized representative.

Attest or Witness

For the Subscribing Companies of

NUCLEAR ENERGY LIABILITY INSURANCE ASSOCIATION

J. S. Quattrone

BY:

Burt C. Proom

Burt C. Proom, President

Countersigned by

(Authorized Representative)



MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS

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CERTIFICATE, BEARING THE NUMBER DESIGNATED HEREON, FOR  
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- Item 7. Maximum retrospective premium (exclusive of allowance for premium taxes) payable pursuant to Condition 2 of the Master Policy with respect to each nuclear incident: \$1,125,000
- Item 8. Portion of the annual premium payable for the companies' contingent liability described in Condition 4 of the Master Policy from the effective date hereof to the end of calendar year 1986 : The pro rata portion of \$1,687.50 for the period from the effective date of this certificate to the end of the calendar year during which such effective date occurs.

BOND FOR PAYMENT OF RETROSPECTIVE PREMIUMS

Know All Men By These Presents, that the undersigned do hereby acknowledge that they are named insureds under the Master Policy described in the above Certificate of Insurance and Declarations. The named insureds do hereby covenant with and are held and are firmly bound to the members of Mutual Atomic Energy Liability Underwriters subscribing the Master Policy (hereinafter called the "companies") to pay to the companies all retrospective premiums and allowances for premium taxes which shall become due and payable in accordance with the Master Policy, as it may be changed from time to time, with interest on such premiums and allowances for taxes to be computed at the rate provided in the Master Policy from the date payment thereof is specified to be due the companies in written notice to the first named insured as provided in Condition 2 of the Master Policy until paid;

And it is hereby expressly agreed that copies of written notices of retrospective premiums and allowances for premium taxes due and payable or other evidence of such amounts due and payable sworn to by a duly authorized representative of the companies shall be prima facie evidence of the fact and extent of the liability of the named insureds for such amounts;

And it is further expressly agreed that the named insureds will indemnify the companies against any and all liability, losses and expenses of whatsoever kind or nature (including but not limited to interest, court costs, and counsel fees) which the companies may sustain or incur (1) by reason of the failure of the named insureds to comply with the covenants and provisions of this Bond and (2) in enforcing any of the covenants or provisions of this Bond, or any provisions of the Master Policy relating to such covenants or provisions;

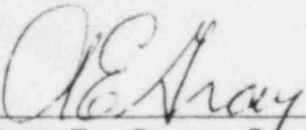
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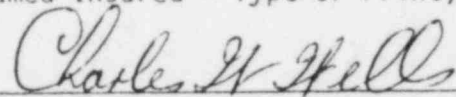
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IN WITNESS WHEREOF, the named insureds have caused this Certificate, these Declarations and this Bond for Payment of Retrospective Premiums, to be signed and sealed by a duly authorized officer, to be effective as of the time and date of the inception of the Certificate period.

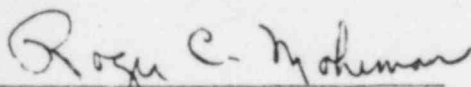
Attest or Witness

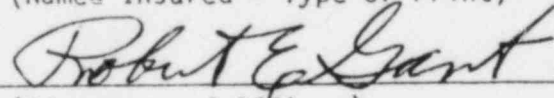
Named Insureds:

  
Arthur E. Gray, Secretary

Illinois Power Company  
(Named Insured - Type or Print)  
By  (SEAL)  
(Signature of Officer)

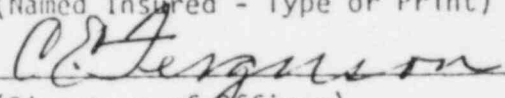
C. W. Wells, Executive Vice President  
(Type or Print Name & Title of Officer)  
Date: September 11, 1985

  
Roger C. Mohrman, Secretary

Western Illinois Power Cooperative  
(Named Insured - Type or Print)  
By  (SEAL)  
(Signature of Officer)

Robert E. Gant, President  
(Type or Print Name & Title of Officer)  
Date: September 27, 1985

  
David A. Fricke, Secretary

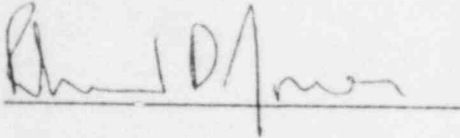
Soyland Power Cooperative  
(Named Insured - Type or Print)  
By  (SEAL)  
(Signature of Officer)  
C. E. Ferguson, President  
(Type or Print Name & Title of Officer)  
Date: September 26, 1985

IN WITNESS WHEREOF, the companies subscribing the Master Policy have caused the Certificate of Insurance and the Declarations to be signed on their behalf by Mutual Atomic Energy Liability Underwriters to be effective as of the time and date of the inception of the Certificate period, and countersigned below by a duly authorized representative.

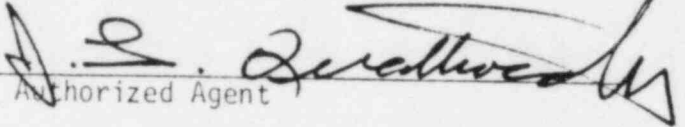
Attest or Witness

For the Subscribing Companies of

MUTUAL ATOMIC ENERGY LIABILITY UNDERWRITERS



BY:

  
Authorized Agent

Countersigned by

(Authorized Representative)

| <u>Subscribing Companies</u>                                | <u>PROPORTION OF 100%</u> |
|---|---------------------------|
| American Mutual Liability Insurance Company, Wakefield, MA  | 15.0000000                |
| Employers Insurance of Wausau, A Mutual Company, Wausau, WI | 15.0000000                |
| Liberty Mutual Insurance Company, Boston, MA                | 30.0000000                |
| Lumbermens Mutual Casualty Company, Long Grove, IL          | 30.0000000                |
| Michigan Mutual Insurance Company, Detroit, MI              | 5.0000000                 |
| Sentry Insurance, A Mutual Company, Stevens Point, WI       | 5.0000000                 |