



Report on the NRC's 1998 Recommendations to Congress on the Price-Anderson Act

The protections afforded the public by the Price-Anderson Act should be extended for an additional ten years. That is one of the eight recommendations made by the Nuclear Regulatory Commission in a report recently submitted to Congress on the status of the financial protection of the nuclear industry. The report is available on the NRC web page and we would refer you to the full report for the other recommendations. Overall, we believe the NRC's Report to Congress is balanced and provides a good foundation for the Congressional review that will follow. Congressional hearings will likely begin during the first half of next year.

The Price Anderson Act was originally enacted into law in 1957 and has been renewed three times - the last time in 1988 for 15 years ending in 2002. The Act provides a legal framework for handling public liability claims that result from a nuclear incident. We believe its provisions are critical for both insurers and for the nuclear industry. At the same time, the level of financial protection it guarantees the public far surpasses other risk transfer systems currently in place. The nuclear liability insurance written by ANI in both the primary and secondary layers is used by our insureds to satisfy the financial protection requirements established by the Act.

As in the past, ANI is committed to working closely with the nuclear industry to secure an acceptable renewal. We will keep you informed of significant developments as they occur.

To read the full text of the NRC's September 29, 1998 news release (NRC Recommends Extension, Modification of Price-Anderson Act to Continue Public Liability Coverage), see:
<http://www.nrc.gov/reading-rm/doc-collections/news/1998/98-175.html>.