



ATTACHMENT B

Jim Palaia
Vice President, Underwriting

August 10, 2021

Omer F. Brown, II
Law Office
4910 Massachusetts Avenue, N.W.
Suite 217
Washington, D.C. 20016 U.S.A

Re: DOE Notice of Inquiry

Dear Mr. Brown,

On July 26, 2021, the Department of Energy (DOE) published a Notice of Inquiry in the Federal Register regarding its preparation of a report to Congress on the continuation or modification of DOE administered Price-Anderson Act (PAA) provisions. Contained within the Notice was a series of questions (specifically, Question 9) regarding the availability of private insurance for DOE contractors. American Nuclear Insurers (ANI) is believed to be the sole source of third-party nuclear liability insurance in the U.S., insuring all currently operating domestic commercial nuclear power reactors and various non-government entities who play a key role in the nuclear fuel cycle. In that context, please accept this letter as ANI's response to your inquiry regarding question 9 of 24 in the Notice of Inquiry.

ANI is a voluntary, unincorporated joint underwriting association of insurance companies that pool financial assets to provide insurance for "public liability," as defined in the Price-Anderson Act ("PAA" or "Act"), 42 U.S.C. § 2014(w). ANI, whose members include some of the largest insurers and reinsurers in the U.S., has written third-party nuclear liability insurance for commercial generators of nuclear power dating back to the inception of the PAA in 1957. Historically, ANI has offered nuclear liability insurance for the non-government, commercial market only, with few exceptions made in circumstances where insureds provided services to both the government and commercial nuclear industry. ANI has routinely declined requests to provide nuclear liability insurance coverage for DOE contractors.

ANI outlined its prior positions with respect to insurance for DOE facilities within two letters, one dated January 21, 1998, addressed to you, and August 27, 2001, addressed to The Honorable Joe Barton, then Chairman of the Subcommittee on Energy and Air Quality. ANI's position has not changed since the August 2001 letter: it is unlikely that ANI would agree to provide nuclear liability insurance covering DOE facilities that have established and ongoing operations. As stated in the August 2001 letter, many of these DOE facilities have operated for decades with long histories of troubled operations and equally long histories of being

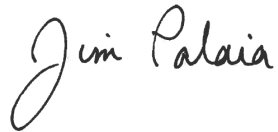
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subject to massive litigation, including litigation under CERCLA. Various DOE sites had or continue to have mixed military and commercial uses complicating private insurance sector involvement. Most DOE sites are likely burdened with legacy contamination, known and unknown, with little means to discern between exposures to preexisting contaminants versus post-policy inception operations. It would, therefore, be imprudent for ANI to offer coverage for existing DOE facilities and, thus, subject our member insurance companies to liabilities originating from past DOE operations.

Notwithstanding the above, ANI remains open to writing coverage for a new DOE facility subject to the same underwriting review and criteria that are utilized for commercial nuclear operations. Because each coverage request must be individually evaluated for insuring purposes, it is impossible for ANI to guarantee that such coverage would be written for a particular new DOE facility or, if written, what liability limits would be available.

I hope this information is helpful in the review process.

Sincerely,

A handwritten signature in black ink that reads "Jim Palaia". The signature is written in a cursive, flowing style.

Jim Palaia
Vice President, Underwriting