

# Summary of NPPD Nuclear Liability, Property, and Accidental Outage Insurance as of 3/1/21

NPPD Board of Directors  
Customer & Support Services Committee and  
Board Meeting  
March 11, 2021

Linda Mukusha, Insurance and Risk Admin.



**Nebraska Public Power District**

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# Primary Property and Decontamination Liability Insurance Policy

- **Insurer:** Nuclear Electric Insurance Limited (NEIL)
- **Renewal Policy Term:** 4/1/21 – 4/1/22
- **Primary Policy Limit:** \$1.5 Billion
- **Deductible:** \$5M / \$10M Natural Hazards
- **Current Est. Annual Cost:** \$1,607,000
- **Covers:** Physical damage to property
- **Includes Terrorism Coverage**
  - Subject to \$3.24 Billion Industry Aggregate Limit for non-certified nuclear events and \$1.8276 Billion for non-nuclear events.

## Decontamination Liability, Decommissioning Liability, and Excess Property Insurance Policy

- **Insurer:** Nuclear Electric Insurance Limited (NEIL)
- **Renewal Policy Term:** 4/1/21 – 4/1/22
- **Excess Policy Limit:** \$600 Million
- **Current Est. Annual Cost:** \$298,000
- **Deductible:** None
- Coverage is Excess of Primary Nuclear Property Insurance for a combined limit of coverage equal to \$2.1 Billion for nuclear events.
- Includes Terrorism Coverage
  - Subject to \$3.24 Billion Industry Aggregate Limit for non-certified nuclear events and \$1.8276 Billion for non-nuclear events.
- NRC Requires minimum of \$1.06 Billion of Property Insurance Coverage (10 CFR 50.54)



## Excess Non-Nuclear Property Insurance Policy

- **Insurer:** NEIL Specialty Insurance Company
- **Renewal Policy Term:** 4/1/21 – 4/1/22
- **Excess Policy Limit:** \$600 Million
- **Current Est. Annual Cost:** \$48,000
- **Deductible:** None
- Coverage is Excess of Primary Nuclear Property Insurance for a combined limit of coverage equal to \$2.1 Billion for non-nuclear events.
- Subject to \$3.24 Billion Industry Aggregate Limit for non-certified nuclear events and \$1.8276 Billion for non-nuclear events.
- NRC Requires minimum of \$1.06 Billion of Property Insurance Coverage (10 CFR 50.54)

# Accidental Outage Insurance

- **Insurer:** Nuclear Electric Insurance Limited (NEIL)
- **Renewal Policy Term:** 4/1/21 – 4/1/22
- **Policy Limit:** \$210 Million for nuclear events and \$140.4 Million for non-nuclear events
- **Current Est. Annual Cost:** \$218,000
- **Deductible:** 12 weeks
- Covers an Outage caused by accidental property Damage or in transit to and from the unit
- **Weekly Indemnity:**
  - \$1.5M/week 1st year, \$1.2M/week 2nd & 3rd years
- Subject to \$3.24 Billion Industry Aggregate Limit for non-certified nuclear events and \$1.8276 Billion for non-nuclear events

# ☐☐☐ Nuclear Liability Insurance

- ☐ **Insurer:** American Nuclear Insurers (ANI)
- ☐ **Term:** 1/1/21 - 1/1/22
- ☐ **Primary Facility Form Policy :** Limit \$450 Million
- ☐ **Annual Cost:** \$638,000
- ☐ **Deductible:** None
- ☐ Coverage for Off-Site Third-Party Damages
- ☐ Includes Terrorism Coverage
- ☐ Required by the Price-Anderson Act

# Price-Anderson Act (10 CFR 140) - Nuclear Liability Secondary Financial Protection

- The Act also provides for a secondary layer of financial protection (SFP) for paying claims made by the public in excess of the \$450 Million of the primary nuclear liability insurance.
- Under the Act, NPPD and all other licensed nuclear plant operators could each be assessed for claims in amounts up to \$137.6 Million per unit owned in the event of any nuclear incident involving any licensed facility in the nation, with a maximum assessment of \$20.5 Million per year per incident per unit owned.

# Nuclear Property and Liability Insurance

## Annual Premium History

Year	Property	Liability	Total
2016	\$2,433,000	\$361,000	\$2,794,000
<b>2017</b>	\$2,225,000	\$422,000	\$2,647,000
<b>2018</b>	\$1,780,000	\$412,000	\$2,192,000
<b>2019</b>	\$1,995,000	\$408,000	\$2,403,000
<b>2020</b>	\$1,008,585	\$346,096	\$1,354,681

# Questions?

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