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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

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August 7, 2002

MEMORANDUM TO: Chairman Meserve
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: Dennis K. Rathbun, Director
Office of Congressional Affairs *DR*

SUBJECT: NY TIMES ARTICLE AND STAR FOUNDATION REPORT
QUESTIONING FINANCIAL ABILITIES OF LIMITED LIABILITY
COMPANIES OWNING NUCLEAR POWER PLANTS

Today's web version of the New York Times features an article by Matthew Wald reporting on a report released by the STAR Foundation entitled, "Financial Insecurity: The Increasing Use of Limited Liability Companies and Multi-Tiered Holding Companies to Own Nuclear Power Plants." The introduction is by former NRC Commissioner Peter Bradford.

The report asserts that a small number of companies owning an increasing number of nuclear power plants are structuring their corporations in such a manner as to be able to limit their liabilities in the case of bankruptcy. A case in point would be their Price-Anderson liability in the event of a nuclear accident.

A copy of the New York Times article and the STAR Foundation report are attached.

Attachments:
As stated

cc: OEDO	RES	OIG	NMSS
OGC	NRR	ACNW	SECY
OGC (Cyr)	OPA	OCFO	OCAA

Contact: Tom Combs, 415-1776

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