

# AN AMERICAN NUCLEAR INSURERS

BURT C. PHOOM, CPCU  
President

LIABILITY UNDERWRITING DEPARTMENT  
John L. Quattrocchi, Vice President

January 6, 1981

Mr. Ira Dinitz, Indemnity Specialist  
Utility Finance Branch  
Division of Engineering  
Office Of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

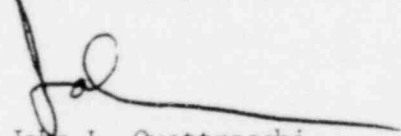
Re: Refund of Reserve Premium for 1970

Dear Ira:

Here is a copy of the August 7th Press Release announcing premium refunds of approximately \$850,000 or 28% of the reserve premium collected in 1970.

As is indicated in the Release, the refunds were based on the pools' experience during the ten year period 1969 through 1979 and therefore include the TMI incident.

Very truly yours,



John L. Quattrocchi  
Vice President, Liability Underwriting

JLQ/dh

Att.

8101090 496

J

Mool  
Sill

# NEWS

from AMERICAN NUCLEAR INSURERS

*Release Date*

Immediate

## INSURERS ANNOUNCE PREMIUM REFUND TO NUCLEAR POWER PLANT OPERATORS

HARTFORD, August 7 -- Insurance premium refunds totaling nearly \$850,000 have been sent to operators of nuclear power plants and related facilities, it was announced today by Burt C. Proom, president of American Nuclear Insurers (ANI).

The refunds are part of the Industry Credit Rating Plan operated by the two nuclear insurance pools, ANI and the Mutual Atomic Energy Liability Underwriters (MAELU), according to Mr. Proom.

Under this plan about 70 per cent of each year's liability insurance premium is placed in a reserve fund. This fund is used only to pay claims and claim expenses. After a ten-year period, the unused portion of the reserve fund is refunded to the policyholders, he said.

The refunds announced today reflect the insurance pools' liability experience from 1969 to 1979, including the 1979 incident at Three Mile Island. Mr. Proom noted that "in spite of Three Mile Island, the nuclear insurance pools maintain confidence in the safety of nuclear power and are continuing to make refunds to their policyholders.

Nuclear power plants, fuel reprocessing plants and fuel facilities are included in the list of companies receiving refunds on approximately 390 liability insurance policies.