

Does Nuclear Insurance Protect Us or the Industry?

by
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No-fault insurance for the nuclear power industry has never been a hot issue for Nevadans because we have no nuclear power plants in the state.

But with the prospect of the nuclear power industry's toxic leftovers coming our way, it is important to take a close look at the Price-Anderson Act.

The Price-Anderson Act indemnifies nuclear power utilities for liability in the event of a nuclear incident. (In Nuclear Regulatory Commission lingo, all accidents are incidents.) The Act uses an insurance pool, with premiums paid by each utility, supplemented by additional pooled utility funds in the event of a catastrophe. Total insurance coverage to compensate workers and the public in the event of a nuclear accident is nearly \$9 billion.

The 1988 amendments now require coverage for all Department of Energy contractors so that they too are insured for the consequences of their mistakes at places like the Nevada Test Site, and the public can seek compensation for accidents. Unlike the utility portion of the Act, Congress and taxpayers provide financial backing for DOE Price-Anderson (also up to a maximum of nearly \$9 billion.)

Price-Anderson is unpopular with some members of the public who believe that it absolves the nuclear industry and DOE contractors from responsibility and does not hold them to the standard of accountability that non-nuclear utilities and contractors must meet. On the other hand, what protection would members of the public have in the event of a nuclear accident if there weren't megacoverage compliments of Price-Anderson?

According to an official from the Nuclear Regulatory Commission, accident claims from Three Mile Island related to economic impacts were settled quickly. Some health claims were also settled, but over 2,000 claims related to "bodily injury" are still pending in the appeals process. They were consolidated into several class action lawsuits which were dismissed in June of 1996 by Pennsylvania District Court Judge Sylvia Rambo who said there was not enough evidence to support claims that radiation exposure had caused health problems including leukemia and other cancers. The plaintiffs are appealing.

This is not reassuring. In public meetings, DOE representatives have told Nevadans that with the precautionary measures that they require, the oversight

of the Nuclear Regulatory Commission, and the coverage of the Price-Anderson Act, Nevadans are protected.

Considering the experience of Three Mile Island plaintiffs, Nevadans should be worried. We could be trapped in a system where citizens are exposed to radiation, and must wait for the effects of the radiation to become apparent before being able to document exposure. In the case of radiation, where the long term and genetic effects are the rule, it is unacceptable to be exposed to radiation and then spend the rest of one's life in court seeking justice or waiting to get sick to prove the point.

The Department of Energy is planning to use a competitive bidding process to select private contractors to transport waste from utilities to the repository. As it gets ready to report to Congress about the renewal of Price-Anderson, the DOE is asking the public whether the Act should cover these private haulers. Still to be resolved, is whether the utility-funded portion of Price Anderson or the DOE taxpayer-funded portion will apply to accidents from the transportation of power plant nuclear waste to a repository.

While DOE has developed a list of questions for the public about Price-Anderson, here's some that the public might want to pose to DOE:

Will the activity of contractors and subcontractors hauling nuclear waste be covered by Price-Anderson? Will that coverage mean that they could be less responsible than carriers who have their own insurance? Congressman Ed Markey of Massachusetts thinks so. Speaking to Congress in October about similar provisions in pending interim storage nuclear waste legislation, he said, "Now what disincentive...exists for these contractors to ensure that they have not hired drivers who drink excessively in the evening, take antidepressants, and then jump behind the wheel and drive 100 miles an hour...? None. This will allow that to happen. They are not liable."

If a nuclear waste container or cask is designed or fabricated incorrectly, resulting in an accident, is that covered even if there was no error on the part of the hauler?

Will Price-Anderson provide comprehensive compensation for members of the public and emergency responders in the event of a radiation release from a nuclear transportation accident?

To what lengths must victims go in order to prove their case? How does a citizen collect for health damages from a nuclear accident? Does the process require attorneys and court cases? What about citizens who cannot afford the legal

costs? How do you adequately compensate someone for exposure to radiation considering the lifelong and potential genetic consequences?

Is it appropriate for the burden of proof for nuclear contamination to fall on the citizen rather than the utility or the government? Does this protect the average citizen?

The DOE Office of General Counsel is preparing a report to Congress this year on the Price-Anderson Act in preparation for the Act's renewal. DOE is accepting public comments on suggested changes to the Price-Anderson Act through January 30 at:

DOE, Office of General Counsel, GC-52
1000 Independence Ave.
SW Washington, DC 20585.

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