Legislative updates

Finland: Nuclear Liability Bill (2005)

The Nuclear Liability Bill was passed by the Finnish Parliament in early June 2005 and was enacted by the President a few weeks later. The purpose of this Bill, which will enter into force at a later date as determined by Government Decree, is to amend the 1972 Nuclear Liability Act to incorporate the following changes:

- Finnish nuclear operators will require insurance coverage for a minimum amount of EUR 700 million; the liability of Finnish operators shall be unlimited in instances where the Brussels Supplementary Convention (an international pooling system providing cover up to EUR 1.5 billion) has been exhausted and there remains damage to be compensated.
- The Finnish Council of State may decide on a lower amount of liability with regard to the transport of nuclear substances; however this amount may not be less than EUR 80 million. No other reduced liability amounts shall be applicable.
- Nuclear damage shall be defined as per the amended Article 1 of the revised Paris Convention, covering a broader range of damage than the existing personal injury and damage to property: the definition refers specifically to economic loss, the cost of measures to reinstate a significantly impaired environment, loss of income resulting from that impaired environment and the cost of preventive measures.
- Nuclear damage caused by acts of terrorism shall be covered by this legislation.


On 8 August 2005, President Bush signed into law the Energy Policy Act of 2005, marking the end of a four-year effort to forge an agreement on this national energy plan. The Act incorporates a wide range of measures supporting today's operating nuclear plants, providing incentives for building new nuclear plants, offering risk protection for companies pursuing the construction of new reactors and strengthening the Energy Department's nuclear energy programmes. Title VI of the Energy Policy Act renews the Price-Anderson Act governing nuclear third party liability and insurance in the United States.

The 1957 Price-Anderson Act established a federal regime for handling the consequences of nuclear accidents in the United States. At its inception, the Act provided USD 560 million of nuclear liability coverage for nuclear power plants and certain other nuclear facilities. Today, this coverage amounts to approximately USD 10.7 billion for the 103 nuclear power plants in the United States. This regime places jurisdiction over cases involving nuclear incidents in federal courts, but leaves the matter of determining liability to the substantive laws of the individual states, as in other tort cases. The Price-Anderson Act creates a system of “omnibus” coverage for “anyone liable” for a nuclear incident, a form of economic channelling as opposed to the legal channelling of liability to the nuclear operator established by the Vienna and Paris Convention regimes.

Each nuclear operator provides nuclear coverage for anyone liable through a combination of private insurance from the US nuclear insurance pool (primary financial protection – USD 300 million) and a retrospective assessment (secondary financial protection - until now, USD 95.8 million per power plant per incident plus 5% for claims and costs, payable in annual installments up to a maximum of USD 10 million per power plant per incident). Payments are guaranteed by the US Government and an inflation
adjustment is made every five years. Originally, the Price-
Anderson Act was adminis-
tered by the US Atomic
Energy Commission (USAEC)
for both commercial and US
Government nuclear activities.
When the USAEC was abol-
ished in 1974, Price-Anderson
responsibility was allocated
between two separate agen-
cies: the US Nuclear Regula-
tory Commission (USNRC)
administers Price-Anderson
coverage for its licensees,
while the US Department of
Energy (USDOE) administers
coverage for its contractors.
USDOE contractors are indem-
nified by the US Government
in the same amount as for
nuclear power plants.

The new Energy Policy Act
of 2005 includes the Price-
Anderson Amendments Act
of 2005 (Sections 601 to 610).
The 2005 Amendments extend
the Price-Anderson authority
of the USNRC another 20 years
to 31 December 2025. This
essentially applies to new
nuclear power plants, since
coverage for all existing NPPs
was established under the
original Act. The main change
for existing and future NPPs
is that the annual maximum
retrospective assessment per
reactor per nuclear incident
has been increased from
USD 10 million to USD
15 million (with inflation
indexing every five years).
The 2005 Amendments also
provide that modular power
reactors of 100 MW or more
(e.g. pebble bed units) will
be treated as one unit for the
assessments. The current total
amount of coverage and lia-
bility limit for NPPs (USD
10.7 billion) remains the
same. The Amendments also
extend to 31 December 2025
the separate authority of the
USDOE to indemnify its con-
tractors for nuclear hazards.

New publications

Economic and technical aspects
of the nuclear fuel cycle

Actinide and Fission Product
Partitioning and Transmutation
Eighth Information Exchange Meeting
Las Vegas, Nevada, United States
9-11 November 2004
ISBN 92-64-01071-8 Free: paper or web.
In response to the interest expressed by its member
countries, the OECD Nuclear Energy Agency (NEA)
has regularly organised biennial information
exchange meetings on actinide and fission product
partitioning and transmutation (P&T) since 1990, in
order to provide experts with a forum to present
and discuss the latest developments in the field.
This book and its enclosed CD-ROM contain the pro-
ceedings of the 8th Information Exchange Meeting
held in Las Vegas, Nevada, USA on 9-11 November
2004. The meeting covered the broad spectrum of
developments in the field, including the potential
impact of P&T on radioactive waste management,
new partitioning technologies, fuels for transmu-
tation devices, as well as critical and accelerator-
driven transmuting devices. More than 80 papers
were presented during the meeting and have been
reproduced in the proceedings.