



# 2019 ANNUAL REPORT

Nuclear Electric Insurance Limited



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## LETTER FROM OUR CHAIRMEN AND PRESIDENT



**W. Paul Bowers**  
Chair

**Bruce A. Sassi**  
President and CEO

**Nick Akins**  
Vice-Chair

### Exceptional Year for NEIL

#### Dear Members of NEIL:

Perhaps one of the greatest attributes of NEIL is the benefit of self-determination. In theory, self-determination requires competence, a connection or relatedness, and autonomy. Each of these characteristics is abundantly present in the relationship between NEIL and its Members. We at NEIL have the benefit of working closely with highly qualified risk management, engineering and legal professionals representing a Membership that is actively engaged and uniquely aligned in terms of commitment to industry excellence and collaboration in support of one another. The Members' close involvement with, and support of, NEIL establishes a strong foundation for our long-term success in meeting their evolving needs and has always been a cornerstone of our Guiding Principle of Mutuality. Our Members interests are at the center of what we do day in and day out. The key objectives in NEIL's business plan and associated key performance indicators reflect this commitment.

***Deliver targeted financial returns to the Membership***

***Achieve excellence in service across all aspects of NEIL operations***

***Expand non-core products and services in support of the Membership***

***Demonstrate organizational strength and professional development***

## LETTER FROM OUR CHAIRMEN AND PRESIDENT

Highlighted in this year's report are several examples of how these basic principles supported our ability to achieve strong results across a number of important areas for the Membership in 2019.

The Company's financial results exceeded expectations in all key metrics. Underwriting results were significantly better than plan, with a combined ratio before distributions of 32.6%. NEIL's investments also performed exceptionally well with a total return of 16.8%. The favorable outcomes in both underwriting and investments resulted in earnings before distributions and taxes of \$927 million, which supported the Board's decision to declare a Policyholder distribution of \$700 million – the largest in the last nineteen years. Over the course of the last three years, NEIL has returned to its Members nearly \$1.5 billion in Policyholder distributions – twice the amount of net premiums collected in the same period. We ended the year with Surplus of \$4.4 billion (post distribution), which is a 5.4% increase year over year – a clear demonstration of the financial strength and value proposition NEIL offers to its Members.

While commitment to our nuclear mission remains at the forefront of what we do, NEIL's financial strength, together with the changing needs of the Members, supports our strategic objective of enhancing non-core products and services.

This year, due to a number of factors, commercial markets pulled back on capacity across several lines of business. This presented an opportunity for NEIL to assist its Members, reinforcing one of the fundamental reasons for the Company's creation – an ability to self-insure when markets are not meeting their needs. Recognizing a hardening insurance market, and resulting capacity constraints and price increases, NEIL launched a new Excess Liability program, offering up to \$25 million of capacity, increased to \$50 million in Q1 2020. This program was developed with significant input from NEIL's Insurance Advisory Committee and intentional flexibility to provide Members maximum optionality with respect to how each may choose to structure coverage to meet their unique risk transfer needs. The strong utilization in year one is a testament to the need for the program as well as the attractiveness of how it is structured, specifically with the Members' needs in mind.

We continued our efforts to maintain strong alignment with the Membership through the work of our Service Delivery Teams and our Stewardship meetings – holding twenty-one meetings with individual Members and twenty-four Advisory and Subcommittee meetings during the year. These interactions provide NEIL with an opportunity to gain valuable input and insights from our Members.

## LETTER FROM OUR CHAIRMEN AND PRESIDENT

2019 saw the departure of three NEIL directors. Bill Johnson retired from his position as President and Chief Executive Officer of Tennessee Valley Authority (TVA) in March. Bill served on the NEIL Board for five years and we thank him for his years of service and valuable insights as he served on various NEIL Board Committees. Jeff Archie, Senior Vice President and Chief Nuclear Officer of South Carolina Electric and Gas (SCE&G) also departed in March, retiring from his position at SCE&G. Jeff served the nuclear industry throughout his entire career. His leadership and nuclear expertise were of great value during his tenure. Also leaving the NEIL Board was Paul Koonce. Paul retired from his position as Executive Vice President and President and CEO-Power Generation Group for Dominion Energy after having served in the energy industry for nearly 40 years, half of which were spent with Dominion Energy. Maintaining its history of strong nuclear industry representation on the Board, we were delighted to welcome three new directors - Ralph Izzo, Chairman, President and CEO of PSE&G, Robert (Bob) Blue, Executive Vice President and Co-Chief Operating Officer, Dominion Energy, and Andrew (Drew) Marsh, Executive Vice President and CFO, Entergy.

As we look back on the accomplishments of NEIL and its Members in 2019, it is evident that we enjoy the benefit of a highly engaged Membership and Board of Directors supported by a dedicated and capable NEIL staff, focused on a collective desire to meet the changing needs of the Membership.

To all members of our Advisory Committees, NEIL directors, brokers, industry partners and NEIL staff, we thank you for the role that each of you play in supporting the industry's continued success and for being a part of NEIL.

### 2020 Pandemic Response

*As highlighted in this Annual Report, 2019 was very strong for NEIL both operationally and financially. However, we would be remiss if we did not acknowledge the extraordinary circumstances we find ourselves in as a result of the current COVID-19 global pandemic. Despite the challenges presented by the pandemic and its impact on socioeconomic factors, NEIL's Members are rising up to meet those challenges by ensuring that the nuclear plants we insure are operating safely and providing clean energy to the customers they serve. NEIL Staff has also been exceptional in responding to the unique work environment by continuing to serve our Members' needs and maintaining a high level of engagement with the Membership and continuity of key operational activities.*



# NEIL Highlights

**NEIL Performance Figures from Inception  
through December 31, 2019**

Premiums Received

**\$8.5B**

Investment Earnings

**\$9.5B**

Claims Paid

**\$3.9B**

Polyholder Distributions

**\$7.8B**

Year-end 2019 Surplus

**\$4.4B**



## 2019 MEMBER ENGAGEMENT

## 2019 MEMBER PROGRAM SUPPORT

### 2019 MEETING ATTENDANCE

Annual Policyholder Meeting – 150

Property Plant Contact Workshop – 143

Risk and Insurance Workshop – 71

**21** Stewardship Meetings  
with Members

**24** Advisory Committee and  
Subcommittee Meetings

**203** Total Nuclear Policies issued  
(NEIL, NEIL Overseas and NSIC)

**84** Total Member Conventional  
Programs NEIL supports

**75%** Percentage of Members utilizing  
NEIL to support their Conventional  
Programs

**100%** Member Conventional  
Retention Rate

**38** Strategic Analytics Packages  
delivered to Members

**34** Non-Member Programs bound  
(New and Renewed)



## FINANCIAL HIGHLIGHTS



*Brunswick Steam Electric Plant*

### **STRONG FINANCIAL PERFORMANCE FOR 2019**

NEIL had a very successful 2019 and is reporting earnings before Policyholder Distributions and Income Taxes of \$927 million. Positive underwriting performance was driven by favorable loss experience and a focus on expense management, as evidenced by a Combined Ratio, before Policyholder Distributions, of 32.6%. Strong performance in NEIL's investment portfolio yielded a 16.8% return. These results supported the Board's declaration of \$700 million in Policyholder Distributions.



Statement of Operations	2019	2018	2017
<b>Net Premiums Earned</b> (net of Performance and Participation credit)*	\$261,377	\$264,694	\$230,953
Losses and loss adjustment expenses**	48,825	69,612	52,241
Administrative and commission expenses	36,458	37,756	42,189
<b>Earnings from Underwriting Operations</b>	176,094	157,328	136,523
Net investment (loss) income and net realized (losses) gains	751,162	(29,500)	434,202
<b>Earnings Before Distribution to Policyholders and Income Tax</b>	927,256	127,828	570,725
Distribution to Policyholders	700,000	436,000	285,000
<b>Earnings (Loss) Before Income Taxes</b>	227,256	(308,172)	285,725
Income tax (benefit) expense	24,417	(85,369)	(56,296)
<b>Net (Loss) Earnings</b>	202,839	(222,803)	342,021
<b>Other Comprehensive (Loss) Earnings, Net of Income Taxes</b>	23,588	(144,352)	94,526
<b>Comprehensive (Loss) Earnings</b>	\$226,427	\$(367,155)	\$436,547

In thousands of U.S. Dollars

As of and for the year ended December 31

\*Net of Renewal Credit of \$47 million in 2017

\*\*For additional detail regarding losses and loss adjustment expenses, please refer to the Notes to Consolidated Financial Statement



## AM BEST RATING

AM Best Company reaffirmed NEIL's "A" (Excellent) Financial Strength Rating (FSR) and its "a+" Issuer Credit Rating (ICR). AM Best is a global credit rating agency that serves the insurance industry. We have received an "A" FSR for 24 consecutive years. AM Best also reaffirmed its "stable" ICR outlook.

# FINANCIAL HIGHLIGHTS

## OPERATING RESULTS

In 2019, NEIL reported comprehensive earnings of \$226 million, compared to a loss of \$367 million in 2018. A very strong investment portfolio performance coupled with favorable underwriting results in 2019 supported the largest Policyholder Distribution being declared since 2001.

## POLICYHOLDER DISTRIBUTIONS

For 2019, the Board declared a \$700 million Policyholder Distribution. The Distribution consisted of \$595 million allocated to the Members based on each Member's Policyholder Insurance Record (Primary Distribution) and \$105 million allocated to the Members based on the Earned Premium Ratio (Secondary Distribution). This Distribution reflects our commitment to delivering targeted financial returns to the Membership and was supported by the strong performance in both investments and underwriting operations. Overall, the \$1.5 billion of Policyholder Distributions paid over the last three years contributed to a three-year return on surplus of 9.9%.

## EARNINGS FROM INVESTMENTS

Investment portfolio returns were 16.8% for 2019, compared to -4.4% for 2018. The 2019 results evidence the extraordinary market experienced during the year. Net investments income for 2019 was \$751 million as compared to a loss of \$29 million for 2018.

## POLICYHOLDER SURPLUS

Policyholder Surplus at December 31, 2019 (post Distribution) was \$4.4 billion, which is an increase of 5.4% compared to year-end 2018.

## CLAIMS AND RESERVES

In 2019, two claims were reported under the core Nuclear Program. Nine claims were closed during the year, leaving the Company with four open core Nuclear Program claims as of December 31. In the non-core insurance programs, which includes Member Conventional and general assumed reinsurance, 161 claims were opened and 149 claims were closed during the year. This left the Company with 306 open non-core claims at December 31. Losses across all programs during 2019 resulted in a consolidated loss ratio of 18.7% for the year.

Year-end 2019 reserves were \$238 million, no change from 2018.

## EARNINGS FROM OPERATIONS

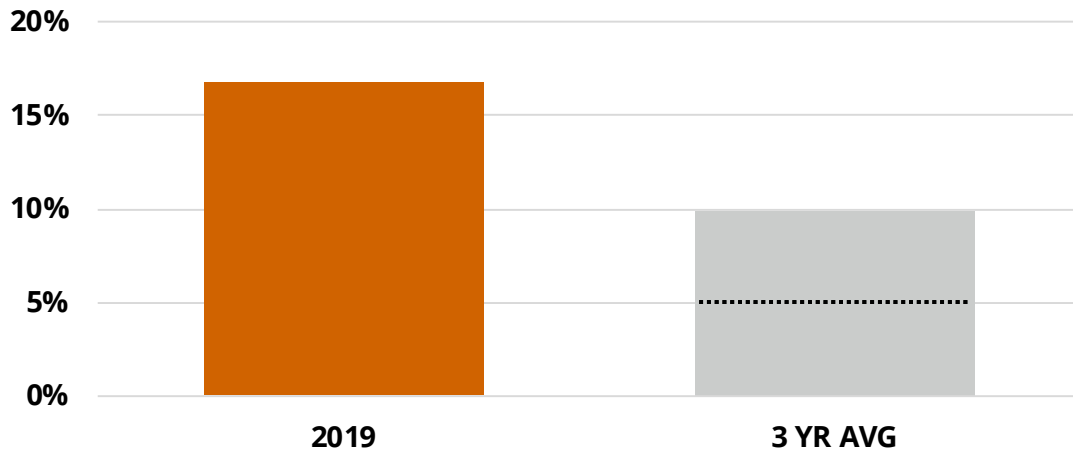
Net earned premiums for 2019 were \$261 million, as compared to \$265 million in 2018. Underwriting earnings in 2019 were \$176 million, as compared to \$157 million in 2018, driven by favorable loss experience of 18.7% for 2019, as compared to 26.3% for 2018.



## FINANCIAL HIGHLIGHTS

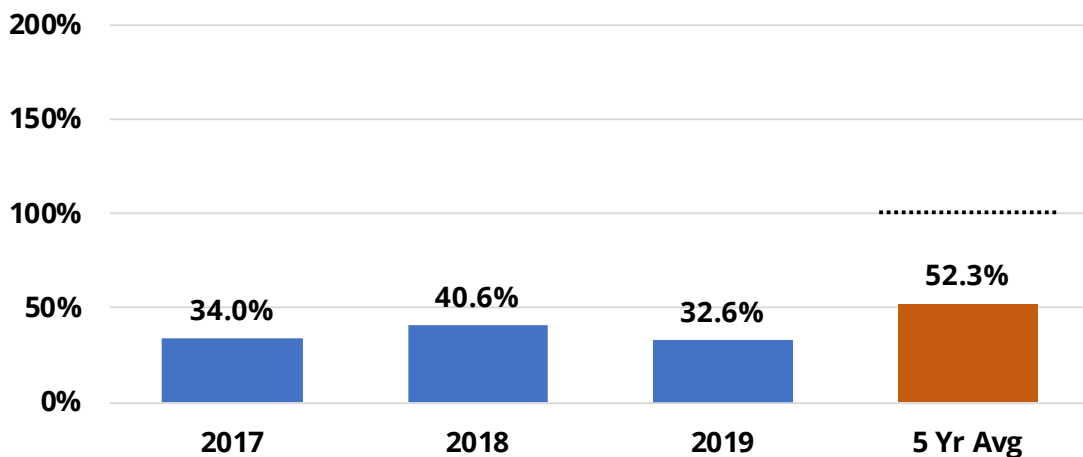
### *Deliver Targeted Financial Returns to the Membership*

#### 3 Year Average Return on Surplus $\geq 5\%$



Our Return on Surplus metric is designed to evaluate the Company's financial performance by taking the sum of annual comprehensive income and Member distributions, divided by the average surplus for the year. The metric is reflected as a percentage. Our goal is to provide a Return on Surplus to the Membership of  $\geq 5\%$  over a rolling three-year period. As of year-end 2019, we have provided the Members with a 9.9% three-year average return on surplus.

#### 5 Year Average Combined Ratio $\leq 100\%$

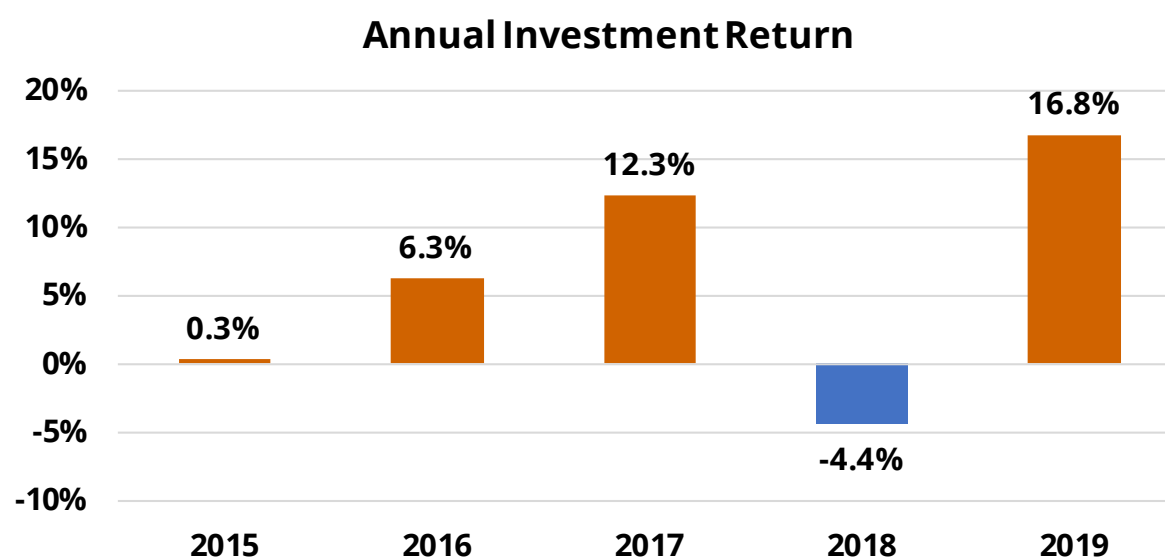


The Combined Ratio is important because it provides a comprehensive measure of an insurer's performance. NEIL's goal is to underwrite to a Combined Ratio of  $\leq 100\%$  over a rolling five-year period. Our Combined Ratio for 2019 was 32.6%, contributing to a five-year average Combined Ratio of 52.3%.

## INVESTMENTS

### EXTRAORDINARY RETURNS FOR 2019

All asset classes produced returns well above expectations in 2019 as central banks shifted policy toward monetary easing to offset trade weakness around the world. Economic growth continued at a modest rate, helping to counter expectations of a pending recession that prevailed early in the year. Lower valuations at the start of the year, resulting from the sell-off in late 2018, played a significant role in the strong returns. NEIL's public equity portfolio led all asset classes with a return over 28% for the year. NEIL's return in 2019 for the entire portfolio, net of external investment manager fees, was +16.8%, the highest return achieved in sixteen years.

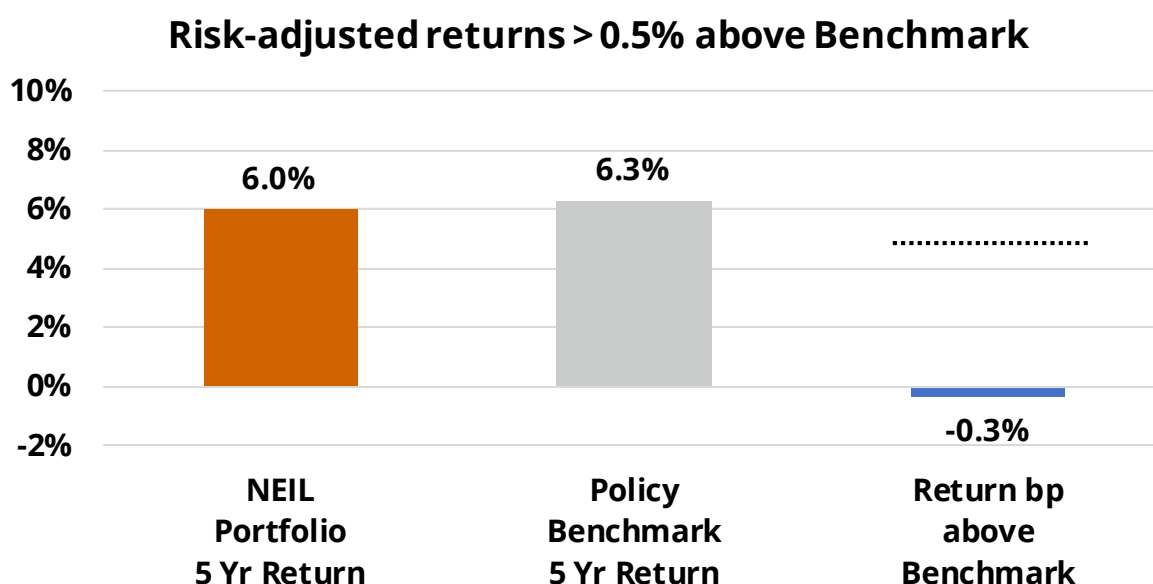


In the U.S., the consumer kept the economy on track, as employment, wages and consumer spending remained healthy. However, the implementation of tariffs and ongoing trade uncertainty led to weakness in capital spending and a slowdown in trade. Overall corporate earnings declined versus the prior year, but massive stock buybacks mitigated the per-share impact. The U.S. Federal Reserve's policy shift was marked by three rate cuts during 2019, signaling clearly to the market that the Fed was prepared to provide support. In response, bond yields fell sharply, producing strong returns for fixed income investments. Credit spreads also remained firm, helping NEIL's fixed income portfolio return over 9% in 2019.

NEIL's international equity investments lagged the U.S. but still provided returns in excess of 22%. Slower economic growth and a manufacturing slowdown contributed to the weaker sentiment in Europe and Japan, further evidenced by persistent negative government bond yields. Emerging markets, led by China, also reported slower growth, although a de-escalation of trade tensions late in the year gave rise to optimism and a market rally. The U.S. dollar was mixed against major foreign currencies and did not significantly impact returns for NEIL's portfolio. Approximately 17% of NEIL's portfolio was invested in non-U.S. dollar securities as of the end of the year.

## INVESTMENTS

Relative to NEIL's Investment Policy benchmark, the Company portfolio underperformed the benchmark by 115 basis points in 2019. The relative performance challenge results primarily from a strategic underweight to public equities, which outperformed all other asset classes by a large margin in 2019. The roughly 15% allocation to alternatives (real estate, private equity, and hedge funds) provided positive returns, but was unable to match the exuberant equity markets. NEIL continues to believe that the alternative investments allocation provides important diversification benefits. A few of the external equity managers struggled to outperform assigned benchmarks, also contributing to the relative return shortfall. External manager performance is continuously monitored and three managers were replaced during the past year.



As of early April 2020, significant economic disruption due to containment efforts for the coronavirus have quickly altered the economic landscape around the world and led to a significant decline in equity and credit markets. NEIL took steps to reduce market risk and focus on capital preservation late in the first quarter. Central bank and government efforts to support individuals, markets, and the economy are unprecedented in scale and scope. NEIL will continue to monitor events closely and share economic developments and NEIL portfolio actions with the Board of Directors throughout the year.





## MEMBER SPOTLIGHT

### STRIVING TO MEET OUR MEMBERS' NEEDS

One of our Business Plan Cornerstones is to expand non-core products and services in support of the Membership, and Members have chosen to engage in different ways. As a mutual, it is beneficial for Members to see how others are utilizing and getting value from NEIL. We therefore introduce a new segment to our Annual Report – a Member Spotlight – that focuses on a Member's experience from engaging with us. Our Spotlight this year is on Dominion Energy.



An original Member of NEIL in 1980, Dominion Energy is one of the nation's largest producers and distributors of electric and gas energy services with 7.5 million customers in 18 states. It secures insurance coverage in excess of government required levels under our core Nuclear Program for its operating nuclear units at Millstone, North Anna, Surry and VC Summer, required coverage for its shutdown plant, Kewaunee, and actively participates in our non-core products and services.

Through the end of 2019, Dominion Energy utilized our Member Conventional Programs to secure conventional property, cyber liability and excess liability coverages. It also received benefits from our Strategic Analytics services (Risk Financing Optimization and Cyber Analytics reviews) and Stewardship meetings, and partnered with NEIL Services to pilot loss control evaluations at certain conventional power generation sites.

**Gregg Crenshaw, Dominion Energy's Director – Corporate Risk**, who serves as the Member Representative and Insurance Advisory Executive Committee Representative:



"We chose to engage NEIL across multiple lines of coverage and loss control services, because in our world of managing risk and finding the optimal means to finance risk, mutual insurers such as NEIL prove to be the most efficient and best long-term partners. Dominion Energy benefited from accessing NEIL's conventional offerings. When insurance needs have arisen in the areas of cyber, excess liability and excess property, NEIL has supported our programs and provided needed capacity. Another bonus of dealing with NEIL is the transparency provided during annual stewardship meetings, where constructive discussions between NEIL's leadership team and our CFO and CRO helped us all get up to speed and aligned."

## MEMBER SPOTLIGHT

**Mark Boone, Dominion Energy's Manager – Corporate Risk Engineering and current Engineering Advisory Committee Chairman** on the loss control evaluations at Dominion Energy's conventional power generation sites:



"I see this as a win-win. Since NEIL is participating in property insurance programs that cover conventional facilities, the more familiar the NEIL Loss Control Staff is with these assets, the better they can assist NEIL Underwriting with understanding the quality of the risks they underwrite. For Dominion, having NEIL evaluate a few of our facilities provided a fresh and, in some cases, more critical (nuclear) perspective.

The nuclear industry has many "best practices" that can provide benchmarks and identify risks that our facility managers can consider. In particular, NEIL's work in the area of Turbine Generator Risk Assessment, Turbine Building Fire Protection Evaluation, and Fire Brigade Evaluations are unique evaluation methodologies that NEIL can apply while surveying our facilities. As a result, the risk reduction benefit NEIL recognized for the nuclear fleet will also be realized across our conventional steam turbine fleet."

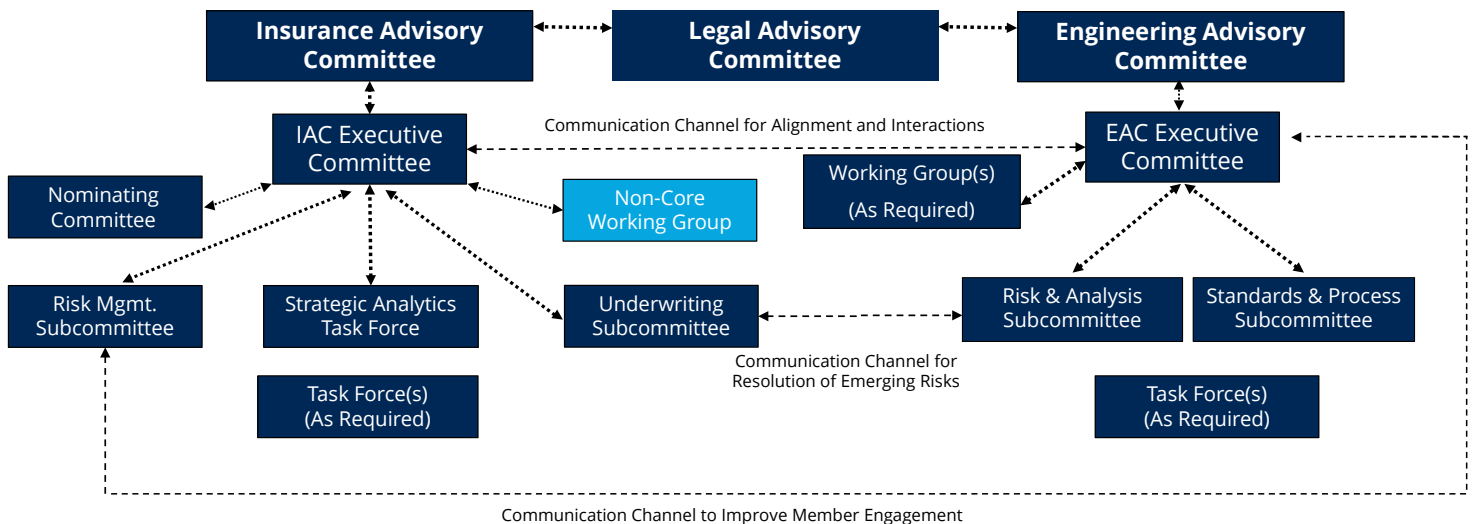


North Anna Power Station



## NEIL MEMBER ADVISORY COMMITTEES

The Advisory Committee members are to be commended for their commitment to the mutual enterprise and for input that helps the Company focus on Member priorities.





## INSURANCE ADVISORY COMMITTEE (IAC)



*I remind you that individually we may be unequal in experience, talent, or education; however, if we are equal in our commitment to working together to achieve goals for the good of the Membership, then the future is bright. MENSA studies have shown that many "average" people when working as a team, test at a "genius" level. So I say to you, put your mutual hat on and work together. As the saying goes, "If you want to go fast, go alone. If you want to go far, go together."*

~ Mark Blair

2019 Quentin Jackson Mutuality Award Recipient

For 2019, the IAC met or exceeded all five of the Committee's Primary Objectives, and its 19 Key Initiatives, through the combined efforts of the NEIL Members and Staff.

Overall, 38 representatives from all three Member Advisory Committees participated in efforts to meet the IAC's Objectives, contributing numerous hours and valuable expertise. Additionally, Member representatives and their brokers continued to provide important oversight and support for the Non-Core Working Group that assists NEIL in evaluating potential new products and services - such as excess liability and strategic analytics - and provides critical insights into marketplace and energy mutual company dynamics.

2019 was a quiet year from an IAC leadership perspective with Mike Mee (Exelon) and Ron Rispoli (Entergy) continuing as Chair and Vice Chair. The IAC did welcome one new member to the Executive Committee in 2019, Meredith Quick of NextEra Energy.

The IAC Representative Feedback Portal was launched in 2019. The Feedback Portal, which is modeled on the portal used during the Nuclear Policy Deep Dive Review, provides IAC members with the ability to provide input to the Company on any matter, at any time. Underwriting

reviews all information submitted and presents it to the IAC Executive Committee for consideration and prioritization. The Portal is an important component to a transparent, sustainable communication process that ensures all Members have an opportunity to submit feedback, ideas and questions for consideration by IAC leadership.

The Policy Forms Subcommittee achieved the final milestone for the Nuclear Policy Deep Dive Review by completing its assessment of the last set of comments submitted by the Members during the policy form review process. The response document, along with the rest of the Deep Dive documents, are posted on the IAC Representative Feedback Portal. The Subcommittee underwent a leadership change for 2019 with Lisa Hough (OPPD) becoming the Chair and Pete Nadel (FirstEnergy Corp.) assuming the Vice Chair role. The Subcommittee approved a Payment for Cyber Events endorsement developed by a Task Force led by Greg Umscheid (Evergy) that included Koldo Camiruaga (Iberdrola) and Rich Sayette (Exelon) of the IAC, along with Jeff Weikert (El Paso Electric) of the LAC. We thank them for their extra time and efforts in working with Stephen Woods of NEIL Overseas to finalize the endorsement. Related to this effort, the Company also

## INSURANCE ADVISORY COMMITTEE (IAC)

updated the Payments for Acts of Terrorism endorsement to ensure uniformity of language for common provisions between the two endorsements. Both endorsements were approved by the IAC and the NEIL Board for issuance, effective April 1, 2020.

The Risk Management Subcommittee successfully completed multiple tasks as part of its ongoing Operational Effectiveness Review. Led by Steven Lloyd (TVA) and Lance Burnette (Duke Energy), the Subcommittee provides support and recommendations for NEIL Staff in pursuit of process improvement and value creation. In 2019, the Subcommittee received updates to track the implementation of recommendations made at the end of 2018 and was satisfied with the progress made. The Subcommittee reviewed all Quality of Service Questionnaire and Member Engagement Survey feedback received from the end of 2018 through the third quarter of 2019 and recommended four action items for NEIL Staff in 2020:

- Develop specific resources to improve Member familiarity with NEIL, its services, technology, etc.
- Expand existing, and create additional, core and non-core products and services
- Improve collaboration, engagement and pursuit of efficiencies among the Mutuals
- Enhance Member engagement through education

The Underwriting Subcommittee, under the leadership of Bob Miller (Xcel Energy) and Gregg Crenshaw (Dominion Energy), completed the first annual Premium Adequacy Review. The Review, which previously was a multi-year effort, will now be completed annually to promote more regular assessments of aggregate premium levels, underwriting guidelines and underwriting policies. The objective is to support pricing stability and certainty. For the fifth straight year, the Subcommittee recommended, and the IAC approved, no rate increases (except for inflation) for the core Nuclear Program.

The IAC looks to continue building on its 2019 accomplishments, with the effective engagement of the IAC members remaining critical to the Company's success.

### IAC Subcommittee Changes

*At the beginning of 2020, the Policy Forms Subcommittee merged into the Risk Management Subcommittee. Members from the Policy Forms Subcommittee joined the Risk Management Subcommittee, with continued representation from the Legal Advisory Committee. Lance Burnette is the Subcommittee Chair and Pete Nadel is the Vice Chair.*





## ENGINEERING ADVISORY COMMITTEE (EAC)



*Oconee Nuclear Station*

The EAC completed several important activities in 2019, with strong support from the NEIL Loss Control Staff. The five Key Focus areas identified by the EAC Executive Committee for 2019 were Proactive Loss Prevention, Enhanced Member Engagement, Operational Excellence, Continuous Improvement, and Personnel Professional Development. NEIL Members, Leadership and Staff contributed to the completion of the tasks prioritized for 2019. The EAC approved changes to NEIL's Loss Control Standards' Implementation Guidance that supports the performance of proactive plant evaluations.

The EAC leadership, Chair Mark Boone (Dominion Energy) and Vice Chair John Lattner (Southern Nuclear), led the assessment of the EAC's strategic direction and the continued support of NEIL's transition to consequence-based loss control. The EAC Executive Committee experienced personnel changes in 2019, with Brian Hohman (AEP) and Matthew Benac (APS) joining during the year. Alan Holder (Duke Energy) shifted roles within the Executive Committee, becoming the Standards & Process Subcommittee Chair.

The Risk & Analysis Subcommittee, chaired by Mark Manoleras (Energy Harbor Nuclear Operating Company), examined trends in the industry and opportunities for coordination with the IAC Underwriting Subcommittee. The Subcommittee is reviewing opportunities to improve Member performance and reduce NEIL's exposure. It established a plan to review Member reporting requirements to align with exposure reduction efforts, and how credits are used to incentivize loss prevention activities. The review and implementation of the changes to the credit program is expected to be an area of future coordination with the IAC.

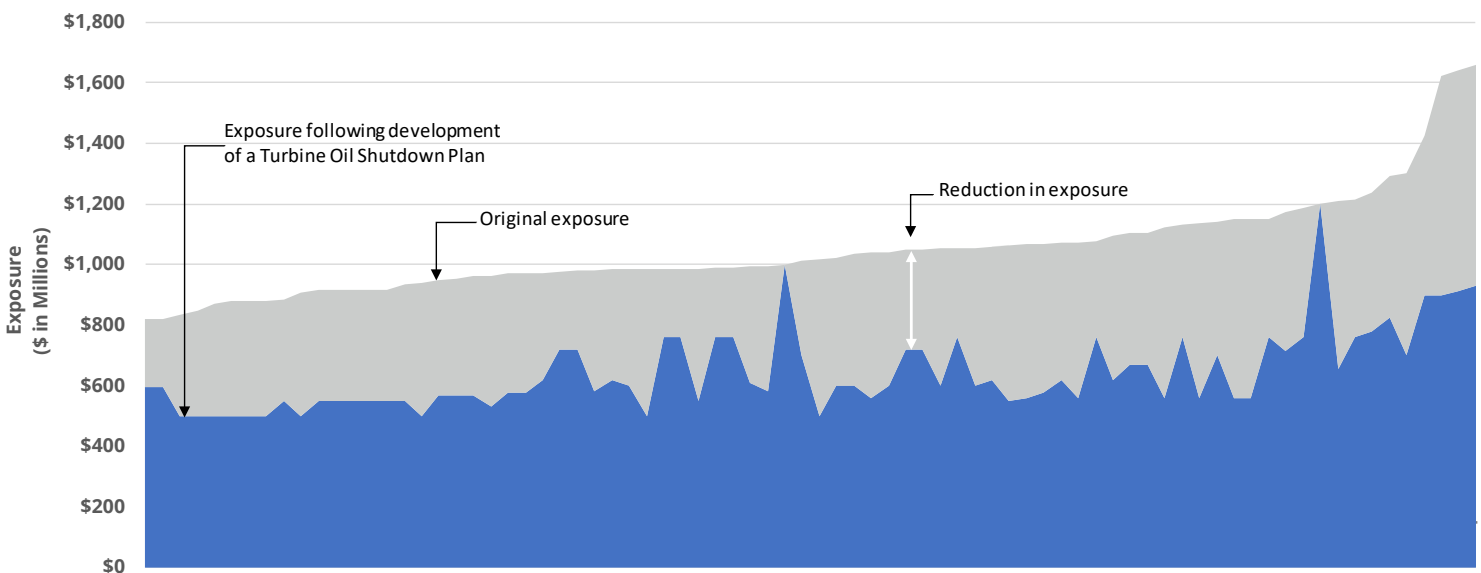
## ENGINEERING ADVISORY COMMITTEE (EAC)

The Standards & Processes Subcommittee developed changes to the Auxiliary Boiler and Power Boiler Standards, removing duplicative language within the Standards that were approved by the Board of Directors. The Subcommittee continues its work on high pressure turbine inspections and other potential improvements for the Loss Control Standards.

As we head into 2020, the EAC will continue to coordinate efforts with NEIL Loss Control to support the Company's focus on a more consequence-based approach to loss prevention.

*An important success story for the Members is their response to the Turbine Building Fire Protection Task Force's recommendations to limit the spread of oil and quickly shut down the supply of oil in the event of a fire. The recommendations have been aggressively pursued by the Membership since adoption into the Loss Control Standards on January 1, 2019, with Member sites establishing guidance or having appropriate plans to implement an oil shutdown plan. Members adopting guidance receive 500 Primary Property Credit points. At year-end 2019, we are pleased to report that over 90% of our insured Member plants have established appropriate guidance and the remaining plants are in process. We thank the Members for embracing the recommendations of the Task Force and reducing turbine fire exposures.*

### Exposure of Turbine Oil Fires



Implementing an Oil Shutdown Plan provides an average 30% reduction in the maximum foreseeable property damage exposure.





## LEGAL ADVISORY COMMITTEE (LAC)



*Point Beach Nuclear Plant*

The LAC continues to play an important role by helping promote the education of Members' Legal Counsel and supporting joint Member Subcommittees and NEIL. LAC leadership, Chair Dutch Bumgardner (Dominion Energy) and Vice Chair Jeff Weikert (El Paso Electric), and NEIL Legal Staff continuously look for opportunities to engage Members' Legal Counsel in Advisory Committee and other NEIL initiatives. Over the years, Members' Legal Counsel have made important contributions to joint Advisory Committee efforts.

During 2019, three LAC members continued to serve on the IAC's Policy Forms Subcommittee. We commend LAC members Pete Glass (Xcel Energy) and Jeff Weikert for their continued work with the Subcommittee. We also thank Al Bynum (Dominion Energy) for his continued support of the Subcommittee following his departure from the LAC early in 2019. Jeff also supported the IAC's Cyber Events Endorsement Task Force.

The LAC met in June, in conjunction with the Annual Policyholder Meeting. At the meeting, the LAC discussed current activities and asked NEIL legal to initiate a review of the Legal Opinion process. The Committee also appointed three Members' Legal Counsel to the LAC – Khristi Driver (Southern Company), Steven Fleischer (PSEG) and Debbie Hendell (NextEra Energy). We thank them for their support. The Committee discussed planning for the next Members' Legal Counsel Conference, which will be a joint session with the biennial Claims Workshop. Due to the coronavirus outbreak, the Conference has been postponed to March 2021.



## UNDERWRITING



*Copper Mountain Solar 1*

During 2019, the Underwriting Department continued to improve underwriting capabilities and discipline. Enhancements to the Stewardship meetings, Service Delivery Team processes, and Strategic Analytics packages are examples of efforts towards excellence in service on behalf of the Membership. While providing Nuclear Property and Accidental Outage insurance remains our core business, Underwriting is expanding the products and services available to the Members through the Member Conventional line of business. The Department achieved its Business Plan goal of 75% Member utilization of Conventional products two years ahead of schedule. With this, 2019 marked the first time that utilization of the Member Conventional Program outpaced that of the Member Nuclear Program. In addition to positive underwriting results for the year, the Department conducted 21 Stewardship meetings, hosted the annual Risk & Insurance Workshop and held Non-Core Working Group Meetings. The Department also delivered 38 Strategic Analytics packages consisting of six Whole Program RFO reports, 13 Core Nuclear Program reports that focus on policy benchmarking data including limit and deductible profiles by program, and 19 Cyber Analytics reports.

An area of unanticipated activity in 2019 pertained to Members transferring ownership and licensing of shutdown nuclear plants to non-member companies, with the non-member companies requesting insurance coverage from NEIL. Fulfilling this request required a coordinated effort between Underwriting and Legal to develop a non-member Shutdown Site Property Policy form that is based on the Primary Property Policy form but tailored to address the risks and coverages needed for shutdown sites. For 2019 three policies were issued to non-member insureds and Underwriting held four Stewardship meetings to support the non-member partners.

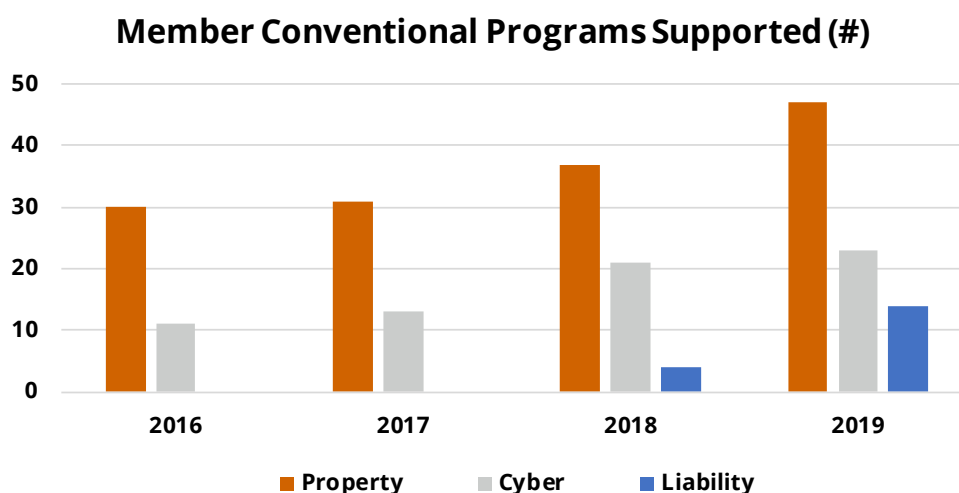
## UNDERWRITING

The Department also had an active year from a staffing perspective, including some unfortunate turnover. While two underwriters departed, the positions were efficiently re-staffed with equally talented people who have made an immediate and positive impact. We continue to evaluate Underwriting staffing levels. The successful expansion of our Member Conventional products and services over the past three years increased the volume of insurance policies underwritten by the non-core Staff by more than 60%.

Regarding the core Nuclear Program, all expiring policies for operating facilities that renewed in 2019 transitioned to the new Nuclear policy forms that resulted from the three-year Policy Deep Dive initiative. During the year, two nuclear sites permanently shut down – Pilgrim and Three Mile Island. Excluding the sites that permanently shut down, program and policy retention rates for 2019 were 100% for the Nuclear Property Program and 98% for the Accidental Outage (AO) Program. Total limits deployed fell 2.2% to \$184.2 billion and there were usual and customary adjustments to several programs as risk managers optimized their programs in response to shifting exposures, goals and objectives. Total capacity requested from the Members continued to trend down, as anticipated, due to lower asset valuations, plant shutdowns and efforts to reduce premium expenditures. This led to gross written premium for the core Nuclear Program falling 11.9% to \$243.8 million for the year. Despite the challenges, through disciplined underwriting and engagement with the IAC, the Company provided cost stability and contract certainty for the industry.

The non-core programs (Member Conventional and Non-Member business) performed ahead of plan while continuing to remain within enterprise and insurance program level risk appetites. A strong emphasis on the program-specific Underwriting Policies and Guidelines continued to drive further improvements in underwriting discipline and performance.

With the support of the Non-Core Working Group and consistent with stated objectives and risk tolerances, the Department expanded the Member Conventional business with the successful April launch of the NEIL Excess Liability product. Member utilization for Excess Liability hit 27% by year end. In addition, enhanced RFO Strategic Analytics services were rolled out to Members with utilization interest exceeding 42% of Members.





## LOSS CONTROL

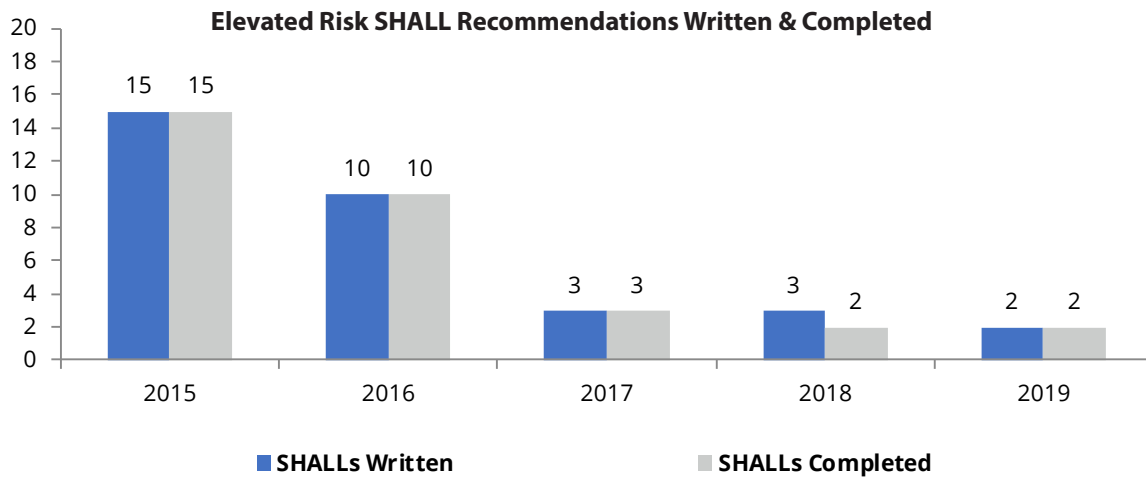


*Alvin W. Vogtle Electric Generating Plant, Units 3 & 4*

In 2019, Loss Control maintained its focus on identifying and mitigating exposures through the plant evaluation process and developing Member Service Plans to help focus resources on important risk areas. The Department has established a goal to promote loss prevention through forward-looking evaluations while maintaining alignment with the industry and developed a Vision 2022 for Loss Control to guide this effort. Achieving the Vision is expected to improve performance within the Membership and the efficient communication of site risk information, and provide flexibility within Loss Control to support new Member services. Several actions to reach the goals have already been completed with detailed plans developed to ensure success.

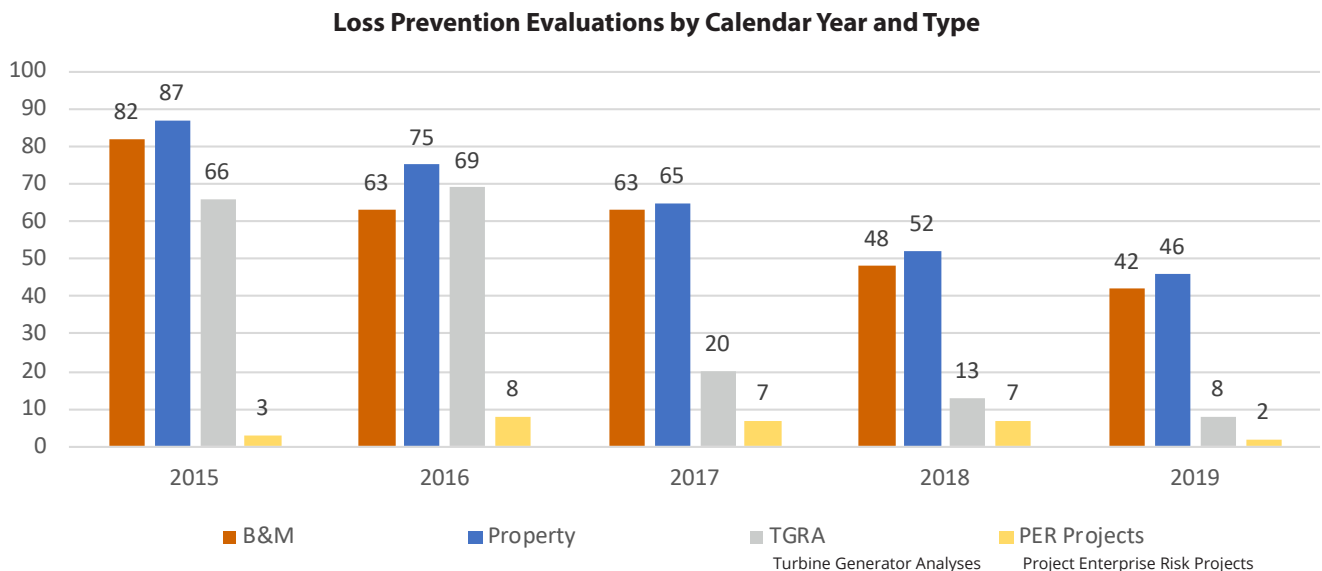
In July, Loss Control hosted a Property Plant Contact Workshop in conjunction with industry Regional Fire Protection Meetings. Coordinating these meetings reduced travel requirements for Members and provided cost savings. The two-day event included presentations from NEIL Services Staff and Members on their operating experiences. Breakout sessions facilitated by Members discussed topics that included Fire Brigades and Fire Protection Engineering exposures and mitigating actions. The Workshop had a record attendance of 143 Member personnel, evidencing the value Members place on this annual event.

## LOSS CONTROL



A key mindset supporting the transition to loss prevention is to view each encounter with Members as an opportunity to add value. Our Loss Control Representatives work with the Members to explore ways to focus on loss prevention activities that provide value to the Members. The intent is to direct more focus on those risks that carry the greatest consequences, while identifying and de-emphasizing activities that are not cost effective in reducing or eliminating risk. This is an ongoing effort to support the objectives of continuous improvement and alignment with industry organizations. As an example, Loss Control Evaluation Reports were enhanced to include Risk Scenarios that communicate the consequences of observed conditions at Member sites and allow for additional monitoring between site visits. Members have provided positive feedback on the new format.

One significant project undertaken by Loss Control in 2019 was to engage with Dominion Energy in a pilot program to have NEIL's Loss Control Representatives conduct evaluations of conventional sites, a new service we can provide to the Members.





## LOSS CONTROL



*St. Lucie Nuclear Power Plant*

In addition to supporting the work of Subcommittees and Task Forces, Loss Control Staff continues to actively engage on important broader-industry matters. The coordination with industry groups such as INPO, NEI and EPRI helps prevent overlapping activities, keeps the Loss Control Department abreast of industry issues and trends, and supports resolution of industry issues impacting the Members.

## OPERATIONAL HIGHLIGHTS



### FOCUSING ON OUR MEMBERS

Member service continues to drive the Company's engagement with the Members. The strong individual relationships developed with Member stakeholders, who also provide feedback and direction, remains a unique attribute of our organization. As Members' business models adjust to changes in the nuclear power industry, NEIL must also adjust to ensure our products and services appropriately respond. Throughout 2019, Staff reviewed our services and processes to put the Company in a better position to meet Members' evolving needs into 2020 and beyond.

Feedback showed notable improvement in our overall engagement with the Members in 2019. The composite score on Member Feedback Surveys, with over 400 Surveys submitted during the year, increased to 4.60 (out of 5.00) for 2019, as compared to 4.33 for 2018.

The Annual Policyholders Meeting (APM), held in conjunction with the Annual General Meeting, was again one of our main events during the year. It is a strong forum for communication among NEIL Leadership, Staff and the Members, while providing a good opportunity for direct interaction among the NEIL Board, Member Representatives, members of the three Advisory Committees, and guests from multiple companies (nuclear and insurance) that support the Members. The 2019 APM attendees included guests from NEI, INPO, ANI, EIM, AEGIS, EMANI, Marsh, Guy Carpenter, Aon, and McGriff, among others.

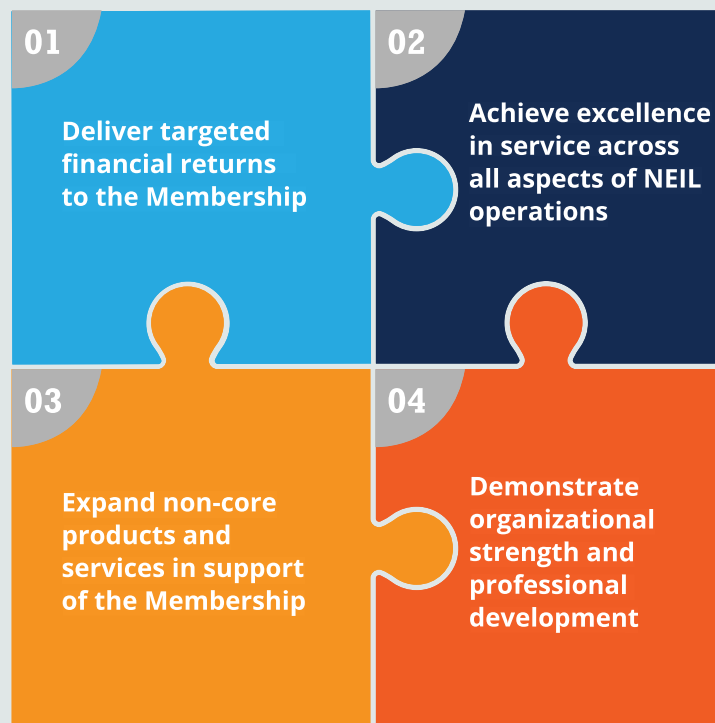




## OPERATIONAL HIGHLIGHTS

### BUSINESS PLAN REVIEW

NEIL maintains a three-year Business Plan as a roadmap towards fulfilling the directive to focus on serving the Members by improving our products and services, and evaluating more efficient and cost-effective risk transfer options. The organization of our goals around four Cornerstones helps organize product and service delivery objectives, reinforces alignment with the Members, and promotes transparency for the Board, Members and Staff regarding our strategic goals and how we are performing. The three-year planning horizon fosters a balance in our focus between short-term and long-term initiatives, and helps support planning and internal workload management. We update the Plan annually, such that each year we initiate a new three-year Plan. The four Cornerstones that support our Vision and Mission are:



### NOTEWORTHY FOR 2019, THE COMPANY...

- Began to offer capacity to support our Members' Excess Liability Insurance programs
- Maintained a robust Member Engagement Survey process, with improved engagement scores
- Held multiple Member meetings and workshops during the year, including the Property/Fire Protection Workshop and Risk & Insurance Workshop
- Implemented operational improvements, including a more efficient and timely financial close process, supporting better service to external customers
- Completed the first Loss Control evaluation of a Member's conventional sites
- Expanded the analytics products and services available to the Members
- Exceeded Conventional program retention and growth targets
- Eleven employees received degrees or industry-related designations/certificates



## OPERATIONAL HIGHLIGHTS

### RISK MANAGEMENT

In 2019, advancing our Risk Management practices continued with an eye toward capital optimization, Membership financial returns, internal control enhancement, and corporate governance.

Leveraging AM Best's capital criteria, the Company was able to employ the rating agency's capital adequacy model to revise Target Surplus and increase the Company's capital efficiency. The revised Target Surplus, coupled with portfolio stress testing and scenario analysis, enabled an increase in financial returns to Members while ensuring a level of distribution sustainability into the future under all but the most severe loss and market downturn scenarios.

PwC, NEIL's third-party internal auditor, conducted a review of our Enterprise Risk Management Framework with only minor recommendations noted. The Company continued to maintain and strengthen internal control practices and cyber security, which included ongoing testing and employee training.

Leadership and the Board reviewed our enhanced Corporate Governance Framework, noting the Framework is designed to promote effective and prudent management that can deliver the long-term success of the company. The Framework outlined the recurring cycle of review activities, including the regular evaluation of Key Risk Indicators (KRIs), Key Performance Indicators (KPIs), Strategic Risk Assessment, Risk Appetite Statement(s), the Three-Year Business Plan, budgets, forecasts, and other operational and strategic activities.

NEIL remains committed to proactive and effective risk management practices, evaluating risk in an integrated manner across the enterprise, and ensuring effective implementation by leveraging recurring reviews with NEIL Staff, Leadership and Board of Directors.

### INFORMATION TECHNOLOGY

NEIL is committed to leveraging technology to provide effective IT products and services to support Staff and the Members. Web-based services like Diligent, Directors Desk and Cvent, along with our Company website, are just some of the tools utilized to enhance the Member experience. Our commitment to technology means striving for excellence in implementing resources that meet Staff and Member needs while giving strong consideration to security risks, both internally and externally. To accomplish this, the Company adheres to the National Institute of Standards and Technology (NIST) framework, with a core formula of Identify, Protect, Detect, Respond and Recover.

Mitigating security risk was the major focus for our Technology team in 2019. We implemented several initiatives to protect Company data. This included multifactor authentication for core systems; network access controls to protect access to internal systems; and privilege access management to control and audit access to critical systems. These tools provide extra layers of security for our data and allow us to have clear governance and oversight of our internal systems to help mitigate considerable security incident risk.

Our technology initiatives support our Business Plan, which in turn impacts the service to the Members. We will continue to look for new ways to use technology that supports the Membership.



## OPERATIONAL HIGHLIGHTS

### NEIL OVERSEAS

Nuclear power in Europe continues to exist in a challenging political and fiscal environment, with pressure on long-term operation and license extensions. European public opinion regarding energy production appears to have shifted during 2019, with a greater focus on reducing carbon emissions and an acknowledgement that existing low-carbon nuclear power production facilities, along with new nuclear, should be part of the solution.

The risks and challenges of our European Members have been, and continue to be, a focus for NEIL Overseas. Our regular Member engagements have allowed us to tailor our loss prevention and underwriting support accordingly.

Premium income for NEIL Overseas from Member Nuclear decreased marginally in 2019. Member Conventional premium increased as a result of expanded participation on existing programs and new support for an international conventional construction project. Staff engaged with Members throughout 2019, gaining a better understanding of their conventional programs with a view to participation in 2020. From a non-member perspective expiring programs renewed. No new non-member opportunities that were considered in 2019 reached the point where support was offered. However, multiple opportunities are in the pipeline for consideration in 2020.

Our European Members remain actively engaged in both the Engineering and Insurance Advisory Committees. Two long-standing and engaged European representatives retired in 2019 - Javier Sagrera Vilaseca, the IAC Representative for Naturgy Energy Group, S.A., and Francisco Figuerola Sequi, the EAC Representative for Endesa. We thank them both for their contributions and service to NEIL and NEIL Overseas, and wish them well. We have welcomed their replacements and are working to ensure the same level of engagement through 2020.

NEIL Overseas and NEIL Services Spain provided strong Loss Control support in Europe with regular evaluations, technical project reviews, Project Enterprise Risk (PER) reviews, the delivery of a bespoke loss control workshop, and the completion of conventional desk-top reviews. Claims were coordinated out of Dublin, with adjusting support provided by NEIL Services in Wilmington.

Following actuarial feedback during the 2018 ORSA (Own Risk and Solvency Assessment) process, the NEIL Overseas Board spent the end of 2018 and the first quarter of 2019 considering the appropriateness of the Solvency II Standard Model. As a result of this review, action was taken mid-year to ensure the strictest adherence to the Solvency II capital requirements. This saw the NEIL Overseas Solvency Capital Requirement (SCR) increase from a 1-in-200 to a 1-in-10,000 type event, resulting in an increase in SCR of approximately (US)\$40 million.

## OPERATIONAL HIGHLIGHTS

NEIL Overseas ended 2019 with a combined loss ratio of 22.8%, compared to 19.8% in 2018, Solvency II Capital reserves of \$91.4 million, compared to \$74.3 million in 2018, and a regulatory SCR of \$63.2 million, compared to \$23.7 million in 2018, giving an SCR ratio of 145%, as compared to 313% in 2018. While the new SCR ratio is a significant change, it is still materially in excess of our 125% buffer point.

Two independent directors stepped down in 2019 - Mr. Ian Clancy in June, having held his position since NEIL Overseas was formed in 1998, and Ms. Michelle Moore in September, following three years on the Board. Both Ian and Michelle's independent viewpoint and advice were highly valued by NEIL Leadership. We welcomed two new independent directors. Ms. Ruth Patterson and Mr. Bob Frewen joined the Board following the September meeting. Ms. Patterson has over 25 years of audit experience, where she specialized in providing external audit, internal audit and advisory services to clients across the financial services industry spectrum, most recently in her capacity as signing director at PwC. Mr. Frewen has over 30 years of wide-ranging experience in the global insurance sector, working with insurance partnerships and insurers in both the United States and France, and most recently as an independent director. We look forward to the benefit of their independent insight and experience over the coming years.

NEIL Overseas maintained a plan of action that covered BREXIT eventualities through 2019. The UK departed the EU with a withdrawal agreement in place, but as an EU-domiciled insurer we can continue to write into the UK during the implementation period, which currently ends on January 1, 2021. NEIL Overseas signed up to the UK's Temporary Permissions Regime (TPR), which will come into effect if a final trade agreement is not reached. We will continue to monitor the situation through 2020.



### IN MEMORIAM

It is with great sadness that we heard in January 2020 of the passing of former NEIL Overseas independent non-executive director **Ian Clancy**. Ian assisted NEIL in the creation of NEIL Overseas in 1998 and remained on its board until June 2019. His knowledge, insight and sage advice over more than 20 years was much appreciated by NEIL Leadership. Ian was very active in the Irish soccer community, was a keen amateur photographer and was always fantastic company. We extend our deepest sympathy to his wife Jill and children Caoimhe, Eoin and Hugh. May he rest in peace.



## OPERATIONAL HIGHLIGHTS



Kevin Gravatt, Amy Eachus  
& Annette DiBernardino



Bruce Sassi & Lillian Rohan  
2019 David B. Ripsom  
President's Award Recipient



Jeffrey Butler



Lora Haskell



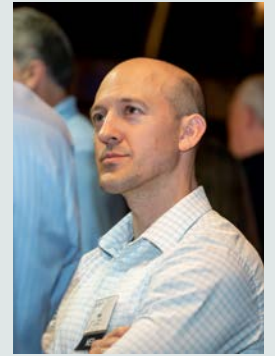
Robert Posey



Nicholas Carosella  
& Michael Stanley



Matthew Beck



Dan Robinson

## EMPLOYEE LEADERSHIP AND DEVELOPMENT

NEIL encourages its employees to pursue professional development through many opportunities, in the form of programs inside and outside of NEIL. We believe professional development is invaluable to our success in meeting the ever-changing needs and challenges of the Members, advancing the skills of our employees, and promoting employees' individual career growth.

During 2019, eleven employees achieved either professional designations or certifications through external organizations that directly supported their role in advancing our ability to support the Members. During 2019, we continued with an annual in-house Training Day event in which employees received training on several topics, including risk management, cyber security, our code of conduct and compliance, and the importance of a respectful workplace. We also provided internal leadership development opportunities for all directors and managers through our Leadership Academy that was created in partnership with Penn State University's Smeal College of Business.



## COMMITTEES

As of March 31, 2020

### IAC Executive Committee

**MARK BLAIR**

*Director, Risk Management*  
Union Electric Company

**LANCE BURNETTE**

*Insurance Manager*  
Duke Energy Corporation

**GREGG CRENSHAW**

*Director - Corporate Risk*  
Dominion Energy

**DEBORAH GAFFNEY**

*Director - Risk Management*  
Southern Company

**LISA HOUGH, JD, CPCU, ARM**

*Manager - Risk Management*  
Omaha Public Power District

**MICHAEL MEE (CHAIR)**

*Director, Insurance*  
Exelon Generation Company, LLC

**ROBERT MILLER**

*Director, Hazard Insurance*  
Xcel Energy Inc.

**PETER NADEL**

*Manager - Corporate Insurance*  
FirstEnergy Nuclear Generation, LLC

**ROGER OLSON**

*Manager - Corporate Insurance*  
DTE Energy

**MEREDITH QUICK**

*Senior Director Risk Management*  
NextEra Energy, Inc.

**RONALD RISPOLI, CRM (VICE CHAIR)**

*Director Risk and Insurance*  
Entergy Services, Inc.

**CRISTINA SAN SEBASTIÁN HECHT**

*Risk Manager*  
Iberdrola, S.A.

**GREG UMSCHIED**

*Senior Director, Risk Management*  
Eversource Energy, Inc.



Pictured: Standing – Greg Umscheid, Bob Miller, Gregg Crenshaw, Mark Blair, Roger Olson, Lance Burnette  
Seated – Lisa Hough, Mike Mee, Pete Nadel

Not pictured: Debbie Gaffney, Meredith Quick, Cristina San Sebastian Hecht

## COMMITTEES

As of March 31, 2020

### EAC Executive Committee

**BRIAN ADAMI**

*Capital Projects Manager  
Energy Northwest*

**MARK BAKER**

*Supervisor, Reliability Engineering  
Pacific Gas and Electric Company*

**MATTHEW BENAC**

*Risk Programs Manager  
Arizona Public Service Company*

**MARK BOONE SR., P.E. (CHAIR)**

*Manager, Corporate Risk Engineering  
Dominion Energy, Inc.*

**UNDRENIA BURNSIDE**

*Supplier Program Manager  
Institute of Nuclear Power  
Operations*

**ALI FAKHAR**

*Corporate Engineering Services  
Manager  
PSEG Power LLC*

**JOHN HENDERSON**

*Nuclear Oversight Rotational Position  
Luminant Generation Company LLC*

**BRIAN HOHMAN**

*NSSS Supervisor  
American Electric Power Service Corp.*

**ALAN HOLDER**

*Lead Nuclear Engineering  
Technologist  
Duke Energy Corporation*

**JOHN LATTNER (VICE CHAIR)**

*Fire Protection Principal Engineer -  
Engineering Programs  
Southern Nuclear Operating  
Company*

**MARK MANOLERAS**

*Engineering Director  
FirstEnergy Nuclear Operating  
Company*

**RAUL ORIVE**

*Head of Support Engineering  
Department and Assets Management  
Iberdrola Generación Nuclear, S.A.*

**ANNE ROBINSON-GIVENS**

*Senior Manager - Asset Management  
Programs  
Tennessee Valley Authority*

**ROBERT TOMALA**

*Generation NEIL & ANI Program  
Manager  
Exelon Generation Company, LLC*



Pictured: Standing - Raul Orive, John Lattner, Anne Robinson-Givens, Bob Tomala, Alan Holder, Brian Hohman, Mark Baker, Brian Adami

Seated - Mark Manoleras, Mark Boone, Phillip Bradley, Undrenia Burnside, John Henderson, Ali Fakhar

Not Pictured - Matthew Benac





## COMMITTEES

As of March 31, 2020

### LAC

**MARC BEYENS**

*General Counsel Energy Belux  
Electrabel S.A.*

**RUDOLPH BUMGARDNER IV (CHAIR)**

*Managing General Counsel  
Dominion Energy, Inc.*

**JON CHRISTINIDIS**

*Regulatory & Nuclear Attorney  
DTE Energy*

**TAMRA DOMEYER**

*Associate Legal Counsel  
Exelon Generation Company, LLC*

**KHRISTI DRIVER**

*Associate General Counsel,  
Compliance & Concerns Director  
Southern Company*

**PETER GLASS**

*Assistant General Counsel  
Xcel Energy Inc.*

**MICHAEL GREEN**

*Associate General Counsel - Nuclear  
& Environmental  
Pinnacle West Capital Corporation*

**ROBERT HAEMER**

*Senior Nuclear Counsel  
American Electric Power Company*

**KIMBERLY HARSHAW**

*General Counsel  
STP Nuclear Operating Company*

**DEBBIE HENDELL**

*Managing Attorney - Nuclear  
NextEra Energy, Inc.*

**TRACEY LEROY**

*Associate General Counsel  
Duke Energy Corporation*

**ROBIN REILLY**

*Senior Counsel  
Pacific Gas and Electric Company*

**JEFFREY WEIKERT (VICE CHAIR)**

*Senior Corporate Counsel  
El Paso Electric Company*



Pictured: Standing – Tamra Domeyer, Dutch Bumgardner, Debbie Hendell, Jon Christinidis, Pete Glass, Robin Reilly, Jeff Weikert

Seated – Budd Haemer, Steven Fleischer\*, Khristi Driver, Tim Ngau\*

Not Pictured: Marc Beyens, Mike Green, Kym Harshaw, Tracey LeRoy

\* Mr. Fleischer and Mr. Ngau have stepped down from the LAC

## BOARD OF DIRECTORS / LEADERSHIP

### Board of Directors

**NICHOLAS K. AKINS (VICE CHAIR)**

*Chairman, President & CEO*  
American Electric Power Company,  
Inc.

**W. PAUL BOWERS (CHAIR)**

*Chairman, President & CEO*  
Georgia Power Company

**ROBERT M. BLUE**

*Executive VP and Co-Chief Operating  
Officer*  
Dominion Energy

**PATRICIA K. COLLAWN**

*Chairman, President & CEO*  
PNM Resources, Inc.

**THERESA (TERRI) BROWN**

*Independent Director*

**WILLIAM J. FEHRMAN**

*President & CEO*  
Berkshire Hathaway Energy

**RALPH IZZO**

*Chairman, President & CEO*  
Public Service Enterprise Group

**DHIAA M. JAMIL**

*Executive VP and Chief Operating  
Officer*  
Duke Energy Nuclear

**ANDREW (DREW) MARSH**

*Executive VP and CFO*  
Entergy Corporation

**JEANNE L. MOCKARD**

*Independent Director*

**ROBERT P. RESTREPO, JR.**

*Independent Director*

**BRUCE A. SASSI**

*President & CEO*  
Nuclear Electric Insurance Limited

**WILLIAM A. VON HOENE, JR.**

*Sr. Executive VP & Chief Strategy Officer*  
Exelon Corporation

### Principal Officers

**W. PAUL BOWERS (CHAIRMAN)**

*Chairman, President & CEO*  
Georgia Power Company

**NICHOLAS K. AKINS (VICE  
CHAIRMAN)**

*Chairman, President & CEO*  
American Electric Power  
Company, Inc.

**BRUCE A. SASSI**

*President and CEO*

**ANNA ARENA**

*Sr. Vice President & CFO*

**GREGORY J. BLACKBURN**

*Vice President & Chief Investment  
Officer*

**KENNETH C. MANNE, ESQ.**

*Sr. Vice President - Corporate  
Services, General Counsel &  
Secretary*

**R. BENJAMIN (BEN) MAYS**

*Vice President - Loss Control*

**SHAWN M. GALBRAITH**

*Vice President - Claims*



## MEMBERS

As of March 31, 2020

Alabama Power Company	Electrabel S.A.
American Electric Power Company, Inc.	Endesa Generación, S.A.
Arizona Public Service Company	Energy Harbor Nuclear Generation, LLC
Bonneville Power Administration	Entergy Arkansas, LLC
City of Anaheim	Entergy Louisiana, LLC
City of Riverside	Entergy Mississippi, LLC
Comanche Peak Power Company LLC	Entergy New Orleans, LLC
Connecticut Yankee Atomic Power Company	Entergy Nuclear Indian Point 2, LLC
Consolidated Edison Company of New York, Inc.	Entergy Nuclear Indian Point 3, LLC
Consumers Energy Company	Entergy Nuclear Palisades, LLC
Department of Water and Power of the City of Los Angeles	Exelon Generation Company, LLC
Dominion Energy Kewaunee, Inc.	FirstEnergy Corp.
Dominion Energy Nuclear Connecticut, Inc.	Florida Power & Light Company
Dominion Energy South Carolina, Inc.	Georgia Power Company
DTE Electric Company	Iberdrola Generación Nuclear, S.A.
Duke Energy Carolinas, LLC	Indiana Michigan Power Company
Duke Energy Florida, LLC	Interstate Power and Light Company
Duke Energy Progress, LLC	Kansas City Power & Light Company
EDF Inc.	Kansas Electric Power Cooperative, Inc.
EDP ESPAÑA, S.A.	Kansas Gas and Electric Company
El Paso Electric Company	Long Island Lighting Company d/b/a LIPA



## MEMBERS

As of March 31, 2020

Madison Gas & Electric Company

MidAmerican Energy Company

Minergy LLC

Municipal Electric Authority of Georgia

Naturgy Generación, S.L.U.

Nebraska Public Power District

New York State Electric & Gas Corporation

NextEra Energy Capital Holdings, Inc.

Niagara Mohawk Power Corporation

Northern States Power Minnesota

NRG Energy, Inc.

Nuclenor, S.A.

Omaha Public Power District

Pacific Gas and Electric Company

PSEG Power LLC

Public Service Company of New Hampshire

Public Service Company of New Mexico

Rochester Gas & Electric Corporation

Sacramento Municipal Utility District

Salt River Project Agricultural Improvement  
and Power District

San Diego Gas & Electric Company

Southern California Edison Company

Southern California Public Power Authority

STP Nuclear Operating Company

Susquehanna Nuclear, LLC

System Energy Resources, Inc.

Tennessee Valley Authority

The Connecticut Light and Power Company

Union Electric Company

Virginia Electric & Power Company

Western Massachusetts Electric Company

Wisconsin Power & Light Company

Wisconsin Public Service Corporation





## MEMBER REPRESENTATIVES

As of March 31, 2020

### TRACI BENDER

Vice President & Chief Financial Officer  
Nebraska Public Power District

### MARK BLAIR

Director, Risk Management  
Union Electric Company

### KEITH BUTLER

SVP, Global Risk Management & Insurance  
Duke Energy

### STEPHEN CAIRNS

Vice President, Internal Audit & Chief Risk Officer  
Pacific Gas and Electric Company

### SUSAN CUNNINGHAM

SVP, Regulatory and Government Affairs and General Counsel  
Kansas Electric Power Cooperative, Inc.

### GREGG CRENSHAW

Director - Corporate Risk  
Dominion Energy

### JOHN DRAFTZ

Manager - Risk, Insurance & Claims  
Arizona Public Service Company

### THOMAS FALCONE

Vice President of Finance and Chief Financial Officer  
Long Island Lighting Company d/b/a LIPA

### JAMES FULLER

President & CEO  
MEAG Power

### DEBORAH GAFFNEY

Director - Risk Management  
Southern Company

### JOY GAO

Director of Risk Management  
San Diego Gas & Electric Company

### ADOLFO GARCÍA NOMBELA

Head of Finance & Insurance  
Endesa, S.A.

### IGNACIO GOMAR ALEMANY

Insurance Manager  
Naturgy Generación, S.L.U.

### LISA GROFF

Managing Director Risk & Insurance  
American Electric Power Company, Inc.

### GEORGE HARRISON

Executive Vice President & CFO  
STP Nuclear Operating Company

### DAVID HELLER

VP - Enterprise Risk Management  
Edison International

### MICHAEL HENDERSON

Transacting, Credit and Insurance Risk Manager  
Bonneville Power Administration

### MICHAEL HILL

General Counsel  
EDF Inc.

### NATALIE HOCKEN

Senior Vice President and General Counsel  
MidAmerican Energy Company

### ROBERT HOGLUND

Senior Vice President, Finance  
Consolidated Edison, Inc.

### BRADFORD HUNTINGTON

Treasurer  
PSEG Power LLC

### JEFFREY JEWEL

Vice President, Treasurer & Chief Risk Officer  
DTE Energy



## MEMBER REPRESENTATIVES

As of March 31, 2020

### **TODD JORGENSON**

*Assisitant General Manager  
City of Riverside*

### **JILL JOSWIAK**

*Manager, Risk Services  
Alliant Energy Corporation*

### **JOHN JUDGE**

*VP, Corporate Risk & Chief Risk Officer  
Energy Harbor Nuclear Generation, LLC*

### **DAN LASKOWSKY**

*Director Risk Management  
Omaha Public Power District*

### **PHILIP LEMBO**

*EVP and Chief Financial Officer  
Eversource Energy*

### **FRANCISCO LOPEZ GARCIA**

*Chief Nuclear Officer  
Iberdrola Generación, S.A. Unipersonal*

### **MIGUEL MATEOS VALLES**

*Generation Director  
EDP ESPAÑA, S.A.*

### **STEVE MCNEAL**

*Vice President & Treasurer  
Entergy Services, Inc.*

### **MICHAEL MEE**

*Director, Insurance  
Exelon Generation Company, LLC*

### **ROBERT MILLER**

*Director, Hazard Insurance  
Xcel Energy Inc.*

### **KRIS MOLDOVAN**

*Vice President and Assistant Treasurer  
Comanche Peak Power Company LLC*

### **GREG MURRAY**

*Director - Legal Services  
Madison Gas & Electric Company*

### **PETE NADEL**

*Manager, Corporate Insurance  
FirstEnergy Corporation*

### **TCHAPO NAPOE**

*Director - Treasury & Risk Management  
WEC Energy Group, Inc.*

### **MANO NAZAR**

*President and Chief Nuclear Officer, Nuclear Division  
NextEra Energy Resources, LLC*

### **CARLA PIZZELLA**

*Vice President, Chief Financial Officer & Treasurer  
Connecticut Yankee Atomic Power Company*

### **THIERRY SAEGEMAN**

*Chief Nuclear Officer Belux Nuclear Belgium  
Electrabel S.A.*

### **SKIP SAHN**

*VP, Gulf Asset Management  
NRG Energy, Inc.*

### **H. WAYNE SOZA**

*Vice President, Compliance & Chief Risk Officer  
El Paso Electric Company*

### **REBECCA TAFOYA**

*Insurance Manager  
PNM Resources, Inc.*

### **JOSÉ RAMÓN TARRALBO**

*President & General Manager  
Nuclenor, S.A.*

### **GREG UMSCHIED**

*Senior Director, Risk Management  
Eversource Energy, Inc.*

### **DUSTIN WERTHEIMER**

*Division CFO  
Talen Energy Corporation*

### **TAMMY WILSON**

*VP & Treasurer  
Tennessee Valley Authority*



Nuclear Electric Insurance Limited (NEIL), located in Wilmington, Delaware, insures domestic and international nuclear utilities for the costs associated with accidental interruptions, damages, contamination and related nuclear risks. NEIL was founded in 1973 with the formation of Nuclear Mutual Limited (NML) in Bermuda. NML was formed by a group of U.S. electric utilities as an alternative to the commercial nuclear insurance market. NEIL was formed in 1980 to issue excess property and accidental outage policies to complement the policies being issued by NML. In 1988, both companies moved their operations from Bermuda to Wilmington, Delaware, and, in 1997, NML was merged into NEIL.

In 1999, the Company expanded operations by launching NEIL Overseas dac in Dublin, Ireland.



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