

## Best's Credit Rating Effective Date

June 05, 2025

## Analytical Contacts

Christopher Pennings  
Financial Analyst II  
[Christopher.Pennings@ambest.com](mailto:Christopher.Pennings@ambest.com)  
+1(908) 439-2200 Ext. 908-882-2237

Guilherme Monteiro Simoes, CFA  
Senior Financial Analyst  
[Guy.Simoes@ambest.com](mailto:Guy.Simoes@ambest.com)  
+1(908) 439-2200 Ext. 908-882-2317

## Information

[Best's Credit Rating Methodology](#)

[Guide to Best's Credit Ratings](#)

[Market Segment Outlooks](#)

## Financial Data Presented

Financial data in this report: (i) includes data of affiliated entities that are not rating unit members where analytics benefit from inclusion; and/or (ii) excludes data of rating unit member entities if they operate in different segments or geographic areas than the Rating Unit generally. See [list of companies](#) for details of rating unit members and any such included and/or excluded entities.

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: [Best's Financial Report](#).

## Nuclear Electric Insurance Limited

**AMB #:** 011284 | **NAIC #:** 34215 | **FEIN #:** 98-0066503

**Ultimate Parent:** AMB # 011284 - Nuclear Electric Insurance Limited

## Best's Credit Ratings - for the Rating Unit Members

### Financial Strength Rating (FSR)

<b>A</b>
<b>Excellent</b>
Outlook: <b>Stable</b>
Action: <b>Affirmed</b>

### Issuer Credit Rating (ICR)

<b>a+</b>
<b>Excellent</b>
Outlook: <b>Stable</b>
Action: <b>Affirmed</b>

## Assessment Descriptors

Balance Sheet Strength	<b>Strongest</b>
Operating Performance	<b>Marginal</b>
Business Profile	<b>Favorable</b>
Enterprise Risk Management	<b>Appropriate</b>

## Rating Unit - Members

**Rating Unit:** Nuclear Electric Insurance Ltd | **AMB #:** 011284

**AMB #**   **Rating Unit Members**  
074633   Cedar Hamilton Limited

**AMB #**   **Rating Unit Members**  
089012   NEIL Overseas DAC

## Rating Rationale

### Balance Sheet Strength: **Strongest**

- Risk-adjusted capitalization is in the strongest range, as measured by Best's Capital Adequacy Ratio (BCAR).
- Nuclear Electric Insurance Limited (NEIL) holds capital to pay for two full-limit losses, net of reinsurance, leading to very low net premium leverage.
- If needed, most of NEIL's policies allow Members to be assessed for a significant amount of additional premium.

### Operating Performance: **Marginal**

- NEIL's operating performance is subject to substantial volatility due to the nature of the business it underwrites.
- NEIL's diversified investment portfolio continued to lead to surplus growth in 2024 despite an underwriting loss driven heavily by wildfire losses causing an unprofitable combined ratio.
- Underwriting expenses have been significantly lower than the industry over the last five years.

### Business Profile: **Favorable**

- NEIL is the dominant player in the U.S. nuclear power plant market, offering dedicated capacity to the sector, with a highly specialized utility insurance team.
- NEIL is a Member-owned mutual company, providing (re)insurance capacity primarily in the U.S.
- Nuclear power plants have regulatory objectives, which require the purchase of insurance, supporting NEIL's favorable business profile.

### Enterprise Risk Management: **Appropriate**

- Member-appointed directors ensure significant board representation from the energy sector.
- NEIL's loss prevention efforts are supported by a staff of loss prevention specialists. The group's specialized loss prevention department has an effective track record of working together with insured Members to control frictional losses.
- High level of risk-adjusted capitalization at the tail (i.e., 1-in-500-year return period or 99.8% VaR).

### Outlook

- The stable outlooks reflect AM Best's expectation that NEIL will maintain its rating fundamentals over the intermediate term. As NEIL holds capital to pay for two full-limit losses (net of reinsurance), risk-adjusted capitalization is expected to remain at the strongest level. NEIL is also expected to maintain its dominance in the U.S. nuclear power plant market, and its competitive position is expected to be supported by recent strategic decisions.

### Rating Drivers

- Negative rating action could occur should NEIL experience a significant erosion or loss of capital, such as through the payment of an outsized dividend, loss of Members, or in the event of an extreme loss event, such as core damage to a nuclear reactor.
- Though unlikely at this time, positive rating action could result from a prolonged period of favorable underwriting performance.

## Key Financial Indicators

### Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	78.8	66.6	61.0	59.9

Source: Best's Capital Adequacy Ratio Model - P/C, US

Year End - December 31

Key Financial Indicators USD (000)

	2024	2023	2022	2021	2020
Premiums Written:					
Direct	191,105	183,152	178,890	183,868	201,636
Assumed	171,975	152,635	115,445	144,576	124,744
Ceded	53,622	47,674	39,674	43,768	53,570
Net	309,458	288,113	254,661	284,676	272,810
Net Operating Income	-256,966	-106,113	32,383	-410,764	-245,301
Net Income	-27,671	39,050	-189,717	-194,501	-139,424
Total Admitted Assets	5,324,603	5,083,749	4,566,735	5,673,222	5,655,363
Policyholders' Surplus	4,002,209	3,994,097	3,763,807	4,175,603	4,209,023

Source: BestLink® - Best's Financial Suite

Year End - December 31

Key Financial Ratios (%)

	2024	2023	2022	2021	2020	Weighted Average
Profitability:						
Combined Ratio	226.1	191.6	119.0	278.4	270.1	219.1
Reserve Development Combined Ratio Impact	-8.8	0.2	-11.6	-9.4	-13.4	-8.6
Net Investment Yield	2.3	2.8	1.5	2.2	1.5	2.0
Pre-Tax Operating Return on Net Earned Premiums	-88.0	-40.6	12.8	-99.9	-99.9	-79.9
Net Income Return on Policyholders' Surplus	-0.7	1.0	-4.8	-4.6	-3.3	-2.5
Total Return on Policyholders' Surplus	1.1	7.2	-15.2	-0.6	-2.3	-2.0
Leverage:						
Net	0.4	0.3	0.3	0.4	0.4	...
Gross	0.4	0.4	0.3	0.4	0.4	...
Non-affiliated Investment	77.0	80.4	77.0	81.5	74.6	...

Source: BestLink® - Best's Financial Suite

## Credit Analysis

### Balance Sheet Strength

Additional credit report commentary for this section is pending and will be released in the near term.

### Capitalization

Year End - December 31

Capital Generation Analysis USD (000)

	2024	2023	2022	2021	2020
Beginning Policyholders' Surplus	3,994,097	3,763,807	4,175,603	4,209,023	4,317,590
Net Operating Income	-256,966	-106,113	32,383	-410,764	-245,301
Net Realized Capital Gains (Losses)	229,295	145,163	-222,101	216,263	105,877
Net Unrealized Capital Gains (Losses)	70,126	238,533	-414,970	170,674	39,717
Other Changes in Capital and Surplus	-34,343	-47,293	192,891	-9,592	-8,860
Net Change in Policyholders' Surplus	8,112	230,289	-411,796	-33,420	-108,567
<b>Ending Policyholders' Surplus</b>	<b>4,002,209</b>	<b>3,994,097</b>	<b>3,763,807</b>	<b>4,175,603</b>	<b>4,209,023</b>
Net Change in Policyholders' Surplus (%)	0.2	6.1	-9.9	-0.8	-2.5
Net Change in Policyholders' Surplus (5 yr CAGR)	-1.5	...	...	...	...

Source: BestLink® - Best's Financial Suite

## Balance Sheet Strength (Continued...)

Year End - December 31

### Liquidity Analysis

	2024	2023	2022	2021	2020
Net Operating Cash Flow USD (000)	-35,261	68,465	-453,721	-174,033	-450,482
Current Liquidity (%)	286.3	326.3	383.9	283.1	289.9

Source: BestLink® - Best's Financial Suite

## Asset Liability Management - Investments

Year End - December 31

### Composition of Cash and Invested Assets

	2024	2023	2022	2021	2020
Total Cash and Invested Assets USD (000)	5,114,206	4,869,937	4,380,104	5,489,381	5,396,285

### Composition Percentages (%)

#### Unaffiliated:

Cash and Short Term Investments	11.1	4.8	3.0	9.9	7.5
Bonds	20.5	20.6	21.6	21.2	27.8
Stocks	42.2	47.5	45.3	45.7	41.7
Other Invested Assets	14.2	14.7	16.8	16.3	16.1
<b>Total Unaffiliated</b>	<b>88.0</b>	<b>87.5</b>	<b>86.7</b>	<b>93.2</b>	<b>93.1</b>
Investments in Affiliates	12.4	12.5	13.3	6.9	6.9
Non-Admitted	-0.4	...	...	...	...
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: BestLink® - Best's Financial Suite

Years

### Bonds and Short Term Investments - Distribution by Maturity (%)

	0-1	1-5	5-10	10-20	20+	Average (Years)
Government Bonds	3.6	21.0	4.1	3.3	4.3	7.0
Government Agencies and Municipal Bonds	0.4	1.8	2.7	5.5	4.3	14.7
Industrial and Miscellaneous Bonds	3.6	26.2	10.9	4.7	3.8	6.7
<b>Total Bonds</b>	<b>7.5</b>	<b>48.9</b>	<b>17.7</b>	<b>13.4</b>	<b>12.4</b>	<b>7.9</b>

Source: BestLink® - Best's Financial Suite

## Reserve Adequacy

Year End - December 31

### Loss and Loss Adjustment Expense Reserves and Development - Calendar Year

	2024	2023	2022	2021	2020
Loss and ALAE* Reserves USD (000)	703,474	400,307	409,148	411,397	368,423
Loss and ALAE* Reserves Development USD (000)	...	-26,978	16,251	-2,286	-21,337
Development to:					
Original Reserves (%)	...	-6.3	4.1	-0.6	-5.5
Prior Year End Surplus (%)	...	-0.7	0.4	-0.1	-0.5

Source: BestLink® - Best's Financial Suite

## Balance Sheet Strength (Continued...)

Year End - December 31

Loss and Loss Adjustment Expense Reserves and Development - Accident Year	2024	2023	2022	2021	2020
Original Loss and ALAE Reserves USD (000)	411,994	145,475	144,605	174,201	289,741
Loss and ALAE Reserves Developed thru Latest Year End USD (000)	411,994	101,571	131,845	165,225	237,389
Development to Original Reserves (%)	...	-30.2	-8.8	-5.2	-18.1
Accident Year Loss and LAE Ratio (%)	141.1	38.9	52.2	58.9	96.7
Accident Year Combined Ratio (%)	234.9	174.6	125.6	284.6	263.6

Source: BestLink® - Best's Financial Suite

## Operating Performance

Additional credit report commentary for this section is pending and will be released in the near term.

Year End - December 31

Operating and Financial Performance Ratios (%) - Company	2024	2023	2022	2021	2020	Weighted Average
Calendar Year Loss and LAE Ratio	132.3	55.9	45.6	52.6	103.2	79.0
Expense and Policyholder Dividend Ratio	93.8	135.7	73.4	225.8	166.9	140.1
Combined Ratio	226.1	191.6	119.0	278.4	270.1	219.1
Reserve Development Ratio Impact	-8.8	0.2	-11.6	-9.4	-13.4	-8.6
Net Investment Yield	2.3	2.8	1.5	2.2	1.5	2.0
Pre-Tax Operating Return on Net Earned Premiums	-88.0	-40.6	12.8	-99.9	-99.9	-79.9
Net Income Return on Policyholders' Surplus	-0.7	1.0	-4.8	-4.6	-3.3	-2.5
Total Return on Policyholders' Surplus	1.1	7.2	-15.2	-0.6	-2.3	-2.0

Source: BestLink® - Best's Financial Suite

Year End - December 31

Operating and Financial Performance Ratios (%) - Composite	2024	2023	2022	2021	2020	Weighted Average
Calendar Year Loss and LAE Ratio	56.8	56.2	58.0	59.0	68.9	59.3
Expense and Policyholder Dividend Ratio	34.5	31.4	31.3	34.9	34.8	33.3
Combined Ratio	91.3	87.7	89.4	93.9	103.7	92.5
Reserve Development Ratio Impact	-7.2	-0.4	-2.6	-4.5	-1.4	-3.3
Net Investment Yield	2.7	2.5	1.6	1.8	1.7	2.1
Pre-Tax Operating Return on Net Earned Premiums	16.0	17.6	14.3	10.1	0.5	12.5
Net Income Return on Policyholders' Surplus	8.9	8.4	5.7	6.6	3.3	6.8
Total Return on Policyholders' Surplus	13.6	15.3	-1.6	10.3	5.8	9.0

Source: BestLink® - Best's Financial Suite

Industry Composite: Commercial Property Composite - BestLink® - Best's Financial Suite

## Business Profile

Additional credit report commentary for this section is pending and will be released in the near term.

## Business Profile (Continued...)

Premium Composition and Growth	Year End - December 31					5 Year CAGR
	2024	2023	2022	2021	2020	
Direct Premiums Written USD (000)	191,105	183,152	178,890	183,868	201,636	...
% Change	4.3	2.4	-2.7	-8.8	-7.0	-2.5
Reinsurance Premiums Assumed USD (000)	171,975	152,635	115,445	144,576	124,744	...
% Change	12.7	32.2	-20.1	15.9	46.2	15.1
Reinsurance Premiums Ceded USD (000)	53,622	47,674	39,674	43,768	53,570	...
% Change	12.5	20.2	-9.4	-18.3	8.3	1.6
Net Premiums Written USD (000)	309,458	288,113	254,661	284,676	272,810	...
% Change	7.4	13.1	-10.5	4.3	8.0	4.1

Source: BestLink® - Best's Financial Suite

2024 By Line Business	Direct Premiums Written		Reinsurance Premiums Assumed		Reinsurance Premiums Ceded		Net Premiums Written		Business Retention
	USD (000)	%	USD (000)	%	USD (000)	%	USD (000)	%	%
Comm M.P.	191,105	100.0	94,850	55.2	53,622	100.0	232,333	75.1	81.2
Top 5	191,105	100.0	94,850	55.2	53,622	100.0	232,333	75.1	81.2
All Other	...	...	77,125	44.8	...	...	77,125	24.9	100.0
Total	191,105	100.0	171,975	100.0	53,622	100.0	309,458	100.0	85.2

Source: BestLink® - Best's Financial Suite

Geographic Breakdown by Direct Premiums Written USD (000)	Year End - December 31				
	2024	2023	2022	2021	2020
Delaware	191,105	183,152	178,890	183,868	201,636
Top 5 States	191,105	183,152	178,890	183,868	201,636
Total	191,105	183,152	178,890	183,868	201,636
Geographic Concentration Index	1.00	...	...	...	...

Source: BestLink® - Best's Financial Suite

## Enterprise Risk Management

Additional credit report commentary for this section is pending and will be released in the near term.

## Financial Statements

	Year End - December 31			
	2024		2023	
<b>Balance Sheet</b>	<b>USD (000)</b>	<b>%</b>	<b>USD (000)</b>	<b>%</b>
Cash and Short Term Investments	565,678	10.6	231,414	4.6
Bonds	1,046,776	19.7	1,000,774	19.7
Preferred and Common Stock	2,589,456	48.6	2,738,967	53.9
Other Invested Assets	912,296	17.1	898,783	17.7
<b>Total Cash and Invested Assets</b>	<b>5,114,206</b>	<b>96.0</b>	<b>4,869,937</b>	<b>95.8</b>
Premium Balances	86,884	1.6	76,405	1.5
Other Assets	123,513	2.3	137,407	2.7
<b>Total Assets</b>	<b>5,324,603</b>	<b>100.0</b>	<b>5,083,749</b>	<b>100.0</b>
Loss and Loss Adjustment Expense Reserves:				
Net Reported Loss Reserves	488,908	9.2	222,386	4.4
Net IBNR Loss Reserves	214,440	4.0	204,774	4.0
Net LAE Reserves	125	...	125	...
<b>Total Net Loss and LAE Reserves</b>	<b>703,473</b>	<b>13.2</b>	<b>427,285</b>	<b>8.4</b>
Net Unearned Premiums	141,762	2.7	124,327	2.4
Other Liabilities	477,160	9.0	538,041	10.6
<b>Total Liabilities</b>	<b>1,322,395</b>	<b>24.8</b>	<b>1,089,652</b>	<b>21.4</b>
Paid-In and Contributed Surplus	250	...	250	...
Unassigned Surplus	4,001,959	75.2	3,993,847	78.6
<b>Total Policyholders' Surplus</b>	<b>4,002,209</b>	<b>75.2</b>	<b>3,994,097</b>	<b>78.6</b>
<b>Total Liabilities and Surplus</b>	<b>5,324,604</b>	<b>100.0</b>	<b>5,083,749</b>	<b>100.0</b>

Source: BestLink® - Best's Financial Suite

	Year End - December 31	
	2024	2023
<b>Income Statement USD (000)</b>		
Net Premiums Earned	292,022	261,301
Net Losses and LAE Incurred:		
Current Accident Year	412,043	145,476
Prior Accident Years	-25,622	638
Underwriting Expenses Incurred	51,778	60,240
Dividends to Policyholders	225,000	300,000
<b>Net Underwriting Income</b>	<b>-371,177</b>	<b>-245,053</b>
Net Investment Income	114,211	129,584
Other Income (Expense)	...	9,357
<b>Pre-Tax Operating Income</b>	<b>-256,966</b>	<b>-106,113</b>
Income Taxes Incurred	...	...
<b>Net Operating Income</b>	<b>-256,966</b>	<b>-106,113</b>
Net Realized Capital Gains (Losses)	229,295	145,163
<b>Net Income</b>	<b>-27,671</b>	<b>39,050</b>

Source: BestLink® - Best's Financial Suite

Statement of Operating Cash Flows USD (000)	Year End - December 31	
	2024	2023
Net Premiums Collected	307,944	263,371
Net Losses Paid	116,455	110,512
Expenses Paid	54,034	59,813
Dividends to Policyholders	300,000	150,000
Net Underwriting Cash Flow	-162,545	-56,954
Net Investment Income	103,612	116,063
Other Income (Expense)	...	9,357
Income Taxes Paid (Recovered)	-23,671	...
Net Operating Cash Flow	-35,261	68,465

Source: BestLink® - Best's Financial Suite

## Related Methodology and Criteria

[Alternative Risk Transfer \(ART\), 02/08/2024](#)

[Best's Credit Rating Methodology, 08/29/2024](#)

[Catastrophe Analysis in AM Best Ratings, 02/08/2024](#)

[Available Capital and Insurance Holding Company Analysis, 08/15/2024](#)

[Scoring and Assessing Innovation, 02/20/2025](#)

[The Treatment of Terrorism Risk in the Rating Evaluation, 05/22/2025](#)

[Understanding Global BCAR, 08/01/2024](#)

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

A Best's Issue/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

In arriving at a rating decision, AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. Any and all ratings, opinions and information contained herein are provided "as is," without any express or implied warranty.

Visit <https://www.ambest.com/ratings/index.html> for additional information or <https://web.ambest.com/about/terms-of-use> for details on the Terms of Use.





# BEST'S CREDIT REPORT

AMB #: 011284 - Nuclear Electric Insurance Limited

**Copyright © 2025 A.M. Best Company, Inc. and/or its affiliates. All rights reserved** No portion of the content may be reproduced, distributed, or stored in a database or retrieval system, or transmitted, or uploaded into any external applications, algorithms, bots or websites, including those using artificial intelligence or machine learning technologies such as large language models (LLM) and generative artificial intelligence (Gen-AI) or retrieval-augmented generation (RAG) in any form or by any means without the prior written permission of AM Best. AM Best does not warrant the accuracy, completeness, or timeliness of the AM Best content. While the content was obtained from sources believed to be reliable, its accuracy is not guaranteed. You specifically acknowledge that neither AM Best nor the content gives any investment, financial, tax, insurance, or legal advice. You are solely responsible for seeking competent professional advice before making any investment, financial, tax or insurance decision. For additional details, refer to our *Terms of Use* available at the AM BEST website: <https://web.ambest.com/about/terms-of-use>. All information contained herein was obtained by AM BEST from sources believed by it to be accurate and reliable. Notwithstanding the foregoing, AM BEST does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and all such information is provided on an "as is" and "as available" basis, without any warranties of any kind, either express or implied. Under no circumstances shall AM BEST have any liability to any person or entity for (a) any loss or damage of any kind, in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of AM BEST or any of its directors, officers, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory, punitive or incidental damages whatsoever (including without limitation, personal injury, pain and suffering, emotional distress, loss of revenue, loss of present or prospective profits, loss of business or anticipated savings, or loss of goodwill) resulting from the use of, or inability to use, any such information, in each case, regardless of (i) whether AM BEST was advised in advance of the possibility of such damages, (ii) whether such damages were foreseeable, and (iii) the legal or equitable theory (contract, tort or otherwise) upon which the claim is based. The credit ratings, performance assessments, financial reporting analysis, projections, and any other observation, position or conclusion constituting part of the information contained herein are, and shall be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor do they individually or collectively address the suitability of any particular financial obligation for a specific purpose or purchaser. Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. Service performance risk is the risk that an entity may not meet its contractual service performance obligations on behalf of its insurance partners. Consequently, neither credit ratings nor performance assessments address any other risk, including but not limited to, liquidity risk, market value risk or price volatility of rated securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR ASSESSMENT OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY AM BEST IN ANY FORM OR MANNER WHATSOEVER. Each credit rating, performance assessment or other opinion must be weighed solely as one factor in any investment or purchasing decision made by or on behalf of any user of the information contained herein. Each such user will, with due care, make its own study and evaluation of each security or other financial obligation, and of each issuer and guarantor of, and each provider of credit support, and an independent view of service provider performance for, each security or other financial obligation that it may consider purchasing, holding, or selling or for each service contract that it may consider entering into. For additional detail on credit ratings or performance assessments, and their respective scales, usage, and limitations, refer to the Guide to Best's Credit Ratings (<https://www.ambest.com/ratings/index.html>) or the Guide to Best's Performance Assessments (<https://www.ambest.com/ratings/assessmentMethodology.html>).

**Reports were prepared exclusively for the use of Edward Chalen. Not for redistribution unless otherwise permitted.**