Subpart 970.50—Extraordinary Contractual Actions and the Safety Act

Parent topic: PART 970—DOE MANAGEMENT AND OPERATING CONTRACTS

970.5001 Residual powers.

970.5001-4 Contract clause.

When use of the clause at 48 CFR 52.250-1, Indemnification Under Public Law 85-804, Alternate 1 is appropriate, the contracting officer may substitute the words “Obligation of funds” for the words “Limitation of Cost or Limitation of Funds.”

970.5070 Indemnification.

970.5070-1 Scope and applicability.

(a) Section 170d. of the Atomic Energy Act of 1954, as amended, requires Department of Energy (DOE) to enter into agreements of indemnity with contractors whose work involves the risk of public liability for the occurrence of a nuclear incident or precautionary evacuation.

(b) Details of such indemnification are discussed at subpart 950.70.

970.5070-2 General.

DOE contractors with whom statutory nuclear hazards indemnity agreements under the authority of section 170d. of the Atomic Energy Act of 1954, as amended, are executed will not normally be required or permitted to furnish financial protection by purchase of insurance to cover public liability for nuclear incidents. However, if authorized by the DOE Headquarters office having responsibility for contractor casualty insurance programs, DOE contractors may be—

(a) Permitted to furnish financial protection to themselves; or

(b) Permitted to continue to carry such insurance at cost to the Government if they currently maintain insurance for such liability.

970.5070-3 Contract clauses.

(a) The clause at 952.250-70, Nuclear Hazards Indemnity Agreement, shall be included in all management and operating contracts involving the risk of public liability for the occurrence of a

nuclear incident or precautionary evacuation arising out of or in connection with the contract work, including such events caused by a product delivered to a DOE-owned, facility for use by DOE or its contractors. The clause at 952.250-70 also shall be included in any management and operating contract for the design of a DOE facility, the construction or operation of which may involve the risk of public liability for a nuclear incident or a precautionary evacuation.

(b) The clause at 952.250-70 shall not be included in contracts in which the contractor is subject to Nuclear Regulatory Commission (NRC) financial protection requirements under section 170b. of the Act or NRC agreements of indemnification under section 170 c. or k. of the Act for activities to be performed under the contract.