

The renewable energy industry



In today's world of costly and diminishing energy resources, the renewable energy industry is rising to the forefront. Over the past decade, Marsh has developed an in-depth understanding of this industry.

Commitment

The Renewable Energy team within Marsh's Global Marine & Energy Practice is dedicated to supporting the needs of our clients. In doing so, we help to further the growth of renewable energy generation worldwide. We are market leaders for all phases of onshore and offshore wind farms, ethanol and bio diesel plants, solar, hydro, and a variety of other energy operations. Marsh is committed to continuing to develop customised risk solutions to drive the industry forward in this growing and increasingly essential energy arena.

What makes us different?

The personalised service of a dedicated renewable energy team coupled with access to an array of worldwide resources allows us to act as the premier risk management and insurance advisor to our clients.

Risk and insurance excellence

Marsh will design an insurance program tailored to our client's needs for new renewable energy operations or existing assets. For existing operations, Marsh will review the current risk and insurance program designs and uncover any potential gaps in coverage and opportunities for premium savings. Ultimately, Marsh's insurance programs promote consistency in assessing, quantifying, retaining, and transferring risk.

Our detailed understanding of renewable energy technologies allows us to address specific risk issues facing our clients. These range from the implications of manufacturers' warranty provisions and other contractual risk allocation issues, potential loss scenarios and subsequent risk management best practice, and the insurance requirements of project financiers and other debt and equity providers. We also have expert knowledge in worldwide renewable energy support mechanisms, such as green certificates and production tax credits, and the implications these have on risk allocation and insurance covers.

Renewable energy expertise

Our international client base has given us a vast depth of experience when dealing with the national and international markets, as well as the ability to benchmark our client's performance against others.

Value added

We provide our clients with:

- the ability to reduce their total cost of risk
- risk solutions that facilitate growth through acquisition, divestment, new investments, increased trading
- solutions that may offset an existing reserve or liability on a client's balance sheet to help protect earnings and cash flow.

Risk engineering

Through our engineers, we provide a wide range of services to our renewable energy clients including:

- risk assessments to meet the needs of the insurance markets and to achieve insurance terms at competitive pricing
- business interruption studies to analyze existing and/or potential threats to their business and the efficiency of business interruption insurance
- benchmarking to rank risk features of our client's operations against industry peers for continuous risk management improvement;
- business continuity plan reviews

Additionally as a risk control advocate for our clients and liaison with insurers, our fire protection professionals and safety experts identify exposures and find cost-effective ways of mitigating risk.

Insurance

Over the years, Marsh has developed creative insurance solutions for the renewable energy industry. Whether on a project basis or for comprehensive programs, Marsh is dedicated to meeting client's needs.

During the initial phase of development and permitting, we can package property and casualty coverages and provide required casualty policies for auto, workers' compensation, pollution, and excess liability. Auto identification cards and certificates are delivered promptly showing the required additional insureds. This is all a part of our overall service package.

Subsequently, when material transit and construction commences, Marsh will negotiate with a broad spectrum of insurance providers to deliver tailor-made all risk/builders risk policies. These policies will cover both property damage and, if needed, delay in start-up. Third-party liability coverage during construction is also available on either a standalone basis or as part of a master policy. In addition, marine cargo coverage can be purchased for any international transit exposures.

Operational phase insurances normally provide cover for all risks of physical loss or damage including machinery breakdown, business interruption and third party liability. In some instances this coverage can be attached to the construction policy for a specified period of time so as to avoid claims-handling issues associated with the commencement date of operations.

Claims management

Insurance claims management is a key differentiator for Marsh. We have expertise in property, casualty, workers' compensation, pollution and directors and officers liability. Marsh maintains a long history of successful claims handling.

Project risk management

Marsh has an established framework of service delivery to assist our renewable energy clients with project planning to minimize project risk and insurance pricing. Examples of our services include:

- risk mapping
- new project design safety review and project risk assessment
- contract risk review
- project insurance implementation including dovetailing with operational coverage
- pre-start-up operational auditing.

With such tailored risk transfer programs, our brokers, claims professionals, and environmental experts endeavor to secure the maximum permissible protection for our clients.

For further information please contact the Global Marine and Energy Practice:

www.marsh.com

This document or any portion of the information it contains may not be copied or reproduced in any form without the permission of Marsh Ltd, except that clients of Marsh Ltd need not obtain such permission when using this report for their internal purposes.

Marsh Ltd is authorised and regulated by the Financial Services Authority
© Copyright 2006 Marsh Ltd All rights reserved