

## UTILITY Property Marketing Summary

| Insurer                            | Quote/Decline | Date      | Comments   |
|------------------------------------|---------------|-----------|--|
| <b>Utility-Only</b>                |               |           |  |
| AIG (incumbent)                    | Quote         | 7/13/2020 | \$605,000 annual premium (100%) - 25% share. \$250,000 deductible except \$1M turbine generators, \$500,000 substations, transformers, Flood, Earthquake<br>Extension terms confirmed.   |
| AEGIS (incumbent)                  | Quote         | 6/25/2020 | \$559,520 annual premium (100%) - 45% share<br>Extension terms confirmed.  |
| Allianz (incumbent)                | Indication    | 7/17/2020 | Pricing indication - \$800,000 (100%) - 10% share. Underwriting guidelines prohibits him from increasing line share on this class of business. The Allianz premium will be below minimum premium but he has committed to the accommodation.<br>Extension terms confirmed.                                |
| Liberty International Underwriters | Declined      |           | Non-renewed program last year and has not changed their underwriting appetite since that time.   |
| London Markets (incumbent)         | Quote         | 7/24/2020 | \$743,750 annual premium (100%) - 10% support<br>Extension confirmed - Flat \$500,000 property damage deductible and no less than 5% participation on 2020-21 program.   |
| Starr Tech - Energy                | Declined      | 6/17/2020 | Concerns with quality of risk due to changes in Blue Valley operations.  |
| Swiss RE - Energy (incumbent)      | Quote         | 7/6/2020  | \$559,520 annual premium (100%) - 20% share<br>Following AEGIS lead terms.<br>Extension terms confirmed.   |
| Zurich                             | Declined      | 7/16/2020 | Update: Asked for a second look, however their response included a long list of items they consider adverse to their underwriting guidelines.<br>Declined due to age and quality of power risk last year. Discussed the risk with underwriter for 2020 and they have not changed their view or appetite. |

### **POLICY SUMMARY: Utility-Only**

- 1.AEGIS, as the lead insurer, is requiring the move to their coverage form. This form, like AIG's Unitech form, is considered a standard in energy property placements.
- 2.All participants are excluding communicable disease. Lockton reached out to AIG and AEGIS to see if they would carve back some coverage for communicable disease and both declined. Without these two insurers on board, the other participants will not agree to broadening their coverage.
- 3.Allianz, an incumbent, has provided an indication however, we have not yet received a binding quote and their indicated premium is 37% higher than AIG's lead pricing. Lockton was able to secure 100% of coverage void of Allianz.
- 4.The engineering fee represents loss control services as quoted by Paragon and does not include the fee for jurisdictionals. We are waiting for AEGIS to confirm if the City will be able to choose the loss control provider or if they will require their team conduct the surveys. This was not included on their quote, but the Paragon fee is noted in the Quote Comparison.
- 5.One participant has capped the loss value of Blue Valley to a \$25M sublimit. All participants agree to actual cash value for Blue Valley.
- 6.There are a few other variances in terms across the participants and they're shown in the quote comparison.
- 7.The expiring premium is based on the combined program rate for 2019-20 applied against the 2019-20 values without contractors equipment or auto values which now have their own insurance program.