

New Energy Risk's performance insurance wraps are designed to protect capital in the case of technology underperformance during commissioning and ongoing operations. Performance wraps enable project financing of complex or first-of-a-kind commercial projects and accelerate the scaling of breakthrough technologies through more efficient capital deployment.

Summary

Coverage is non-cancellable and typically held by the project company to provide comprehensive protection to senior equity as loss payee by covering a project's ability to meet minimum dividend payments in the event of technology underperformance.

Coverage extends to the full amount of the insured equity investment in the case that the project is unable to commission at the insured level of performance. Coverage is also available for the ongoing performance during operations.

Our Process

New Energy Risk applies its technical and actuarial expertise to transfer technical risk from capital to the insurance markets, enhancing a project's standalone credit profile and delivering strong counterparty support for technology providers and project developers. Projects utilizing performance wraps are able to access a broader base of investment and lending opportunities with lower cost of capital.

Insurable Risks

- Defective technology, process, or design
- Defective materials or premature material ageing
- Faulty manufacturing, construction, or workmanship

Policy Features

Commissioning Coverage:

- Coverage commences upon Mechanical Completion
- Covers commissioning at a level of performance required to ensure a dividend payment calibrated to a minimum IRR
- Option to cover cost of equipment repair

Operations Coverage:

- Coverage commences upon commissioning completion
- Covers on-going performance required to ensure a dividend payment calibrated to a minimum IRR
- Up to 15 years' coverage to match dividend payment period
- Full limit available for any single root cause event

Limits

- Starting at \$10M aggregate limit
- Coverage for up to 75% of the capital stack
- Supported by a consortium of A-rated insurers



ABOUT NEW ENERGY RISK

New Energy Risk is a pioneer of large-scale, breakthrough technology performance insurance solutions. The company provides complex risk assessment and serves as a bridge between technology innovators, financiers, and insurers. Insurance policies are administered through New Energy Risk affiliate, Complex Risk and Insurance Associates, LLC, CA License #0124307.