

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. NER has designed insurance solutions across numerous sectors including fuel cells, energy storage, hydrogen, biofuels & chemicals, carbon capture & storage, and the circular economy.

Summary

Coverage is non-cancellable and typically held by the project company to provide comprehensive protection to the lender as loss payee by covering a project's ability to service debt principal and interest in the event of technology underperformance.

Coverage extends to the full amount of the debt principal in the case that it is unable to commission at the insured level of performance. It is also available for the ongoing performance during the debt amortization period.

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.

New Energy Risk is the single point of contact for comprehensive risk management services.

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 debt service coverage
- Full limit available to buy down debt
- Option to cover cost of equipment repair

Operations Coverage:

- Coverage commences upon commissioning completion
- Covers on-going performance required to ensure debt service
- Up to 15 years' coverage to match debt amortization period
- Full limit available for any single root cause event

Limits

- Starting \$10M limit to support the full debt principal amount
- 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.