



Solar PV systems losses

Loss bulletin

HSB Canada, part of Munich Re, is a technology-driven company built on a foundation of specialty insurance, engineering, and technology, all working to drive innovation in a modern world, to keep you ahead of risk.

Solar power generation is hot.

Ontario Power Authority's FIT and microFIT programs have created unprecedented interest in the erection of solar PV systems on residential and commercial properties.

Entire photovoltaic systems contain more than just groupings of solar cells: they are made up of electrical and mechanical equipment such as inverters, energy storage devices, grid-interconnected systems,

transformers, cables, surge suppressors, gearboxes & motors (for solar arrays that follow the sun), and possibly cooling equipment.

Rooftop PV system

The insured installed a solar power generating system capable of producing revenue of approximately \$56,000 average per month. The transformer which was connected between the inverter and utility grid was



damaged due to an electrical deficiency. The transformer was manufactured to order and a replacement unit required over 3 months to obtain. During the downtime period, revenue loss from the system was 100 percent.

- Direct damage: \$37,600
- Business interruption: \$203,000

Ground-mounted solar PV system

A revenue-generating, 10kW capacity, ground-mounted system suffered damage to its auto tracking gearbox. The system was out of operation for 39 days.

- Direct damage: \$4,800
- Business interruption: \$1,700

Squirrel chews through cables

A commercial residential property's revenue generating PV system suffered loss when a squirrel collecting nesting material chewed through wiring.

- Insured loss: \$2,000