



Green Tech Solutions

# Pushing the limits of sustainability: Insurance solutions for electrical energy storage systems

NOT IF, BUT HOW

Munich RE 

Sustainable solutions in electrical energy storage have begun to play an important as well as lucrative role for green technology businesses around the world. In the era of a rapidly growing energy storage market, which has seen parallel growth in competition, costs and uncertainty, acquiring proper Risk Management is the only way forward for all related parties.

**Green Tech Solutions** – a specialised unit at Munich Re Corporate Insurance Partner– has expanded the boundaries of insurance to support this sector and provide confidence and security for all related parties in realising their sustainable business model.

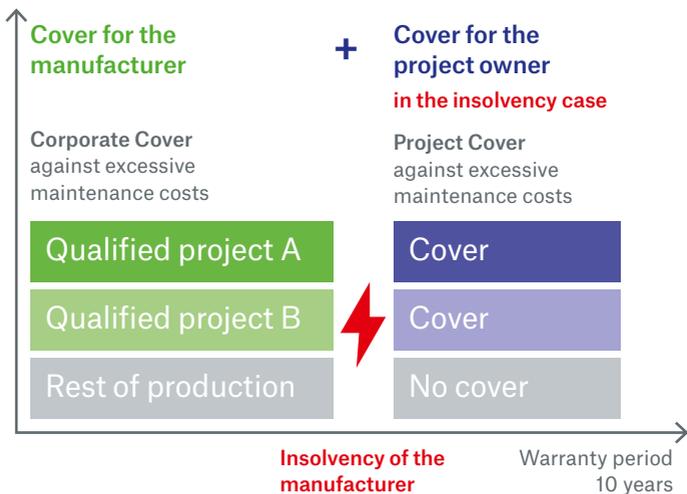
# Our solution – secure the performance of your storage assets

Green Tech Solutions offers insurance protection for technical risks and backs up long-term performance warranties.

The energy storage industry is offering long-term warranties of up to 10 years against defects and performance degradation. These warranties tie up the manufacturer’s capital and increase the risk of high costs through serial losses and excessive maintenance costs. All of these factors result in an adverse effect on the manufacturer’s profit.

Our solution addresses the manufacturer’s and project owner’s risk that the storage system requires more maintenance than projected and that the “Expected Maintenance Costs” are exceeded:

## EES – Coverage overview



For the manufacturer, the **Corporate Cover** provides coverage against performance degradation and excessive maintenance costs. Over the course of the policy period, the manufacturer can select individual larger-scale projects for the **Project Cover**

where they get their own risk capacity assigned. The rest of the manufacturer's production is protected under the Corporate Cover on an aggregated basis.

Under the Project Cover, coverage remains in place even if the manufacturer is no longer active. Munich Re's insurance capacity has been exclusively allocated to the pre-defined projects and the back-stop remains intact even after insolvency of the manufacturer. The latter feature does not apply to the base layer, i.e., the rest of the manufacturer's production.

The backing for larger-scale projects by Munich Re is reflected in **Munich Re's Warranty Partner Label** which is a royalty-free license for the manufacturer to be used for marketing purposes during the term of the agreement.

## Key components of insurance cover

- **Corporate Cover** for the manufacturer's annual sales with a coverage period of up to 10 years
- Full **transfer** of specifically assigned limits to **individual investment projects** (i.e., qualified projects) in case of the manufacturer's insolvency
- **Flexible insurance structure** attracts lenders and investors (attractive single project limits up to €25m)
- **Sales training** for sales team of manufacturer
- **Marketing** with Munich Re **Warranty Partner Label** as a **recognised marketing asset in the green energy sector**

## Who we are – sustainable opportunities in battery storage

Our Green Tech Solutions unit pools unique expert resources and know-how in the area of renewable energies. The strength of our team lies in its collaborative expertise, seamless delivery and strong working relationships with energy storage manufacturers, project managers, financiers and industry associations. Our experts bring a long track record of production and industry background to the table, including hands on experience in industrial electrochemical energy systems as well as building up productions, supply chain structures and the overarching Total Quality Management Systems. Underwriting excellence is what Munich Re has built its reputation on for decades and this is what we bring to the Electrical Energy Storage business of today and into tomorrow.

## What we offer



In-depth **know-how** to assess, underwrite and manage stationary storage risks



Hands-on **work experience** in developing and executing O&M plans for industrial electrochemical energy systems ensuring long-term asset performance



Optimisation of **Battery Storage Management** by offering a performance guarantee for your annual production



Excellent **claims handling** and **incident management support**



**Education & training** of your sales team – boosting your revenues

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## Proof points in the market

- *“If it weren’t for Munich Re, winning the 96 MW solar project in South Africa would not have been possible ...”*  
**CEO of solar module manufacturer**
- *“The insurance enabled the bond to achieve investment grade rating that delivered up to 30% savings in finance costs!”*  
**Representative of US Investment Bank**
- *“New Market entrants need to manage their way through complex ecosystems, pick the right technologies and mitigate the risk inherent in their value chain. Munich Re’s Green Tech Solutions team was a reliable partner in strengthening our strategic position in the battery segment.”*  
**Head of Strategic Development, US Grid Developer**

Secure the performance of your storage assets by looking at your portfolio from a different angle.

Work with us!

## Contacts

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