

Credit risk enhancement, through energy efficiency insurance

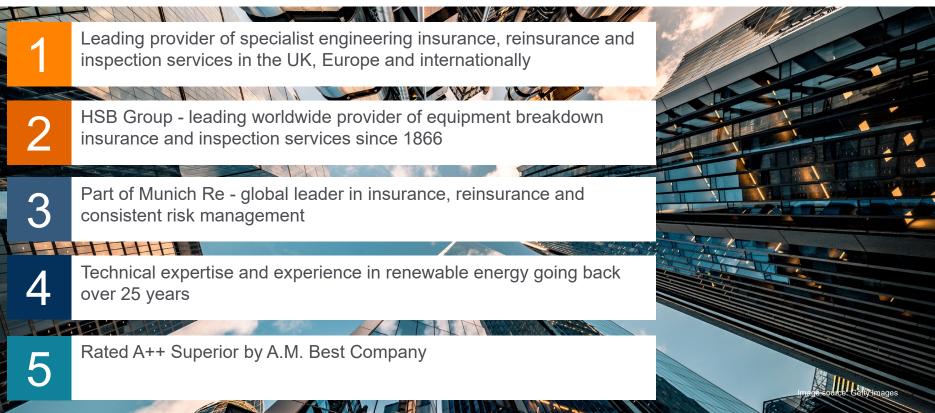
Paul Cullum – Head of Specialist Risks

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Image source: Getty Images

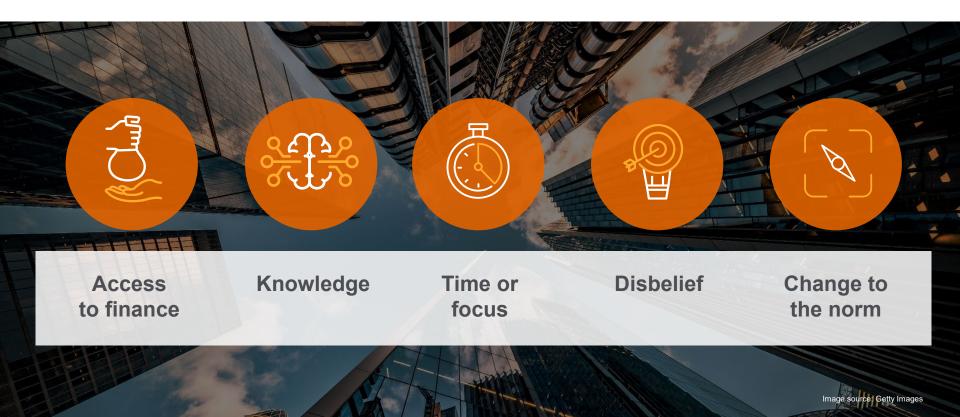
About us





Barriers to energy efficiency





Appetite



Occupancy

- Commercial office
- Public buildings
- Hotel and leisure
- Storage facilities
- Industrial premises
- Hospitals

- Street lighting
- Residential blocks

Technology

Lighting

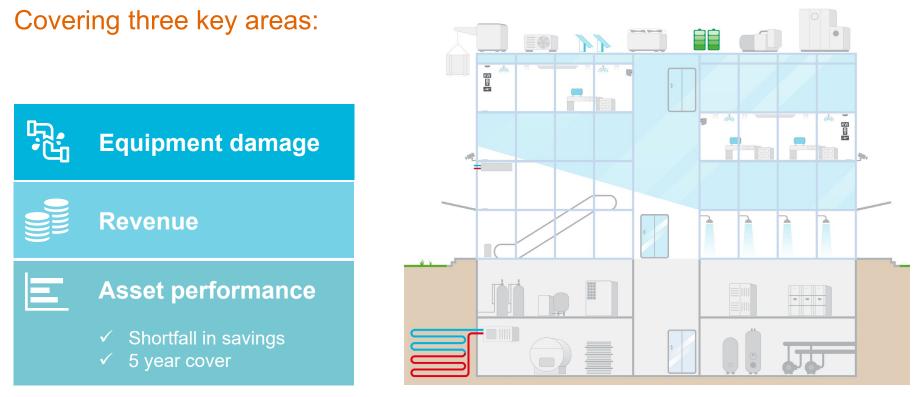
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- Heating, ventilation and air conditioning
- Building management system optimisation
- Voltage optimisation
- Variable speed drives
 - Insulation

- PV installations
- Combined heat and power

Energy efficiency insurance





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Assessing the project



Collect and confirm

Assess and calculate

Quote

- Pool data from project application
- Insurance specific question
- Issue statement of fact

Assess each ECM in the project
Establish correlations between ECM's
API calculates using HSB algorithm

Quotation issued in local language via local partner
Evidence that project is "insurance ready"

Image source: Getty Images 23/05/2022

Case study: hotel energy efficiency retrofit





	BB	BB+	BBB-	BBB	BBB+	A-	Α
With Insurance	99.6%	99.2%	99.1%	29%	23%	17%	17%
Without Insurance	91%	46%	30%	14%	10%	8%	7%

Illustrative example only

Completing the circle: energy efficiency insurance benefits





Customer

- Reduced operating cost
- Reduced carbon footprint
- Confidence in insurance backed savings

ESCO

- Asset, revenue and performance protection
- Improved credit risk
- Customer confidence

Investor

- Technical uncertainty removed
- Loan repayments protected
- Reduced cost of capital



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Thank you

Any questions?

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