

PROPERTY &amp; CASUALTY

# Global Energy

## Revenue Wrap for Merchant BESS Projects

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### Overview

Stand-alone merchant storage assets have struggled with financing options due to uncertainty in projected revenues and uncertainty in the market. The Brown & Brown team brings a new product that sets a five-year revenue forecast and wrap, covering up to 70% of projected revenues.

## Stand Alone Merchant Storage Revenue Coverage

### Merchant BESS Project

#### Forecast and Bidding

- Coverage sized to meet debt service, plus OPEX or minimum dividends to equity, while retaining access to revenue upside, settled quarterly
- Over 50% of the insurance premium may be deferred and paid through revenue upside quarterly
- Starting at \$60M aggregate limit per project

#### Insurable Risk

- Creates and covers inaccuracy of the project development revenue forecast
- Deficiency or inaccuracy of the bidding algorithm
- Option to add coverage for battery performance

#### Policy Features

- Up to five years of coverage to match the ITC recapture term
- Non-cancellable/non-renewal-based policy
- Revenue upside accrues to the project owner
- Supported by a consortium of S&P A-rated insurers



## How Brown & Brown Can Help

Connect with our Brown & Brown team to learn about our knowledge in your industry, how we build our risk mitigation strategies and how we can aid your business in building a cost-saving program.



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