

PROPERTY & CASUALTY

Global Energy

Revenue Wrap for Merchant BESS Projects



Overview

Stand-alone merchant storage assets have struggled with financing options due to uncertainty in market based revenue streams and a revenue forecast that is accepted by financial institutions. The Brown & Brown Global Energy & Climate Tech 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
- Option to defer up to 50% of insurance premium. Payment can be through received revenues, settled quarterly
- Current aggregate limit per project is \$60M

Insurable Risk

- Creates a project revenue forecast that is covered by this insurance product.
- Covers deficiency or inaccuracy of the project-based bidding algorithm
- Option to add cover for lack of physical 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
- Product is 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.



Find Your Solution at [BBrown.com](https://www.BBrown.com)

Brown & Brown, Inc. and all its affiliates, do not provide legal, regulatory or tax guidance, or advice. If legal advice counsel or representation is needed, the services of a legal professional should be sought. The information in this document is intended to provide a general overview of the topics and services contained herein. Brown & Brown, Inc. and all its affiliates, make no representation or warranty as to the accuracy or completeness of the document and undertakes no obligation to update or revise the document based upon new information or future changes.

©2024 Brown & Brown. All rights reserved.