

MEMBERS REPORT JULY 2025



IAC Update



**Welcome New
IAC Members**



**Welcome New
Board Members**



**Builders Risk
Capacity Update**



**Thank You Retiring
Board Members**



Welcome Laura Lam



**Jill Dominguez
Announces
Retirement**



**Q1 2025
Financials**



WORKING HARD AT THE HARD WORK

IAC UPDATE



Arnold Garcia

When Arnold Garcia assumed the chairmanship of EIM's Insurance Advisory Committee (IAC) in January 2025, he knew that a great deal of hard work had already been undertaken by the group as they diligently strove to assist EIM and its members to meet the pressing challenges of a changing energy landscape. But, as he points out, "There are still challenges ahead that must be addressed and the onus is on us, the IAC, to help EIM identify and implement solutions that will benefit the membership."

The IAC leadership (and the IAC as a whole) has experienced some recent changes and special thanks goes out to the members that have kept operations smooth throughout the transition, including former vice chair, Ron Rispoli, who has retired from his position as Director Risk and Insurance at Entergy Services and to departing vice-chair, Mariya Coleman, who recently left her position as vice president, Insurance and Claims, at Berkshire Hathaway.

Appreciation also extends to Edsel Carlson, Risk Manager at TECO Energy who completed his IAC term, and to Stephanie Crochet, a past EIM chair, who left her position as director, risk and insurance for Plains All American Pipeline. A consistent source of support and input during these transitions has been past chair Mike McFarland of Great River Energy who has stepped into many roles to help ensure nothing was lost as the pieces moved around. Their combined efforts kept the IAC on course, helping the Committee provide invaluable input to the Board and EIM senior managers.

The IAC also welcomed new members Loida Morrison, Chris Patterson, and Kyle Gibbs in 2025, who are highlighted in this Members Report.

The representation of the membership across the IAC has been truly exemplary. The dedication, insight, and commitment of the IAC participants has significantly contributed to the success and progress of EIM over the years and is deeply appreciated.

Much of the IAC's work is funneled through Task Force activity which includes Emerging Risk, Artificial Intelligence, Regulatory, Cyber, and Nominating.

EMERGING RISK

The Emerging Risk Task Force has focused on cyberattacks, data center energy demands, electric vehicles, and the implications of the newly passed tax bill as it tracks new and emerging risks.

Not surprisingly, there has been a marked increase in critical infrastructure cyberattacks. According to reports, the average number of weekly cyber intrusions against utilities has quadrupled since 2020. Between January 2023 and January 2024 alone, critical infrastructure worldwide sustained over 420 million attacks, representing a 30% year on year increase. Much of this increase is attributable to Artificial Intelligence (AI).

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WORKING HARD AT THE HARD WORK

IAC UPDATE (continued)

As AI develops across many sectors of the energy industry, data centers are proliferating across the country. According to some, demand for data center capacity could more than triple by 2030. This translates into a corresponding increase in U.S. electricity consumption to records highs. Absent corresponding growth in generation, transmission and distribution infrastructure, a sizeable power shortage may be in the offing.

Potentially adding to this shortfall is the growing impact of electric vehicle on future power demands. Should EV growth continue, it will no doubt present additional challenges to the power grid.

ARTIFICIAL INTELLIGENCE

While a nascent field of computer science, AI has quickly emerged as a powerhouse technology capable of game-changing applications that revolutionize business processes, social interaction and data analysis. The IAC task force has been tracking the multiple and varied uses for AI and considering its impact on the energy industry and attendant risk exposures.

With the broad reaching impact of AI, many organizations are establishing cross-functional governance committees to consider uses, implications, and efficiencies associated with AI functions. These can include electronic communications, data collection and predictive analysis, and automation of routine recurring activities. To date, there have not been significant oversight mandates, either regulatory or financial, requiring detailed disclosure of AI adoption within organizations. However, given its potential reach and impact, greater demand for information relating to AI's role in company operations is likely.

REGULATORY

Congress recently exercised its authority under the Congressional Review Act (CRA) (which allows the repeal of most federal agency rules with a simple majority vote), by approving a joint resolution repealing a Biden Administration EPA rule that tightened restrictions on major sources of hazardous air pollutant (HAP) emissions that convert from major source to area source status. Once repealed, agencies are generally prohibited from adopting new rules that are substantially similar to an invalidated regulation

During the first Trump Administration, EPA promulgated its *Reclassification of Major Sources as Area Sources* (MM2A) Rule (85 Fed. Reg. 73,854) allowing major sources to lower their "potential to emit" HAP emissions and reclassify to area source status. Under the MM2A rule, reclassified area sources were no longer subject to major source federal national emission standards for hazardous air pollutant limitations. The MM2A rule repealed EPA's 1995 "Once In, Always In" policy that prohibited major sources of HAPs from reclassifying to the less stringent standards applicable to area source status.

Thereafter, the Biden Administration promulgated its own rule placing restrictions on sources converting from major source to area source status under the Trump era MM2A rule. One restriction prevented sources emitting seven persistent, bioaccumulative HAPs from reclassifying to area source status and, as a result, were required to continue complying with major source emission standards under the Clean Air Act.

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WORKING HARD AT THE HARD WORK

IAC UPDATE (continued)

The Biden era rule also imposed notification requirements on reclassified area sources. In response, the newly elected Congress voted in 2025 to invalidate the Biden era rule and its accompanying restrictions.

Also on the legislative front, the newly passed tax bill includes increased support for mining, drilling and other traditional energy production methods while repealing or phasing out clean energy credits passed in 2022. The tax bill allows sale of public lands in Nevada and Utah along with expedited permitting for natural gas pipelines.

At the state level, utilities in at least eight western states are seeking legislative support for legal immunity or damage caps for wildfire events in exchange for establishing more formal wildfire mitigation plans.

CYBER LIABILITY

Amidst ongoing warnings about the increasing likelihood of cyber intrusions focused on ICS/SCADA systems within the U.S., the energy industry continues steps to harden assets against cyberattacks. In addition to greater security measures, the industry is looking to the worldwide insurance market to provide cyber liability coverage. International capacity is expected to increase somewhat, with North American, as a more mature cyber market, reflecting a lower growth rate. Pricing is projected to be flat to slightly down.

With no new developments on a federal cyber insurance backstop, some insurers are considering exclusions relating to cyber war and state-backed cyberattacks.

NOMINATING

The Committee continues to invite and review potential candidates interested in serving on the IAC. Interested risk managers can contact an IAC Member or Pete Nadel (pnadel@eimltd.com) at EIM.

Other IAC initiatives include posting IAC updates on the Microsoft Teams Community as well as creating a suggestion box in that community for member company comments and suggestions. Overall, the Committee is committed to continuing its mission of providing feedback and support to the Board and EIM management on strategic, operations, and risk management issues.



UNDERWRITING UPDATE

EIM Expands Builders Risk Capacity

In response to Member needs, EIM has expanded (as of 1/1/25) its available builders risk capacity from \$15M to \$35M. The additional capacity will be underwritten on a case-by-case basis and is subject to underwriting review and approval. The capacity is available at Members' respective renewals. Please contact Scott Leiman for additional information.



AN UPDATE FROM TOMMY BOLTON, PRESIDENT AND CEO



Jill Dominguez To Retire After 30 Years With EIM

For more than 30 years Jill Dominguez has served EIM and the energy industry with passion, integrity, and unparalleled leadership. Jill will cement her incredible legacy and close out her extraordinary career, retiring from EIM on December 31, 2025.

Replacing an industry titan is a nearly impossible task, but EIM has prepared for this moment by adding talent and resources to ensure a smooth transition. Director of Underwriting, Laura Lam will assume the role of Chief Underwriting Officer upon Jill's departure. Laura will be supported throughout the transition by EIM's experienced underwriting team to ensure no disruption for our members and partners.

A CAREER OF DEDICATION AND SERVICE

Jill began her career at EIM as a Senior Underwriter/Account Executive. She assumed the role of Underwriting Manager in 1996 and Chief Underwriting Officer in 1999. Over the years, she has been a guiding force in our underwriting operations, a champion of member service, and a mentor to many. Her leadership has shaped not only our underwriting philosophy but also the culture of excellence that defines EIM today.

Jill's voice has been a steady presence in EIM, and her insights have helped steer EIM through times of growth and transformation. She has consistently brought clarity, trust,

and skill to everything she touched, and her commitment to guiding the next generation of leaders has left a lasting legacy.

"On behalf of the entire EIM membership, our industry partners, and staff, I want to extend my heartfelt thanks and gratitude to Jill for her extraordinary service. For decades, EIM and Jill Dominguez have been synonymous, and it is hard to think of one without the other. We will truly miss Jill's steady hand, strong leadership, and unwavering passion, but more than any of that we will miss working with her on a personal level. I can't thank Jill enough for everything she has done for EIM, and I wish her all the best in the wonderful retirement that is so well deserved."

-Tommy Bolton, President and Chief Executive Officer

"I am excited to start a new chapter, which will allow more time for family, hobbies and travel. It has been such a blessing to work with so many people that have become friends as well as colleagues. While I am both excited and sad to leave, it felt like the perfect time as EIM is in a strong position and the strategy and team going forward will ensure continued success."

-Jill Dominguez, Vice President & Chief Underwriting Officer

We will have more on Jill's indelible career as we close in on her retirement date and will provide plenty of opportunity for everyone to celebrate Jill's career with us.



LAURA LAM WELCOME



Tampa, Florida is 981 miles from Houston, Texas. That's an almost 15-hour drive by car and about a two and one-half commercial airline flight. That may seem like a great distance and a significant move for most, but for Laura Lam, who was born and raised in Houston Texas and joined EIM as Director, Casualty Underwriting in June 2025, the move to Tampa engenders some very familiar territory.

Most recently as the Energy Underwriting Director at The Hartford, Laura brings with her to EIM over 16 years of energy sector underwriting experience. During her career, she has worked closely with numerous EIM member companies and has a long history with many of the brokers with whom EIM interacts daily. So, while the locale may be new, the business and its players are quite familiar to Laura.

Before joining The Hartford, Laura was the Vice President and Senior Energy Underwriter at Swiss Re where she assessed and managed risks associated with large scale energy projects, providing tailored insurance solutions to fit unique project risk management needs.

Earlier in her career, Laura held the positions of Senior Energy Underwriter and Market Customer Leader at Zurich North America. During her time at Zurich, she was selected to participate in the Leadership Program in Switzerland and served as a Technical Direction Specialist at Zurich Brasil Seguros, where she contributed to the implementation of innovative underwriting practices and fostered strong professional relationships within the energy sector. Her tenure included a four-month secondment to Zurich's São Paulo, Brazil office.

Laura earned her BA in Finance with a minor in Accounting, graduating magna cum laude from the University of Houston. She began her career as an Associate Account Executive – Oil and Gas at Travelers, where she gained experience in underwriting and client relations. While not formally a part of the Insurance & Risk Management program offered by the University's C.T. Bauer College of Business, Laura has been a regular guest speaker at IRM undergraduate events.

Although not particularly familiar with EIM before hearing about the underwriting position that brings her to Tampa, Laura quickly learned of the many connections she had with risk managers and brokers who regularly work with the company and was impressed by the overwhelmingly positive responses she received when she made inquiries about EIM. While it is a new company in a new location, Laura observed that, "Joining EIM is a bit like attending a reunion of sorts, I know so many members and business partners that are a part of the EIM family it feels like more of a homecoming than a transition to a new business environment. I'm looking forward to rekindling and growing my energy industry relationships." The move to Tampa is an exciting one for Laura and her family. Her two young children are looking forward to the Tampa Bay beaches and her husband, a former boat captain with Kauia-based Na Pali Coast tours (who she met during a four-year stint in Hawaii with The Hartford), is glad to be back in a coastal city with many opportunities get back on the water on a regular basis.

We welcome Laura and her family to EIM and wish them nothing but "smooth sailing."





WELCOME NEW IAC MEMBERS



KYLE GIBBS
Colorado Springs Utilities

Kyle Gibbs, Corporate Risk Supervisor with Colorado Springs Utilities, has joined the Insurance Advisory Committee (IAC) bringing with him a wealth of professional skills extending from disaster management to enterprise risk to commercial insurance coverages. During his 15 years in risk management, Kyle worked as an insurance broker while also gaining invaluable experience with the Port Authority of New York and New Jersey and FEMA examining the effects of Hurricane Sandy on critical east coast infrastructure.

After graduating from Temple's Fox School of Management with a Bachelor of Business Administration, Kyle went on to obtain his New Jersey Property and Casualty Insurance License as well as his Associate in Risk Management (ARM) designation from The Institutes. Most recently, Kyle served as Chair of the RMI Committee for the American Public Power Association.

According to Kyle, "The best part of my job is learning about our employees and their jobs. As a risk manager, I analyze the risk of our activities and protect the customer by ensuring reliable utilities and shielding them from rate increases that could be caused by unexpected events."

Welcome aboard, Kyle.



CHRIS PATTERSON
Dominion Energy

Chris Patterson has spent his entire career at Dominion Energy moving through the ranks to become the company's current Director Corporate Risk. After graduating from Virginia Tech with Bachelor of Science degrees in accounting and business systems, he began his career at Dominion in 2005 as an Associate Auditor, conducting and coordinating internal audits for the organization, before promotions to Auditor and Senior Auditor by 2011.

In 2012, Chris took on the role of Customer Project designer where he coordinated with internal and external customers to help design and install new connections to Dominion's Virginia Power electrical infrastructure. From there it was on to serving as a Senior Financial Analyst for Dominion Resources where he consulted with company management in support of financial and strategic objectives impacting operations and management, as well as capital expenditure budgets.

Chris' next stop was as Supervisor SCM Materials Planning at Dominion Energy Services, where he and his team managed \$150M in inventory, designing and implementing a supply chain reporting system and working with end users to ensure efficient and timely availability of key operations materials.

In his current role, Chris leads a team of professionals responsible for designing, implementing, and managing Dominion's corporate insurance programs, including captive operations and claims oversight, while advising business units on various risk transfer techniques to effectively and economically manage and protect company assets.

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WELCOME NEW IAC MEMBERS (continued)



LOIDA MORRISON
Sempra

Service comes naturally to new Insurance Advisory Committee (IAC) member Loida Morrison, Manager – Insurance and Risk at Sempra. Having spent almost 25 years in the U.S. Navy, 10 years of them in active service rising to the rank of Chief Legalman Petty Officer where, under the supervision of Judge Advocates (JAGs), she assisted with military justice, administrative discharges, claims, and legal assistance for Navy personnel and built a valuable skill set that helped launch her career at Sempra.

Loida's move to Sempra in 1999 after retiring from the Navy was as natural as her dedication to service. The company's longstanding commitment to hiring those with a military background was based on the company's belief that "...[veterans'] experiences serving our country prepare them to thrive in the workforce and contribute to our high-performing culture" made Loida a perfect fit.

During her 26 years at Sempra Loida first served as a corporate paralegal managing most aspects of corporate governance for Sempra and its subsidiaries while also preparing statutorily filings, including annual FERC and SEC reports. She was also a point person in preparation and filling necessary corporate materials for divestiture, merger and acquisition transactions.

In 2007, Loida assumed responsibilities as Manager – Insurance and Risk where she has a broad range of insurance and risk management functions that include analysis and placement of appropriate company-wide insurance coverages, driving corporate best practices, and establishing effective risk management processes and procedure in collaboration with Sempra's business units.

Having received a Senior Leadership and Management Certificate from the U.S. Navy and graduated from the Naval Justice School, Loida offers a highly qualified professional background which will strengthen the IAC input and interaction with EIM's management team. As Loida proudly points out, "The military taught me to be a good listener, to mentor and support teammates, and to do the right thing, even when no one's watching."

Please join us in thanking Loida for her service and welcoming her to the IAC.



WELCOME NEW BOARD MEMBER

CORYNNE ARNETT



CORYNNE ARNETT JOINS EIM BOARD

Corynne Arnett is executive vice president– Regulatory Affairs and Customer Experience at Dominion Energy and joined the EIM Board in May 2025. She currently oversees strategic risk, compliance, regulatory strategy, filings, and proceedings for Dominion’s operating companies. She is also responsible for customer experience strategy, customer service, and revenue management for Dominion Energy’s more than seven million electric and gas customers.

Prior to joining in 1997, Corynne served for four years in tax practice in public accounting. She is a member of the board of directors of the Library of Virginia Foundation, where she serves as Treasurer and Chair of the Finance Committee. She is a member of the board of trustees of The New Community School, where she serves as Treasurer, Chair of the Finance Committee, and President-Elect. She is a member of the board of directors of the Dominion Energy Foundation and previously served as Chair of the board of directors of the Dominion Energy PAC. In addition, she previously served gubernatorial appointments to the board of visitors of Norfolk State University and to the board of directors of the Virginia College Building Authority; and recently served as Chair of the board of directors of the United Way of Greater Richmond & Petersburg.

She holds a bachelor’s degree in accounting from Virginia Tech and a master’s degree in taxation from Virginia Commonwealth University. Please join us in welcoming Corynne to the Board.

Corynne’s deep expertise in regulatory affairs and customer experience are a strong addition to our Board. Her business and compliance acumen, questioning attitude, and commitment to customer satisfaction will help enhance EIM’s governance and our responsiveness to member needs.

- Marty Lyons



WELCOME NEW BOARD MEMBER

REJJI P. HAYES



REJJI P. HAYES JOINS EIM BOARD

Rejji P. Hayes, Executive Vice President and Chief Financial Officer of CMS Energy Corporation and its principal subsidiary, Consumers Energy Company, since 2017, joined the EIM Board in May 2025. At CMS, Rejji is responsible for treasury, tax, investor relations, accounting, financial planning and analysis, internal audit services, supply chain, fleet, facilities, safety, and mergers and acquisitions. He also served as Board Chairman of EnerBank USA®, a nationwide provider of home improvement loans and former CMS Energy subsidiary, and previously as executive sponsor of the Minority Advisory Panel, one of CMS Energy's largest business employee resource groups.

Rejji joined CMS Energy from ITC Holdings Corp. where he served as executive vice president and chief financial officer. Prior to joining ITC Holdings Corp., Rejji held strategy and financial leadership roles for Exelon Corporation, Lazard Freres & Co., and Banc of America Securities.

Rejji has been recognized by Institutional Investor as one of "America's Best CFOs" in the utility sector multiple times. He currently sits on the Fortive Corporation Board where he serves as chair of the audit committee. He also serves on the boards of Amherst College, Business Leaders for Michigan and the Detroit Regional Chamber.

Rejji earned a master's degree in business administration from Harvard Business School and a bachelor's degree from Amherst College. We welcome Rejji to the Board.

Rejji brings a good blend of financial acumen and strategic foresight to the EIM Board. His broad leadership responsibilities at CMS Energy, coupled with his board experience and recognition as one of America's top CFOs, positions him to help EIM navigate the changing landscape of insurance and the energy industry.

- Marty Lyons



THANK
YOU!

THANK YOU TO CARTER REID AND BRIDGET REIDY



CARTER REID

Carter Reid, executive vice president, chief of staff & corporate secretary of Dominion Energy (retired) and Bridgett Reidy, Executive Vice President, Corporate Operations, Exelon BSC (retired) ended their Board service in May 2025 but their positive contributions to the company will be felt for years to come.

After joining the EIM Board in [date], Carter served as chair of EIM from 2018 to 2021, also participating on numerous Board committees throughout the years. After retiring from Dominion in 2024, Carter completed her Board term in May of this year.

Her contributions to EIM are exemplified in the comments of Dominion's chair, president and chief executive officer, Robert M. Blue, who, as part of Carter's Dominion retirement announcement, noted that, "Carter Reid has been a key executive [who] helped the company maintain best-in-class governance [while] relentlessly focused on recruiting and retaining the best talent...." So too at EIM where Carter tirelessly worked to represent and meet the risk management needs of member companies while maintaining EIM's strong financial position, responsive underwriting and claims activities, and commitment to professionalism and excellence. Her commitment to industry security issues and cyber security safeguards provided EIM with invaluable guidance over the years.

During her many years of Board service, Carter never lost sight of EIM's founding values and always stewarded member companies' best interests. ***Congratulations and thanks to Carter for her many contributions.***



BRIDGET REIDY

Bridget Reidy joined the EIM Board in [date]. After serving on numerous Board committees over the years, Bridget was appointed Board vice-chair, a position she held until the end of her Board term in 2025.

Her law background, coupled with years of operations experience including information technology and security, customer focus, and process improvement, provided EIM with consistent and insightful feedback on the company's mission of "member focus."

Bridget has long championed women in business and worked hard to provide opportunities for advancement in the energy industry. In addition to co-founding Exelon's Forum for Executive Women and sponsoring Exelon's Network of Women, Bridget has supported and been a speaker at gatherings of the Women in Power and Utilities group, originally formed by the energy mutuals and their broking partners.

Always committed to excellence, whether it was her senior executive positions with Exelon or civic involvement with organizations such as Chicago's Navy Pier and the PGA's Reach program, Bridget played a key role in ensuring EIM's ongoing commitment to providing member companies with meaningful products and services. ***Many thanks to Bridget for her outstanding service to EIM and its members.***



Q1 2025 FINANCIALS

As of and For the Period Ending March 31, 2025

Balance Sheets (Unaudited) (Expressed in Thousands of U.S. Dollars)

	3/31/2025	12/31/2024
Assets		
Investments	\$ 2,569,630	\$ 2,422,832
Cash and cash equivalents	163,699	294,036
Reinsurance recoverables on losses	651,559	578,494
Prepaid reinsurance premiums	49,238	38,100
Premiums receivable	16,319	40,981
Other assets	2,548	3,208
Total assets	\$ 3,452,993	\$ 3,377,651
Liabilities and surplus		
Reserves for losses and loss adjustment expenses	\$ 1,763,392	\$ 1,587,680
Unearned premiums	246,578	333,864
Reinsurance premiums payable and funds held	16,164	15,511
Net deferred tax liability	40,733	38,159
Policyholder distributions payable	-	25,000
Accounts payable and accrued expenses	15,017	17,949
Income taxes payable	9,980	9,139
Total liabilities	2,091,864	2,027,302
Surplus	1,361,129	1,350,349
Total liabilities and surplus	\$ 3,452,993	\$ 3,377,651

Statements of Income (Unaudited) (Expressed in Thousands of U.S. Dollars)

	3/31/2025	3/31/2024
Underwriting revenue		
Net premiums earned	\$ 117,692	\$ 83,359
Other underwriting income	-	4
Total underwriting revenue	117,692	83,363
Underwriting expenses		
Net losses and loss adjustment expenses	137,500	92,031
Policy acquisition costs	690	670
Administrative expenses	5,847	4,458
Total underwriting expenses	144,037	97,159
Income (loss) from underwriting	(26,345)	(13,796)
Investment income	39,699	54,663
Income before income taxes	13,354	40,867
Policyholder distribution	-	-
Income tax expense	2,574	8,483
Net income	\$ 10,780	\$ 32,384



Statements of Changes in Policyholders' Surplus
(Expressed in Thousands of U.S. Dollars)

	03/31/2025	12/31/2024
Policyholders' surplus, beginning balance	\$ 1,350,349	\$ 1,234,116
Net income (loss)	10,780	116,233
Policyholders' surplus, ending balance	\$ 1,361,129	\$ 1,350,349



Updated Members Report Publication Schedule

To better balance publication of the EIM quarterly Members Report, we have moved the June publication date to July, making the January, March, July, and October reports more evenly spaced over the course of the year.

EIM's Members Report is electronically published four times per year. Comments, questions, and suggested subjects from members are sincerely welcomed.

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