

A large, semi-transparent watermark of the Energy Insurance Mutual logo is centered in the background. The logo is circular and contains the text "ENERGY INSURANCE MUTUAL" around the top edge. Inside the circle, there is a globe with latitude and longitude lines, and several stars above it. The background of the entire image is a warm, orange-to-yellow gradient with a subtle grid pattern and some light streaks.

***ONE MISSION:
UNLIMITED POSSIBILITIES***

2025 RISK MANAGERS INFORMATION MEETING



MMWC Breakout



Downtown Tampa

MMWC Breakout



Pete Nadel

Director, Member Relations
and Business Development



Tanner McAndrew

VP, Risk Management and
Corporate Strategy



Megan Ogden

Vice President,
Chief Operating Officer
Energy Insurance Services

Coverage **PROPOSED**

- **Capacity:** \$35M per policy Aggregate (Automatic Reinstatement of Limits)
- **Attachment:** Can attach anywhere in excess of EIM coverage/sublimit
- **Terms:** Follow form of EIM policy covering only the WF peril
- **Underwriting:** Will follow EIM's individualized approach
 - Rate On-Line Expectation will be highly correlated with EIM's underlying pricing while providing a discount for the protective features
- **Claims:** Serviced by the EIM Claims team
- **Eligibility:** EIM Member in good standing
 - CA based utilities are not included at this time
- **Effective Date:** non-common effective date starting 5/1/25

Protective Features:

Cell Annual Aggregate

- Max annual aggregate of \$140M
- First two losses paid at full limit (\$35M each)
- Subsequent two losses paid at 50% quota share (\$17.5M each)
- A full limit (\$35M) loss is reserved for non-western states
- Aggregates will be prioritized by first notice of loss

Post Loss Premium Surcharge (PLPS)

- Cumulative individual loss ratio $\leq 150\%$
- Members with loss activity will make PLPS payments to cell over a max of 5 years to balance loss ratio
- 150% PLPS obligation is contractually binding
- Obligation exists even if the member no longer purchases coverage

Retro Premium Assessment

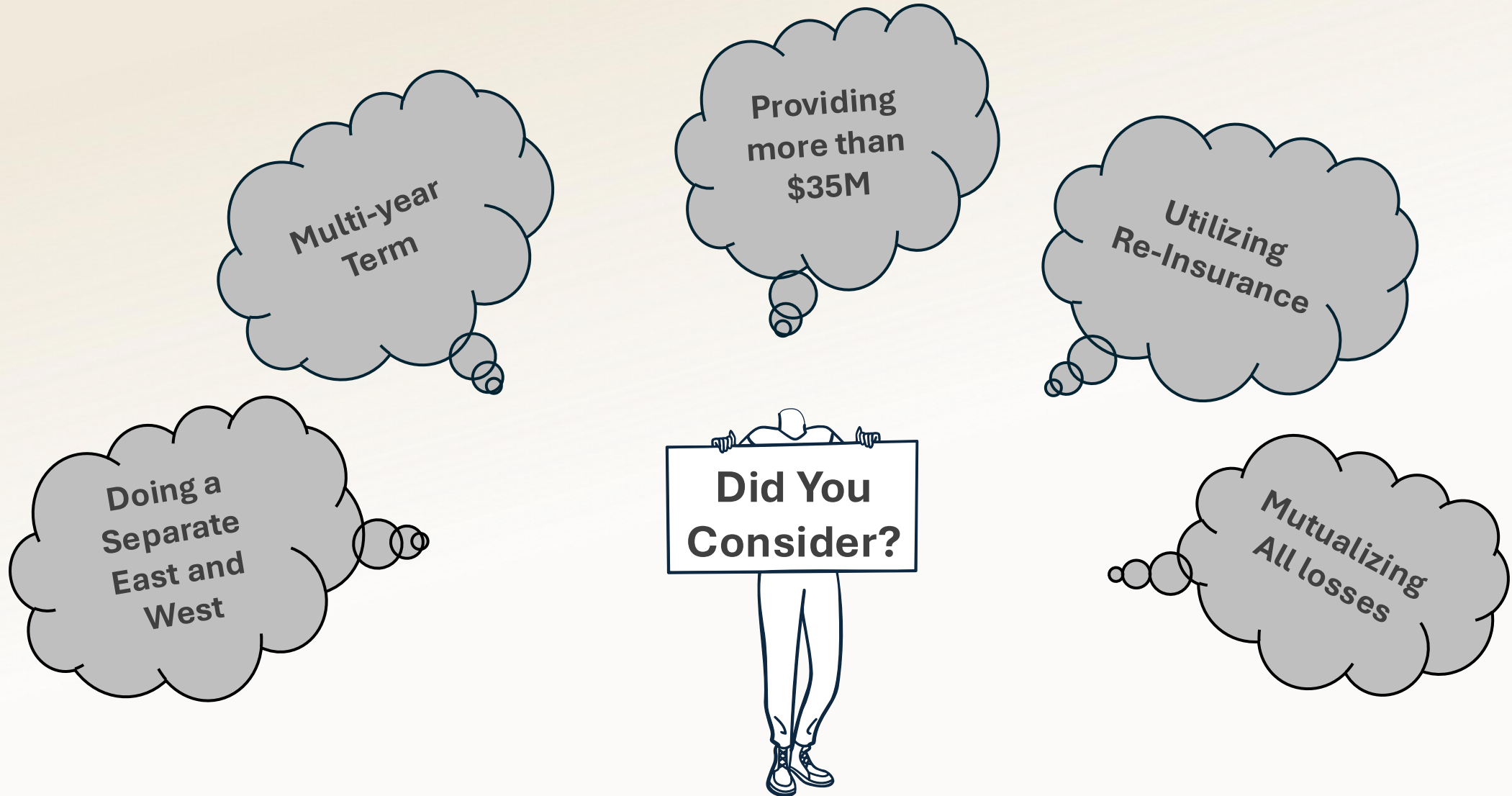
- Thresholds based on pre-determined **Surplus/Limit Ratio***
- Member contribution based on **cumulative proportionate** Cell premium
- Shock loss scenario = one time retro of .75 of annual premium following unprecedented loss activity (1 in yr 2 and exhausted aggregate in yr 3)

Condensed Pro Forma – Cell Mechanics

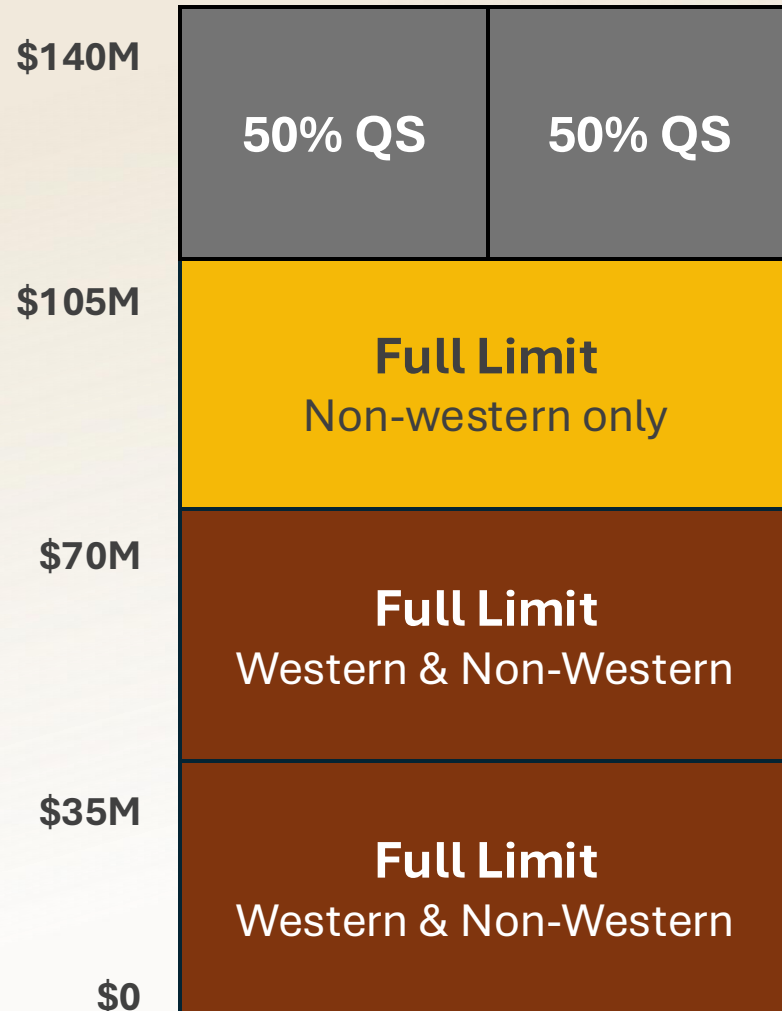
	2025	2026	2027	2028	2029	2030
Premium	20,000	50,000	70,000	70,000	65,000	60,000
Losses	-	(105,000)	-	-	-	-
Expenses	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Net Income (loss)	15,000	(60,000)	65,000	65,000	60,000	55,000
Gross Surplus	90,000	30,000	135,000	200,000	235,000	230,000
Gross Surplus/Limit	2.6	0.9	3.9	5.7	6.7	6.6
<i>Retro Premium</i>	-	40,000	-	-	-	-
<i>Capital Payback</i>	-	-	-	(25,000)	(50,000)	-
<i>Member Distribution</i>	-	-	-	-	-	(20,000)
Net Surplus	90,000	70,000	135,000	175,000	175,000	210,000
Net Surplus/Limit	2.6	2.0	3.9	5.0	5.0	6.0

Surplus/Limit Operating Thresholds	
<2.0	Retro Premium
5.0	Capital payback
6.0	Member distribution
35M	Max Limit

Behind the Development Process



Annual Aggregate – Limit Dynamics



After two full limit western losses **OR** 3 full limit losses from a combination of west/non-western states **OR** 3 full limit losses in non-western states, the next losses will be quota-shared at 50% until \$35M is eroded

Regardless of western loss activity, \$35M will be reserved in the annual aggregate for losses originating in non-western states

Full \$35M limits available for the first two western and non-western losses

Post Loss Premium Surcharge

Member Annual Premium: \$1,000,000

Full Limit Member Loss in Year 3, Reinstatement Option Exercised

Year	Annual Premium	Reinstatement Premium	Surcharge	Cumulative Premium	Losses	Loss Ratio	Effective ROL
1	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000		0	2.86%
2	\$ 1,000,000	\$ -	\$ -	\$ 2,000,000		0	2.86%
3	\$ 1,000,000	\$ 2,000,000	\$ -	\$ 5,000,000	\$ 35,000,000	700%	2.86%
4	\$ 1,120,000	\$ -	\$ 3,500,000	\$ 9,620,000		364%	13.20%
5	\$ 1,254,400	\$ -	\$ 3,000,000	\$ 13,874,400		252%	12.16%
6	\$ 1,404,928	\$ -	\$ 2,500,000	\$ 17,779,328		197%	11.16%
7	\$ 1,573,519	\$ -	\$ 1,500,000	\$ 20,852,847		168%	8.78%
8	\$ 1,762,342	\$ -	\$ 750,000	\$ 23,365,189		150%	7.18%
9	\$ 1,973,823	\$ -	\$ -	\$ 25,339,012		138%	5.64%
10	\$ 2,210,681	\$ -	\$ -	\$ 27,549,693		127%	6.32%

Retrospective Premium Assessment Example



Member annual premium: \$1M
(part of total cell premium of \$25M)


Loss activity in the first and second year
pushes surplus below the threshold

Retro assessment made in year three
requiring \$15M to return to threshold

Member responsibility (in addition to
premium)

- \$600,000

Next Steps

	Dec	Jan	Feb	Mar	Apr	May
EIM/EIS			2/24 - 2/25 <u>EIM/EIS BOD Meeting</u> MMWC Funding Approval Discussion	4/1 <u>EIS</u> SC DOI Cell Approval		5/13 <u>EIM BOD Meeting</u> MMWC Member / Financial Review
IAC				3/25 <u>IAC Meeting</u> Detailed Review / Feedback of MMWC		
MMWC	12/15 - 1/10 Member Survey	1/23 <u>MMWC Webinar</u> Detailed overview of WF cell concept	2/10-2/21 Small groups	 3/15 - 4/1 <u>Funding</u> Pre-Commits Due	4/1 <u>Pre-Commits Due</u> MMWC Break-Out Session	5/1 <u>MMWC Start Date</u>
			2/24 <u>Premium Indications</u> Accompanied with policy form, participation agreement, etc.	3/25 <u>RMIM</u> MMWC Break- Out Session	4/15 <u>Go/No Go Decision</u> Contingent upon critical mass of committed member participation	

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2025 RISK MANAGERS INFORMATION MEETING



Insurance Advisory Committee Update

Downtown Tampa

Insurance Advisory Committee Update



Mariya Coleman

Vice President,
Insurance and Claims,
Berkshire Hathaway Energy



Arnold Garcia

Director, Risk Management
& Engineering,
Duke Energy



Pete Nadel

Director,
Member Relations and
Business Development

Agenda



- 1 Insurance Advisory Committee (IAC) Update
- 2 Members
- 3 Activities
- 4 Task Force Committees
- 5 IAC Survey Results

Insurance Advisory Committee (IAC)

The IAC serves to ensure the diverse interests, operations, and geography of the EIM Membership, is reflected in the operations, products, and services provided by EIM. The major functions of the IAC include, but are not limited to:

- To act as a liaison between the EIM Board, EIM Leadership Team and EIM Member Risk Managers.
- To provide Member Risk Managers a formal vehicle through which to provide feedback, opinions and input on EIM operations.
- To act as a resource for EIM, regarding policy coverage, member industry perspectives, and insurance related matters.
- To serve as a “core group” within the Member Risk Managers that is familiar with the history and purpose of EIM including evolution of the insurance coverage.
- To undertake special assignments from the EIM Board or EIM Leadership Team, as necessary.
- To meet a minimum of four (4) times a year with EIM Leadership to share information on EIM operations, industry observations and items brought to the attention of the IAC by the members.

EIM Insurance Advisory Committee (IAC)

Name	Member Company	Title
Mariya Coleman (Vice-Chair)	Berkshire Hathaway Energy	Vice President, Insurance and Claims
Lisa Fleischer	Omaha Public Power District	Director, Legal Operations
Arnold Garcia (Chair)	Duke Energy	Director, Insurance
Kyle Gibbs	Colorado Springs Utilities	Corporate Risk Supervisor
Kathy McElwaine	PJM Interconnection	Corporate Insurance Manager
Michael McFarland	Great River Energy	Director, Enterprise Risk Management
Loida Morrison	Sempra	Manager, Insurance and Risk
Randall Murdaugh	Associated Electric Cooperative	Managing Director, Risk Management
Christopher Patterson	Dominion Energy, Inc.	Director, Corporate Risk
Gordon Payne	Fortis Inc.	Director, Risk Management
Ron Rispoli	Entergy Services, Inc.	Director, Risk Management and Risk Engineering
Frank Stanbrough	Southwest Gas Holding, Inc.	Vice President, Continuous Improvement & Optimization
Tim Underwood	CMS Energy Corp.	Director, Insurance Risk Management

IAC Activities

Provide input on the impact of market trends on EIM and its members, especially with respect to reinsurance

1. Wildfire
2. Continued risk of nuclear verdicts
3. Contractor-related GL exposure

Strategic planning input

1. Distribution
2. Wildfire sub-limits

Task Forces track specific issues which may impact EIM and its members

Task Force Committees

Cyber (Tim Underwood, CMS Energy)

Energy Market Evolution (Ron Rispoli, Entergy Services)

Emerging Risk (Arnold Garcia, Duke Energy)

AI (Frank Stanbrough, Southwest Gas)

Regulatory (Lisa Hough, Omaha Public Power District)

Nominating (Mike McFarland, Great River Energy)

Wildfire (Mariya Coleman, Berkshire Hathaway Energy)

Cyber Risk

- Federal cyber insurance backstop
- Infrastructure vulnerabilities
- Reliance on satellite dependent technologies
- Cyberwarfare

Task Force Chair	
Tim Underwood	
<i>Task Force Contributors</i>	Mike McFarland
	Gordon Payne
	Kathy McElwaine
	Frank Stanbrough

Energy Market Evolution

- Data Center Growth
 - Affordability impacts
 - Rate equity
- Wildfire Risk Credit Rating Impact

Task Force Chair	
Ron Rispoli	
<i>Task Force Contributors</i>	Edsel Carlson
	Arnold Garcia
	Mariya Coleman

Emerging Risk

- Load growth deficits
- Climate Change Litigation
- IRA Rollback Impact,
Regulatory Uncertainty

Task Force Chair	
Arnold Garcia	
<i>Task Force Contributors</i>	Ron Rispoli
	Stephanie Crochet
	Gordon Payne

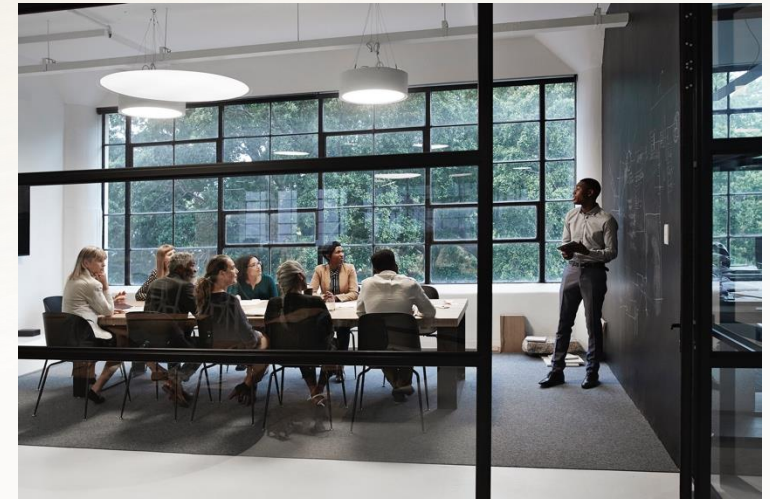
Regulatory Risk

- New Administration Impact
 - New DOE Chair
 - Rollback of Biden Admin policies
- Cybersecurity disclosure requirements
- “Forever chemical” rules
- Tort reform

Task Force Chair	
Lisa Fleischer	
<i>Task Force Contributors</i>	Edsel Carlson
	Arnold Garcia
	Tim Underwood

Newly Created Task Force Committees

- Wildfire
 - Chair – Mariya Coleman
- Artificial Intelligence (AI)
 - Chair – Frank Stanbrough
- Retired Committee
 - ESG



Nominating

Identify, review and recommend potential IAC candidates

- Interested in Joining the IAC?
- Benefits
 - Professional growth
 - Share perspectives
 - Support your mutual
- Time commitment
 - Quarterly meetings
 - Participation on 2-3 task forces
 - 3-year term

Task Force Chair	
Mike McFarland	
<i>Task Force Contributors</i>	Mariya Coleman
	Arnold Garcia

If interested, please contact Jill Dominguez, Mike McFarland, Nominating Task Force member, or apply online



IAC Survey Results



Tampa Riverwalk

Participation

Members

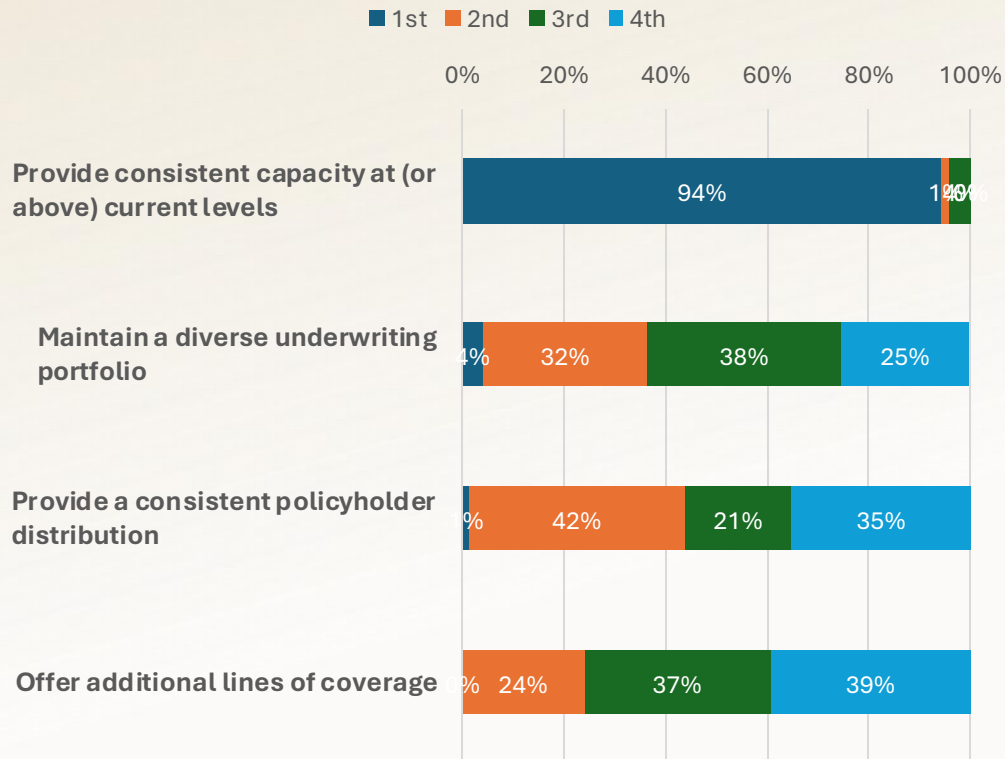


Brokers

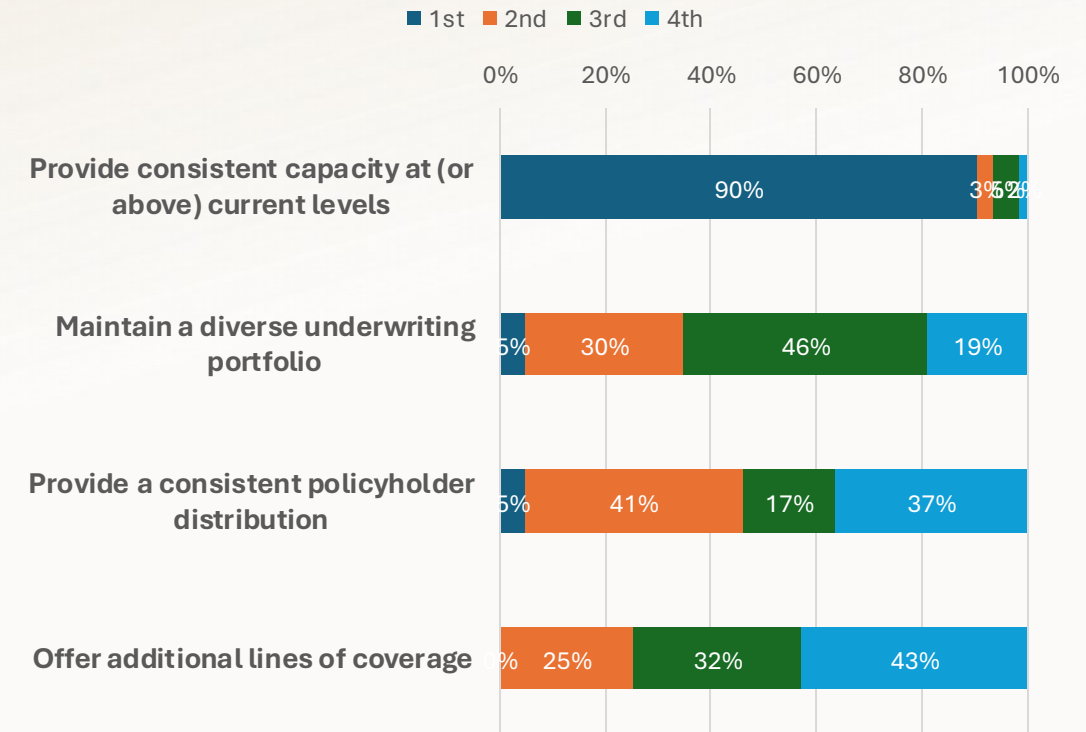


Operations

7. Please rank the following key EIM operational components from most to least important to your organization:

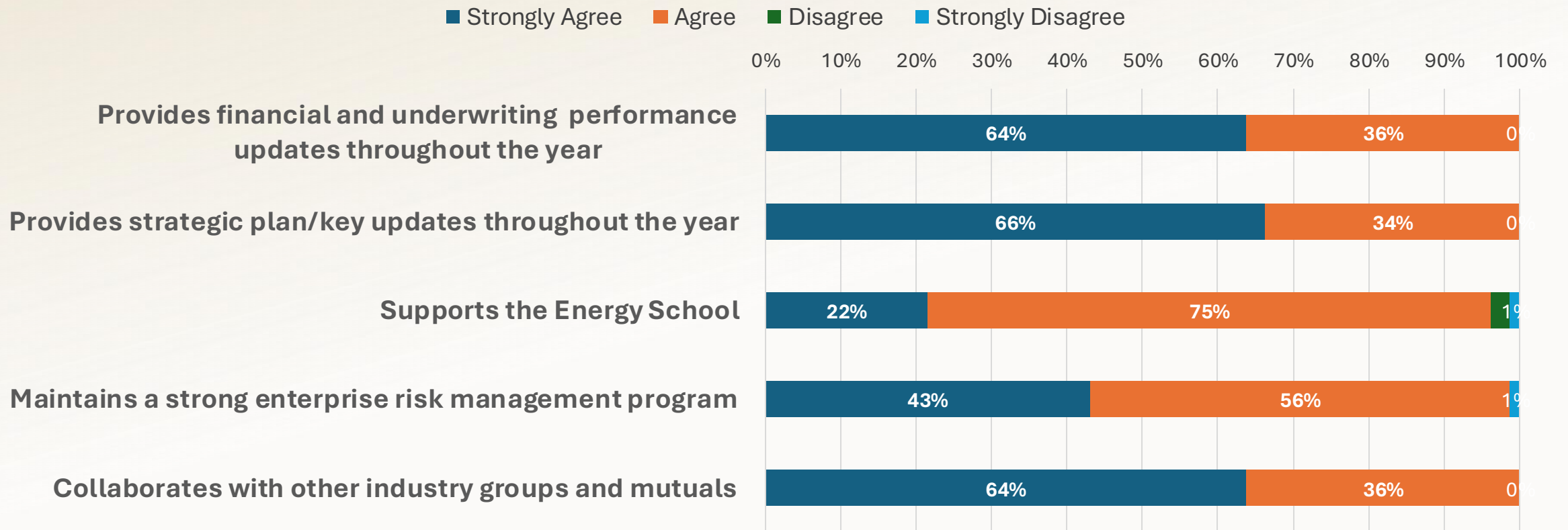


8. Please rank the following key EIM operational components from most to least important to your organization over the next 5 years:



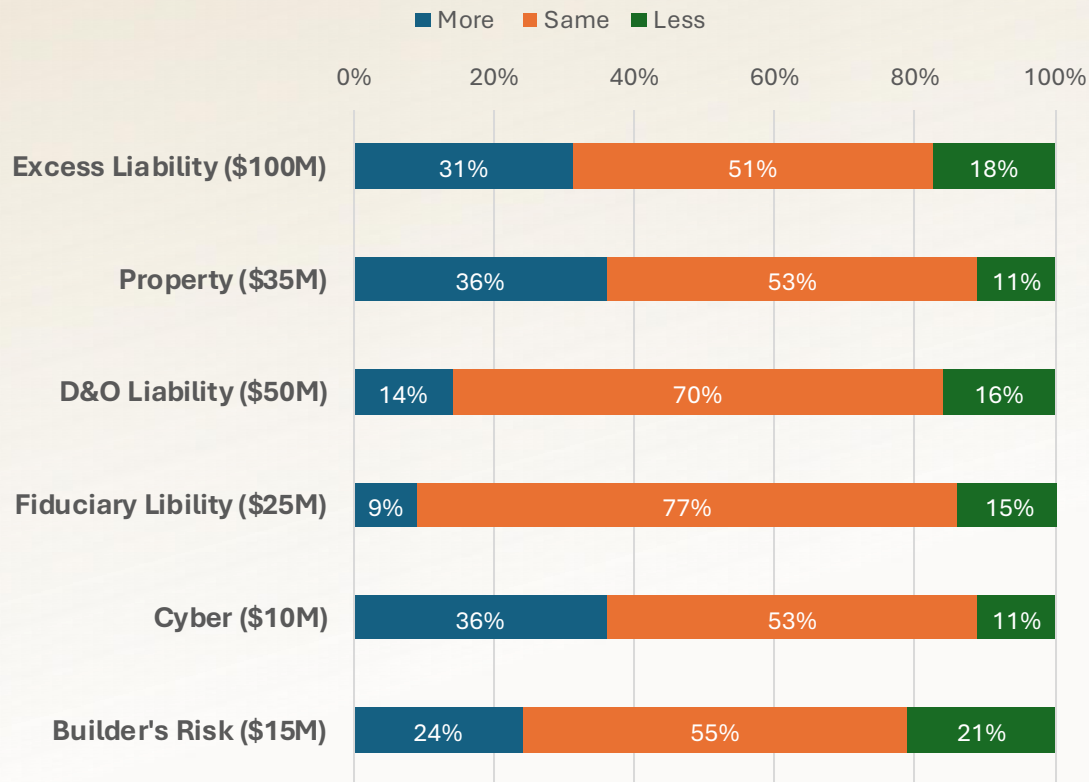
Operations (cont.)

9. It is important that EIM:

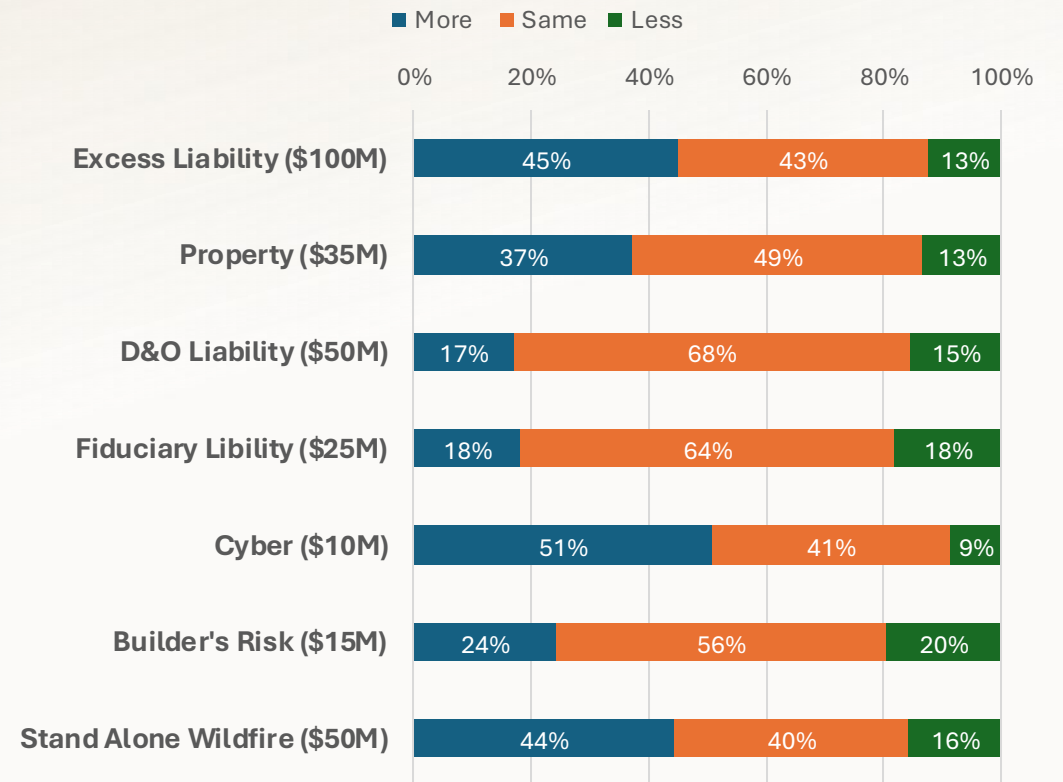


Appetite & Value

10. Considering my organization's current purchasing appetite, I would buy _____ from EIM

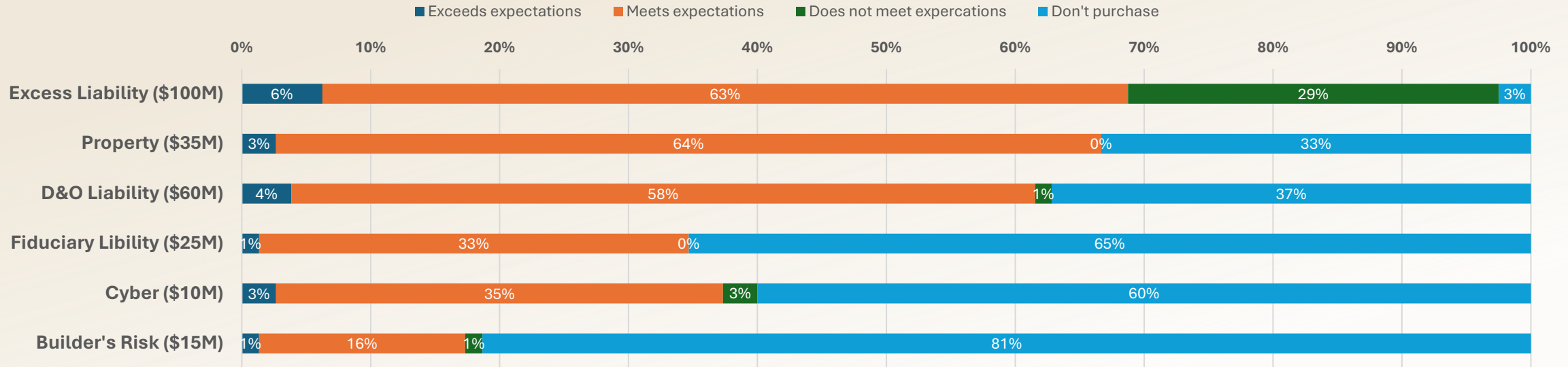


11. Forecasting my organization's purchasing appetite in 5 years, I would buy _____ from EIM

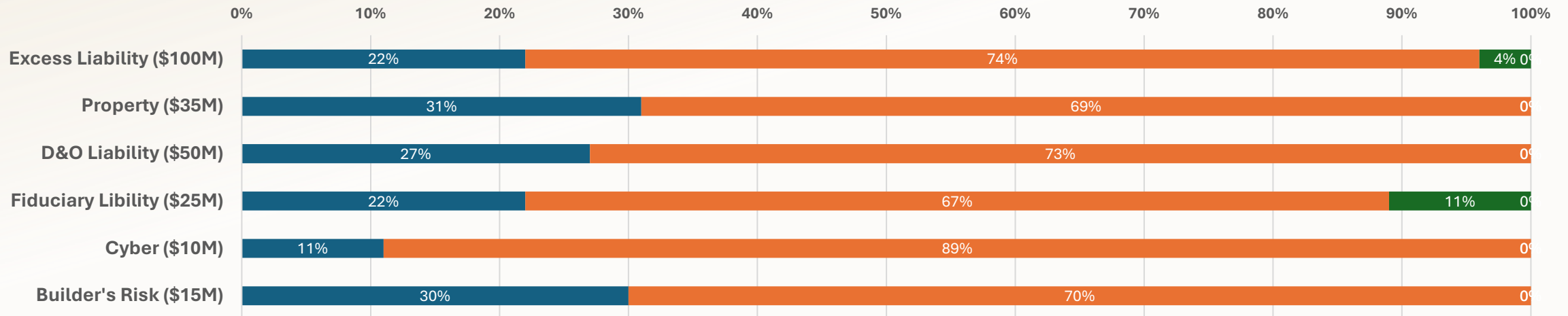


Value Comparison

Members

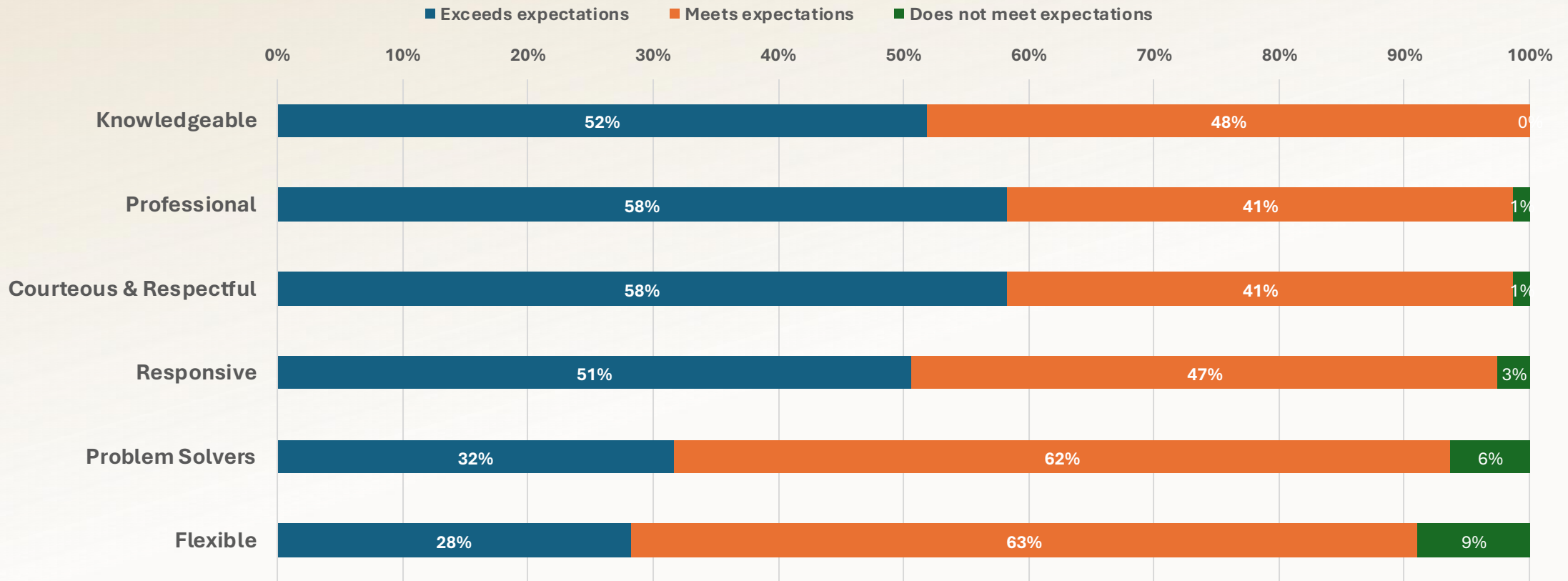


Brokers

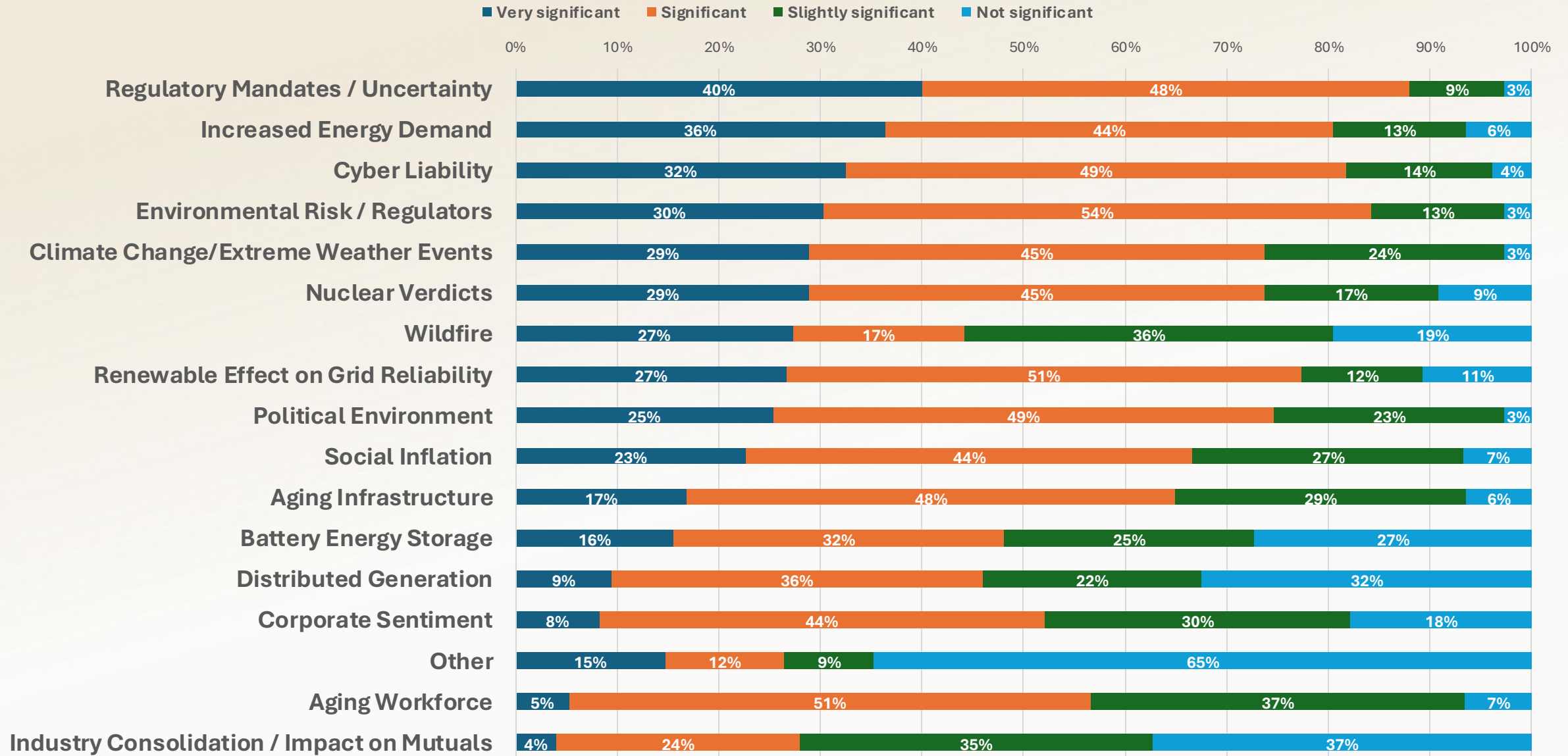


Customer Service

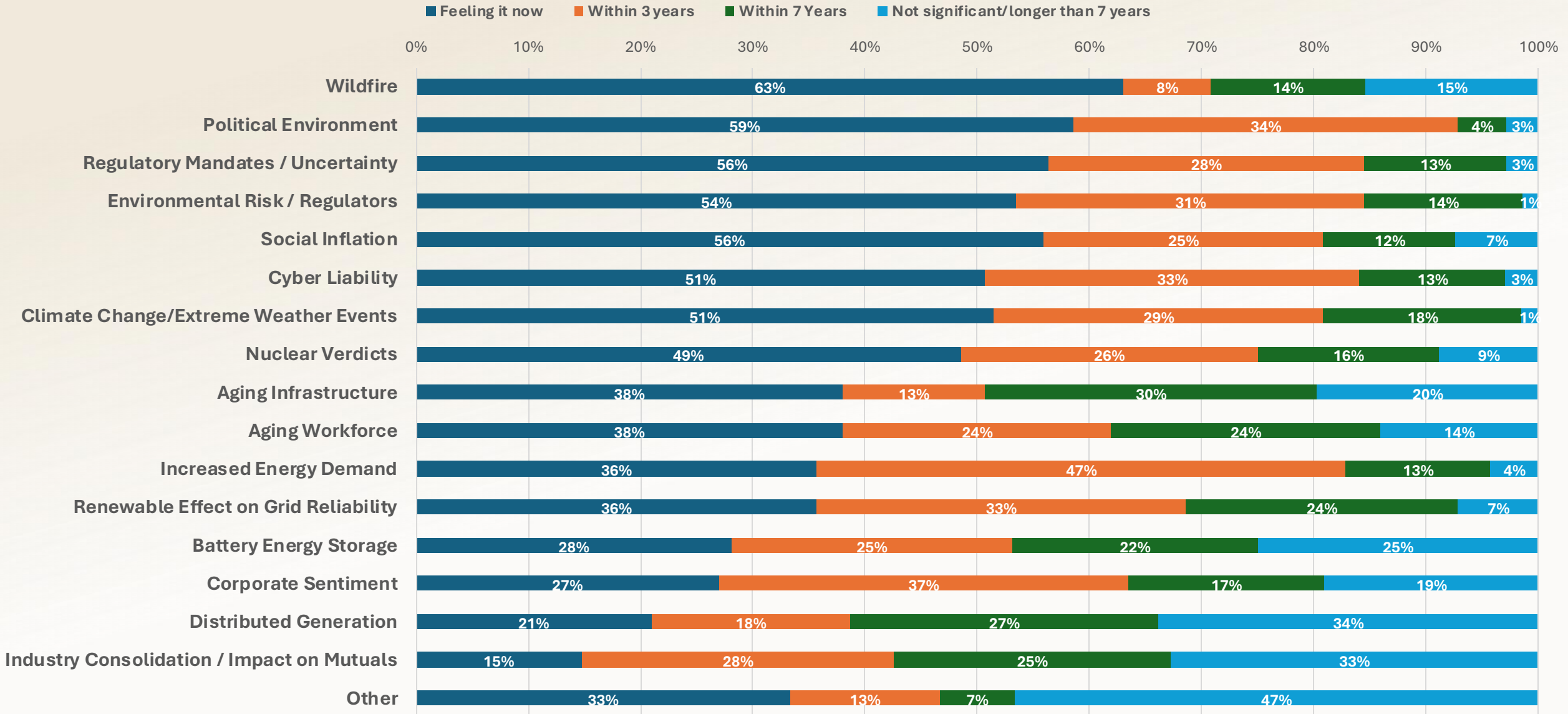
17. EIM Staff are Generally



Top Risks: Significance



Top Risks: Velocity



Comment Themes

EIM Excels

Our Capacity

- Strong
- Consistent

Our People

- Customer Service
- Relationships

Our Support

- Listening
- Engagement

Opportunity to Improve

Communications

- Timing
- Transparency

Offerings

- Expansion
- Pricing

Wildfire

- Support
- Pricing

General Feedback

Like Our Mutuality

- Stepped up in the Past
- Support the Members

Like Our Staff

- Added Praise

Suggestions for RMIM

- Available of UW

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Closing Remarks



Skyway Bridge

Gamification Winners

The first person to identify the secret agent and scan their QR code:

Amanda Martin

Attendee with the most points:

Robert Cohenour

Attendee with the second most points:

Jeff Turner

Attendee with the third most points:

Liz Clarke-Pilgrim

**Please see Taniyka Ragland
at the registration desk to claim your prize!**

EIM Staff



We are moving!



SAVE THE DATE

FEBRUARY 22-24, 2026
TAMPA, FL

**Thank you for attending the
2025 Risk Manager's
Information Meeting**

**We look forward to
seeing you next year!**

**2025 EIM Risk Managers
Information Meeting Survey**



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2025 RISK MANAGERS INFORMATION MEETING

SCAN & COMPLETE

THE 2025 EIM RISK MANAGERS
INFORMATION MEETING SURVEY



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