

DISTRIBUTOR PRODUCT GUIDE

Renewable Power

- This guide is for intermediary reference only.
- It doesn't contain the full terms and conditions of the contract of insurance.
- You can find more information about the product within the policy overview.
 - [Hydro Power](#)
 - [Solar Power](#)
 - [Wind Power](#)
 - [Short Term Operational Reserve](#)
- Full terms and conditions are within the policy documents; you can request to have a copy of these.

Product design

We've provided engineering, commercial property and casualty solutions to businesses for over 25 years and renewable energy products since 2018. We work with industry experts such as the Association of British Insurers (ABI) and the Fire Protection Association and RISC Authority, in addition to our global partners across the Allianz Group. We draw upon this experience and insight, as well as customer research to ensure our products continue to add value and meet the evolving needs of our commercial property and casualty customers.

Renewable Energy Power is a Commercial Lines General Insurance product designed for renewable energy businesses that want insurance protection from a range of events, such as damage to their property or claims for compensation brought against the business by from either employees or third parties.

This product enables businesses to meet certain legislative insurance requirements such as, those dictated by the Employers' Liability Act.

It also enables them to meet their contractual requirements during the construction and installation of their renewable plant.

This helps to protect their investment should the plant be damaged or suffer breakdown failure during the installation, resulting in a loss of revenue, either immediately after the incident or whilst repairs are being carried out.

Our product also provides public and products liability protection.

The product is designed to provide the customer value by offering them the flexibility to buy a combination of covers that meets their specific needs. The policy overview provides details of the covers available.

Target market

The target market for our Renewable Energy Select product are established UK based mid-corporate businesses with a turnover up to £450 million, operating within the renewable energy sector. Our preference is businesses that conduct the following types of installations:

- ground mounted solar panels
- wind turbines of greater than 1Mw total capacity per unit up to 3.6Mw
- hydro power greater than 500Kw and less than 10Mw per unit
- short term operational reserve (STOR) of greater than 1Mw total capacity per unit.

We're able to provide insurance solutions for a broad range of businesses and are happy to consider those that sit outside of these parameters. However, this product is **not** targeted towards:

- businesses lacking in health and safety, risk protection control and risk management procedures.
- where the installation period exceeds 12 months

RENEWABLE ENERGY POWER DISTRIBUTOR PRODUCT GUIDE

- where testing for new installations is longer than 30 days
- second hand equipment
- solar panels over five years old, wind turbines and STOR over 10 years old and hydro installations over 20 years old
- installations without SCADA (Supervisory Control and Data Acquisition)
- equipment that isn't maintained by operations and maintenance companies
- non-conventional insurance options, such as customers that run their own captives or require a layered insurance program
- retroactive covers.

This product isn't suitable for:

- trades and businesses not involved in energy production to the national grid
- any unproven technology and/or without appropriate technical accreditation
- a person acting for purposes outside their trade, business or profession
- non-going concerns or the retired
- businesses that operate outside the UK and require a global insurance solution.

We wouldn't expect this product to provide fair value to:

- businesses with very low level sums insured or exposures where we need to apply minimum premiums.

Potential conflicts

The policyholder could be conflicted if they wish to make lots of small claims, just above the excess limit, as this may impact the terms offered at subsequent renewals.

Product value assessment

Our September 2023 assessment has concluded that our Renewable Energy Power Product, including its charging and distribution structure, is compatible with the needs, objectives and characteristics of the target market and provides fair value.

Our product value assessment is based on the premium we charge for the cover and the services we provide. In addition to the identified needs, characteristics (including vulnerabilities) and objectives of the target market we take a wide range of other factors into consideration, such as historical and expected claims frequencies, incurred and projected claims costs, plus scenario analysis along with customer feedback.

We also consider how the intended value of the product may be affected by its distribution with the conclusion of our product value assessment based upon our distribution strategy as set out below and that:

- The level of commission is in line with market proximate commission levels and is not being increased from what we have agreed with the placing distributor for the policy. Please refer to your commission schedule and traded commissions for your own distribution / value assessment purposes
- Where distributors operate on a fee-in-lieu (of commission) basis, such fees are expected to be proportionately lower than the equivalent commission would be for that same policy

- Administration fees or any other additional fees are only levied where the commission income is not sufficient to cover any of those respective costs and is commensurate with the activities undertaken
- Our product does not form part of a packaged offering
- Ancillary products (including premium finance arranged by the distributor) are only being offered where requested by the customer and when appropriate to their demands and needs. The total charge to the customer for any ancillary products, and any directly related remuneration (whether commission or fee) is commensurate with the benefit / services provided and activities undertaken
- No other additional charges or remuneration are being received in connection with the distribution of our product other than referenced above or received from us
- All and any parties in the distribution arrangement are able to confirm that their remuneration is consistent with their regulatory obligations.

RENEWABLE ENERGY POWER DISTRIBUTOR PRODUCT GUIDE

Distribution strategy

Our Renewable Energy Power product has been designed for distribution by insurance distributors that hold commercial agency facilities with us, and that perform selling, advising and arranging activities in relation to the policy directly with the customer. They must have the appropriate level of understanding of the risks and exposures faced by their customer in the operation of their business.

Where we've granted permission for the distribution of our products to involve another, or an additional, party in the distribution arrangement, this is restricted to be no more than one level beyond the distributor placing the business with us, and in addition to the product value assessment details outlined above applying that:

- The additional parties being relevant and appropriate in terms of their involvement, knowledge and regulatory status
- Any split or sharing of commission and/or the remuneration applicable to each party being proportionate to the activities undertaken by each party
- Administration fees not being applied by more than one party in the distribution chain.

Product Value Feedback

If you have any concerns about an Allianz Commercial product not delivering its intended value, including in relation to potential adverse customer or product value impacts from the distribution arrangement, please notify us of the relevant details by sending an email to:

regulatory.standards@allianz.co.uk

