Crawford

Case Study

# Extended maintenance or operational cover? Helping the insured navigate the crossover between the policies

**INDUSTRY**
Power

**LOCATION**
Southeast Asia

**CLAIM TYPE**
Property Damage

## CHALLENGE

Following completion of a Battery Energy Storage Solution (BESS) facility, an explosion occurred. The loss was reported to both CAR and operational insurers. We were asked to assist with the operational policy. In conjunction with appointed forensic investigators, it was determined that the root cause was defective cells within the BESS system. The CAR policy was within the period of extended maintenance coverage. The challenge was - which policy should the loss fall under?

## SOLUTION

The property policy had no business interruption cover so fast recovery was important to the insured. We were able to support discussions around the applicable coverage considerations under each policy and the factors relevant to whether the CAR policy and/or OEM responsibilities may apply. We were able to successfully support discussions that led to timely clarification of responsibility in relation to the defective cells from the OEM and were able to support the insured and insurer during subsequent legal proceedings undertaken by the relevant parties.

## RESULTS

Reframed the loss under the appropriate policy response

Protected insured's position amid multi-party dispute