



# Power Construction project insurance

The challenge of responding to the world's evolving power needs is leading to larger and ever more complex power and utility construction projects. Aon's local presence and global experience allows us to offer expert support throughout the project lifecycle

A drive for greater efficiency is being met by technological innovation across the power industry. As a result, today's construction projects involve an intricate mix of contractual and physical risk exposures that require expert advice and bespoke insurance programmes.

Aon creates insurance and risk management programmes that run in parallel with your project's requirements, providing valuable support and information at every stage. It is a model that allows you to make informed decisions based on expert advice.

We offer comprehensive, outsourced risk and insurance services that support our clients throughout the project lifecycle:

## Development

- Assistance in negotiations with stakeholders, lenders (their insurance advisors) and joint venture partners
- Detailed understanding of finance agreements and covenants
- Technical advice and understanding
- Insurability advice and bench-marked cost estimates

## Construction, testing and commissioning

- Comprehensive and cost-effective coverage for all risks including delay in start-up, marine cargo and terrorism
- Support and advice on the intricate mix of contractual, project and cost risks
- Contract review and risk assessment
- Bespoke covers for project specific risks

## Handover and operational

- Comprehensive cover dovetailing the construction and operational phases
- Access to specialist global placement hubs to maximise cover and minimise cost

By utilising our specialist global placement hubs and worldwide networking technical experts we ensure that our clients enjoy the most innovative, efficient and cost-effective insurance programmes available.

For more information,  
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## Case study

### Aon chosen to support US\$2.billion power and water project, Middle East

Aon worked as an insurance advisor in partnership with a company that was bidding against several consortia for a major power and water project in the Middle East. Our client was successful and Aon was appointed to support the project's construction and operational phases.

As the world's first project of its kind, there was no established template on which to base the contractual framework.

To meet this challenge in the extremely tight time frame we built a locally coordinated global service team. The innovative risk management and insurance programme that we created offered comprehensive construction, marine, delay in start up, liability and terrorism covers, and was completed in a little over a month.

The developer said that we stood out from our competitors because of our:

- Global industry knowledge and hands on, practical experience
- Local knowledge that helped guide the client through legislation and compliance issues
- Ability to engage other advisers in the legal, engineering and lender sectors on insurance requirements and structures
- Access to international specialist insurance and reinsurance markets ensuring the best price and coverage conditions were achieved
- Service which was delivered at project company level that helped forge long term relationships

## Aon's Power team

Aon's Power team brings together over 200 power and utility specialists in one dedicated global unit. We offer global, industry specific multi-line insurance brokerage, client service, loss control, claims advocacy and management services. We also work closely with colleagues specialising in risk mapping and strategic risk consulting to assess our client's total risk profile.

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