

AEGIS 101

George Keefe

Senior Vice President
AEGIS Insurance Services, Inc.



2015 PHC



AEGIS

- Utility-owned mutual
- Mission is to serve the industry
- Products designed to manage utility risks

AEGIS

History

- Founded by the utilities
 - Issues with the commercial market
 - Utility industry built the policy
 - Committee of risk managers wrote first policy

AEGIS

Mission

- AEGIS is a non-assessable mutual
- AEGIS goal: consistent / stable market
- AEGIS is a member-driven organization

AEGIS – Member Involvement

AEGIS Board of Directors

- AEGIS Board of Directors
- Active and retired utility CEO's
- Assists senior team in managing the mutual

AEGIS – Member Involvement

Risk Management Advisory Committee (RMAC)

- Comprised of risk managers from each industry segment
- Meets with senior management on a quarterly basis
- Advises on member issues, market developments and new products
- Includes task forces that work with AEGIS staff on specific issues

AEGIS – Member Involvement

Claims Task Force

- Claims professionals from member companies
- Meets with senior Claims staff
- Advises on legal trends, claim developments and potential new services

AEGIS – Member Involvement

Loss Control Task Force

- Safety professionals from member companies
- Meets with AEGIS Loss Control staff
- Advises on technical developments, member issues, potential new services

AEGIS – Relationships

Communication / Relationships

- Policyholders' Conference
- Regional meetings
- Member contact pool
- Individual member meetings
- Broker meetings

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Fred Murnane

Vice President, Directors & Officers
AEGIS Insurance Services, Inc.

2015 PHC



Underwriting Division – Product Management

- Bill Cullen, Senior Vice President and Chief Underwriting Officer
- Brian Madden, Vice President of General Liability / Workers' Comp
- Gary Ladman, Vice President of Property
- Fred Murnane, Vice President of Directors and Officers Liability
- Dawn Simmons, Vice President, Cyber

Underwriting Division – Approach

- Knowledgeable staff who understand the industry and exposures
- Strong relationships with our members
- Individually underwrite each risk
- Provide a fair price for both the member and the mutual
- Coverage customized to fit member needs

Underwriting Division – Excess Liability / Workers' Comp.

- \$35 million occurrence / \$70 million aggregate limit
 - First excess policy with \$200,000 minimum attachment
 - Includes coverage for pollution liability, employment practices (not subject to \$70 million aggregate)
- Construction excess policy – occurrence form with \$25 million limit available
- Excess workers' compensation – \$35 million limit (statutory with reinsurance support)
- Combined excess liability and excess workers' compensation gross written premium = \$491 million (2014)

Underwriting Division – Property

- \$200 million capacity for operational and construction risks, including renewables
- Up to \$100 million additional capacity from our new property consortium with NEIL and Berkshire Hathaway
- Flexible attachment points, subject to minimums based on asset type
- Engineering involvement and dedicated loss control
- 2014 GWP = \$169 million (-7%)

Underwriting Division – D&O Liability

- \$35 million per loss and in the aggregate
- Primary or excess
- D&O, public power, fiduciary and professional liability covers
- EPLI available via endorsement
- Side A DIC coverage through Endurance
- 2014 GWP = \$77 million (+3%)

Underwriting Division – Cyber

- \$50 million capacity available
- Operational and privacy coverage available
- Flexible attachment
- Underwritten by the mutual in NJ

Underwriting Division – Alliance

- Primary coverages available:
 - General Liability
 - Workers' Compensation
 - Auto
- Admitted Paper
- Special programs for
 - Railroad Protective Liability
 - Certificates of Insurance

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Bill Powell

Vice President, Member Relations
AEGIS Insurance Services, Inc.

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AEGIS Risk Assessments

- Electric
- Natural gas
- Call center
- Occupational safety
- Workers' compensation

AEGIS Loss Control Training & Workshops

- Incident investigations
 - Electric
 - Natural gas
- Media relations
- Fire protection
- Loss Control Seminar – October, San Antonio
- Webinars – monthly

AEGIS Loss Control Publications and Guides

- Electric utility inspection forms
- Public safety communication guides
- Transformer contingency planning
- Contractor evaluation & selection
- *What Every Director & Officer Should Know*
- Employment practices self-assessment guide
- *Review of Major Liability Losses*
- *Utility-Related Losses – What We've Learned and What You Should Know*

Public Safety & Loss Control Training Materials

- Lessons Learned series
 - Electric
 - Natural gas
- Hazard awareness training for emergency response personnel
- Surviving the Wires Environment
- Employee and public safety awareness
- A Call for Help

Property Loss Control Engineering Services

- Fire protection risk assessments
- Machinery breakdown risk assessments
- Builders risk assessments

Claims Services

- AEGIS Litigation Services
 - Electric
 - Natural gas
- The AEGIS Structured Settlement Company
 - EPS settlements
 - Mesirov Financial
- AEGIS Claims Roundtables
- Claims Biennial Seminar

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Cheri Murray, CPCU

Director Insurance Risk Management
CenterPoint Energy, Inc.

2015 PHC



CenterPoint Energy, Inc.

Insurance Risk Management

- Domestic energy delivery including electric transmission and distribution, natural gas distribution and natural gas sales and services
- Headquartered in Houston, Texas
 - \$23.2 billion in assets
 - \$9.22 billion in revenue
 - 7,400 employees
- Risk Management staff of six
- Coverage lines with AEGIS: Property, Liability, Cyber & D&O

39 Years and Counting

AEGIS Membership CenterPoint and Legacy Companies

Initial Policy Year	Entity	Change
1976	Mississippi River Transport (MRT)	Purchased by Mid Continent
1976	Entex	Purchased by ARKLA
1976	ARKLA	Became NorAm
1977	Minnesota Gas	Purchased by ARKLA which became NorAM
1984	Houston Industries	Purchased NorAm now known as CenterPoint Energy
1984	Mid-Continent	Sold MRT to ARKLA
2013	Enable Midstream	CNP's MRT and other SBU's moved into MLP

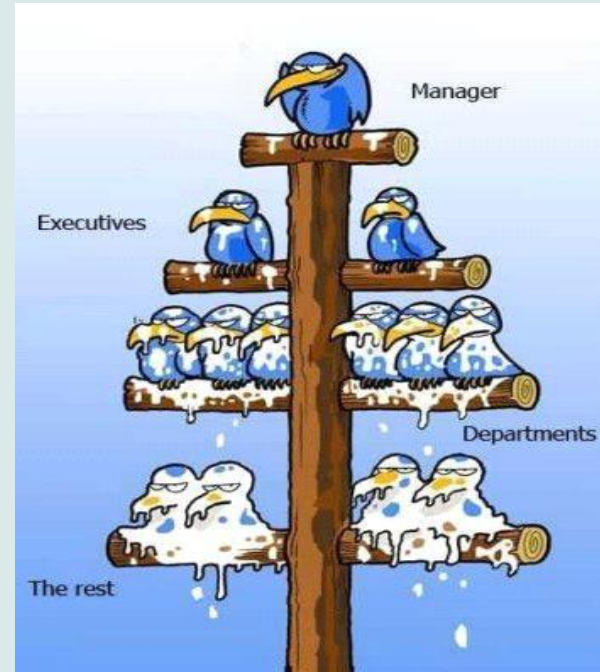
Imagine the coordination all these retro dates!

2 for 1 Viewpoint of AEGIS

Broker versus Risk Manager



A homogeneous team
of resources



A small department
within an organization

2 for 1 Viewpoint of AEGIS

Broker versus Risk Manager

Broker

Breadth of coverage

Customized approach

Knowledgeable:

Underwriters

Claims staff

Loss Control industry-specific

Policy accuracy

Quick policy issuance

Risk Manager

Partner in time of claims

Solution oriented

Resources:

Loss Control assessments & consulting

Claims Roundtables

Litigation Services

Surveys

Regional meetings

Fellow members

Ease of access

Risk Management Advisory Committee (RMAC)



2015

AEGIS Policyholders' Conference