



August Focus: Underwriting Energy Business



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Like most of us, I fell into the insurance industry. I also fell into the Energy sector and while I have since moved onto a new role, it was one of the best accidental career moves I could have made. I spent 11 years in this space, 2 on the agency side and 9 as a casualty underwriter on the carrier side. When I started, I knew next to nothing about the energy industry or how fascinating and challenging it can be.

From a casualty perspective which is where I have spent my career, I learned early on that insurance for energy risks is complex. Some may think that specialization makes it easier to underwrite, that you are looking at

similar accounts repeatedly. While I don't yet know what it's like to be a generalist, I will tell you that specialization may be harder than one would think, especially in energy as we see a variety of risks come across our desks.

Insurance companies that entertain energy business have varying appetites and risks that they focus on. In my experience across 2 carriers, I have worked with a variety of types of accounts. Energy can be anything from oil and gas well owners and contractors to renewable energy owners/developers and contractors, power generation companies and utilities, mining risks, manufacturing of energy related products, and much more. Each type of energy account has different insurance coverage requirements as well as exposures that an underwriter needs to be familiar with and/or be able to research. For example, for an oil and gas operator or contractor you would likely be concerned about pollution, explosion or a well blow out. For a renewable energy account or utility wildfire could be a concern. Class action construction defect is a major issue for a residential solar contractor and fall from heights is a significant exposure for a wind contractor while building or providing maintenance to a wind turbine. Heavy auto fleets are common with most types of energy accounts and a significant exposure to loss. As you can see from just those few examples, energy losses

can be volatile/difficult to predict yet catastrophic (think Deepwater Horizon).

Not only do underwriters need to be familiar with the exposures to loss and the coverage nuances, they also need to be current on economic conditions. As we all know the oil and gas industry can have significant ups and downs. When business is booming companies can't get enough workers and are potentially growing faster than they can safely manage. When gas prices are down layoffs and bankruptcies are inevitable and what was once an oil and gas company may become something completely different just to survive, completely changing the risk. For example, an oilfield hauler might start hauling perishable goods or an oil and gas contractor may move into construction work. Politics can influence the industry as far as what types of submissions we receive (oil and gas versus wind and solar) as well as geographical region. Personally, handling the west region during my time in energy I likely saw quite a bit more alternative energy submissions than my counterparts in Texas.

The good news is, we don't have to know all of this without any help. On the carrier side, those that have an energy segment usually have strong leadership that is experienced in energy, risk engineers with a background of being out in the field, and claims professionals that know

how to handle complex claims, such as pollution. In addition to the internal sources there are many brokers/agents that have a dedicated energy team of experts that can help explain the nuances of the risk to the underwriter.

These few paragraphs only scratch the surface of underwriting in energy. As mentioned, it has been a great career path for me, I wouldn't trade it for the world, and I encourage anyone that is interested to consider pursuing an

insurance role in energy. Colorado is big in the energy sector, making it a great place to specialize in this industry

I will end on a couple of photos because sometimes insurance is cool!



Congratulations 2021 New Designees!



Ryan Baker, CPCU
Matthew Beaver, CPCU
Chere Carbone, CPCU
Jennifer Choe, CPCU
Aaron D. Cummins, CPCU
Jonathan Daisley, CPCU
Mathew Darling, CPCU
Katherine Dohn, CPCU
Timothy Fiscofer, CPCU
Ryan Gleason, CPCU
Leslie Hanson, CPCU

Andrew Hayton, CPCU
Daryl Huhnke, CPCU
Selena Infante, CPCU
Kevin Johnson, CPCU
Christopher Khavari, CPCU
Elizabeth Knight, CPCU
Ashley Lyborg, CPCU
Allison McCall-Mayfield, CPCU
Kelly McNair, CPCU
Sean Monahan, CPCU
Silvester Nechala, CPCU
Dennis Newman, CPCU

Sarah L. Philabaum, CPCU
James Prout, CPCU
Michael Rieck, CPCU
Sheryl Seal, CPCU
Kasey Shaffer, CPCU
Katelynn Smith, CPCU
Lisa Stadler, CPCU
Andrew Stephenson, CPCU
Conner Warye, CPCU
Timothy Webb, CPCU
Nicholas Whitlock, CPCU

Calling all CPCU Candidates and Designees, Insurance Professionals and RMI Students!

Mentoring is an important part of the success of the insurance industry. It is a highly technical industry that also has a lot of nuances and requires a great deal of soft skills. It is important that we are passing along our knowledge to the next generation of insurance professionals while growing

Ourselves, as studies have shown, are a result of being a mentor.

The CPCU Society and Colorado Chapter both encourage everyone involved or wanting to be involved in the insurance industry to get involved with mentoring as a mentor, mentee, or both (Go lifelong learners!).

Everyone can be a mentor to someone regardless of if they think that they are ready or have a lot of knowledge and experience. Please learn more about the Mentor Match program provided by the CPCU Society at [Mentor Match - Interact...A Community powered by The Institutes CPCU Society](#)



The CPCU Society is holding In2Risk 2021 in-person September 23-25, 2021, in Orlando, Florida, while incorporating a virtual component to accommodate all attendees.

They have an exciting agenda to include speakers covering Leadership, International Exposures, Emerging Issues Regarding COVID, Cyber Security Risks, and much more!



The Institutes[®] CPCU Society

Colorado Chapter

<https://colorado.cpcusociety.org/>

Upcoming Meetings & Events 2021



September 9, 2021

New Designee Celebration

In Person Event! *FREE*

The View House – Centennial

7101 S. Clinton Street, Centennial, 80112

4:00-8:00 p.m.

[Click Here to Register!](#)

September 21, 2021

Luncheon Meeting

Virtual Event on Zoom

Topic: Management Liability Overview

1 Hour of CE offered for CO, TX, WY

11:30 a.m. - 1:00 p.m.

Members will receive a \$25 Grubhub gift card for lunch.

October 22, 2021

All Industry Day

Seize the Day, Seize Your Opportunity

Virtual Event with the Arizona Chapter

4 hours of CE offered CO, WY, TX, AZ (1 hour is for ethics)

8:00 a.m. - 4:00 p.m.

<https://vimeo.com/showcase/8686813>

December 21 (Additional details forthcoming)

Luncheon Meeting – Social

11:00 a.m. - 1:00 p.m.

