



## PROFESSIONAL INSURANCE SURVEYORS AND LOSS ASSESSORS PVT. LTD

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Report No.: 172/FSR (LOP)/ICICI/2019

25<sup>th</sup> September 2020

### **FINAL SURVEY REPORT- LOSS OF PROFIT**

**(Claim No. FIR001798264)**

Under instructions received from ICICI Lombard General Insurance Company Ltd., Mumbai, we, the undersigned Surveyors and Loss Assessors, visited CLP Wind farm, Khandke, Ahmednagar, Maharashtra on 07.08.2019 and carried out the survey of the damages to the WTG R40s-47 which are reported to have taken place 04.08.2019.

We now present our *Final Survey Report* as follows:

#### **I. INSURANCE PARTICULARS:**

1	<b>The Insured</b>	CLP Wind Farms (Khandke) Pvt Ltd. 7 <sup>th</sup> Floor,Fulcrum, Sahar Road, Andheri (east) Mumbai – 400099.
2	<b>The Insurer</b>	ICICI Lombard GIC Ltd, ICICI Lombard House, 2 <sup>nd</sup> Floor,414, P Balu Marg Off Veer Sawarkar Marg, Near SiddhiVinayak Temple, Prabhadevi,Mumbai-400025
3	<b>Policy Type</b>	Industrial All Risk Insurance Policy
4	<b>Policy Number</b>	1003/158100355/00/000
5	<b>Period of Insurance</b>	From 01/10/2018 to 30/09/2019
6	<b>Risk Location Details</b>	50.4 MW Wind Farm, spread across an area of Khandke, Ahmednagar, Maharashtra, India.

7	Sum Insured	II . Business Interruption	
		Description	Sum Insured(INR)
		Gross Profit (Indemnity period of 6 Months.)	INR 515 Million (Estimated Annual)
8	Excess / Deductible	<b>Section II: .</b> <ul style="list-style-type: none"> <li>For claims under deleted special exclusions 1.4, 1.5 and 1.7 of section II (MLOP) – 14 days of loss of the affected unit each and every occurrence.</li> <li>All other claims (FLOP) - 7 days of loss of the affected unit each and every occurrence.</li> </ul>	

## II. **BACKGROUND:**

M/s. CLP Wind Farms (Khandke) Pvt Ltd owns 50.4 MW wind farm spread across an area of Khandke, Ahmednagar, Maharashtra, India. The main business of the S CLP Wind Farms (Khandke) Pvt Ltd is to sell the power to the MSEDCL.

It was in the CLP - Khandke Wind Farm, the subject claim was reported in a windmill designated as R40K-47 of 0.8MW rating, 1 no of blade got damaged due to lightning.

## III. **OCCURRENCE:**

We were informed that on 04.08.2019 at around 04:00 hrs, the operating personnel observed an alarm in the SCADA Panel indicating a faulty signal from WTG R40s-47. Immediately, they rushed to the location to find out the problem. On reaching WTG R40s-47, they found that, due to lightning, tip of Blade B had got damaged and also broken piece of the blade were lying near the bottom of the WTG.

## IV. **INSURED'S CLAIM:**

The Insured also informed us that they are preferring a FLOP claim for the loss of generation revenue during the outage period from 04.08.2019 to 22.05.2020, i.e. for 293 days.

**V. ADMISSIBILITY OF MATERIAL DAMAGE CLAIM:**

We have already submitted our *Final Survey Report dt. 25<sup>th</sup> September 2020 in respect of MD Claim* to the Insurers.

The Insured preferred a claim of **INR 46,72,800/-** towards reinstatement of the damaged blade( 1 no) of WTG – R40s-47 that had occurred due to lightning.

The peril that had acted, lightning, is one of the perils covered under the IAR Policy. Hence, the Insured has a valid and tenable claim under the IAR policy of Insurance issued to and held by them.

**VI. PERIOD OF INTERRUPTION:**

1. WTG – R40s-47 was stopped with effect from 04<sup>th</sup> August 2019. Hence, we have considered 04<sup>th</sup> August 2019 as the start of the Interruption Period
2. WTG – R40s-47 was re-commissioned on the 22<sup>nd</sup> May 2020 after fixing new Blade. In our opinion, replacement of 1 no. of blade will not exceed a period of 3 months. Hence in our assessment, we have considered 01<sup>st</sup> November 2019 as stop date of the interruption period.
3. **Total period of interruption is reckoned as 90 days.**

**VII. STANDARD POWER GENERATION DURING THE INTERRUPTION PERIOD:**

1. In order to determine the standard power generation from WTG – R40s-47, we had studied the Actual power generation Data from adjacent WEGs R40s-46 and R40s-48, during the Interruption period.

WTG's	From 04.08.2019 to 01.11.2019 (Kwh)
R40s-46	3,54,815
R40s-48	4,03,745

<b>WTG Details</b>	<b>Generation (KWH)</b>
R40s-46	3,54,815
R40s-48	4,03,745
Average of the 2 Windmills	3,79,280
Trend %	105.89%
<b>Standard Generation for the Interruption Period</b>	<b>4,01,626</b>

**VIII. TRENDS IN GENERATION BETWEEN AFFECTED & NEARBY WEGs:**

<b>WEG Details</b>	<b>Generation data from 04.08.2019 to 01.11.2019</b>
R40sk - 46	13,29,913
R40sk - 48	14,66,984
Avg of R40sk - 46 & R40sk - 48	13,98,449
R40sk - 47	14,80,842
<b>Trend</b>	<b>105.89%</b>

Hence, in our assessment we have considered **105.89%** of the average of R40sk - 46 & R40sk – 48 for the purposes of our assessment.

**IX. RATE OF GROSS PROFIT:**

Based on the Power Purchase Agreement dated 08<sup>th</sup> April 2008 entered into between the Insured and MSEDCL which is in force, the selling price per Kwh was **Rs. 5/- per unit** of power exported.

**X. LOSS OF GROSS PROFIT DUE TO THE INTERRUPTION:**

Loss of gross profit due to the interruption to R40sk – 47 is worked out below:

<b>Standard Generation during the Interruption Period</b>	<b>4,01,626</b>	<b>KWH</b>
<b>Less: Generation Loss, Auxiliary Consumption &amp; Rebates @ 5%</b>	<b>20,081</b>	<b>KWH</b>

<b>Net Generation during the Interruption Period</b>	<b>3,81,545</b>	KWH
Rate of Gross Profit per Kwh	5.00	INR
<b>Loss of Gross Profit during the Interruption Prd</b>	<b>19,07,725</b>	INR

**XI. ADEQUACY OF SUM INSURED:**

The Adequacy of Sum Insured is worked out as under:

<b>Total Generation from August 2018 to July 2019</b>	<b>102,911,882</b>	KWH
<b>Less: Generation Loss, Auxiliary Consumption &amp; Rebates @ 5%</b>	<b>5,145,594</b>	KWH
<b>Net Generation from August 2018 to July 2019</b>	<b>97,766,288</b>	KWH
Tariff Rate as per PPA	5.00	INR
<b>Insurable Gross Profit</b>	<b>488,831,440</b>	INR
<b>Sum Insured</b>	<b>515,000,000</b>	INR
<b>Underinsurance %</b>	<b>NIL</b>	

**XII. TIME EXCESS:**

The IAR Policy issued to the Insured is subject to a “Time Excess” of 7 days in respect of FLOP claims. This is computed below:

<b>Standard Generation for 90 days</b>	<b>3,81,545</b>	KWH
Daily Standard Generation	4,239	KWH
Standard Gen for 7 Days	29,676	KWH
Tariff Rate	5.00	INR
<b>7 Days Standard GP</b>	<b>1,48,379</b>	INR

**XIII. FINAL ASSESSMENT OF INSURED’S CLAIM:**

<b>Loss of Gross Profit during the Interruption Prd</b>	<b>19,07,725</b>	INR
Less: Underinsurance - NIL	NIL	INR
Less: Excess @ 7 days Standard GP	1,48,379	INR
<b>Net Claim Payable</b>	<b>17,59,346</b>	INR

**XIV. ADMISSIBILITY:**

As per the Investigation report submitted by the Insured, the damage to 1 number of Wind turbine blade had occurred due to impact of lightening.

As per the IAR Insurance Policy, Lightning is not an excluded peril. Hence, the Insured has a valid and tenable claim under the IAR policy of Insurance issued to and held by them.

**XV. ENCLOSURES:**

1. Power Purchase Agreement dated 08<sup>th</sup> April 2008 entered into between the Insured and MSEDCL;
2. Invoices raised by the Insured on MSEDCL;
3. Monthly Generation Data;
4. Investigation Report;

*Issued **without prejudice** and subject to the terms, conditions and warranties of the policy of insurance issued to and held by the insured.*

**For Professional Insurance Surveyors and Loss Assessors Pvt. Ltd.,**



**SRASHTA SRIVATSAN**

**Director**