

## ENERGY STORAGE, TRANSPORT & SALES ENVIRONMENTAL LIABILITIES

Owners and operators of bulk energy storage and sales facilities have insurance needs due to their inherent environmental liabilities. However, pollution provisions are most often excluded under their general liability or property policy coverages.

### PHLY Environmental provides the following coverage solutions...

#### Premises Environmental Coverage (PEC) and Storage Tank Environmental Policy (STEP):

Energy Storage & Sales facilities have a potential exposure under PEC and STEP policies. As unexpected releases could occur from the following, but not limited to, tank components malfunctioning, corrosion of a tank, named perils, fire, or vandalism

#### PEC can include:

- Remediation Expenses for contamination on, at, under, migrating from or through the insured's location
- Third party bodily injury or property damage claims resulting from contamination
- Expenses associated with claims arising out of contamination during transportation of product from the insured's location
- Expenses associated with the cleanup of a waste disposal site or recycling facility to which the insured shipped its waste or materials
- Natural Resource Damages
- Additional Defense Expense
- Image Restoration

#### PEC Product Specifics:

- Limits: Up to \$10M per occurrence / \$10M aggregate
- Minimum Premium: \$3,000
- Policy Term: up to 3-year term

#### \*TankEAS – Admitted Clearance Portal:

- Availability in most states – see website for current listing
- Tanks with the below exposures may qualify:
  - Storage tank portfolios with less than 100 tanks (regardless of above-ground or underground status)
  - Double-walled (steel or fiberglass) tanks less than 30 years old
  - Single-walled (steel or fiberglass) tanks less than 25 years old
  - Tanks less than 40,000 gallons in capacity/size

#### STEP can include:

- Coverage that meets EPA financial assurance requirements for Underground Storage Tanks (USTs) and Above-ground Storage Tanks (ASTs)
- Remediation coverage for corrective action on and off site
- Third party bodily injury or property damage coverage
- Separate limit for defense expense
- Emergency Expense
- Image Restoration
- Primary and Noncontributory language standard
- 180-day automatic extended reporting period granted, to comply with financial assurance requirement
- Admitted (TankEAS) and Non-Admitted product offerings

#### STEP Product Specifics:

- Admitted: Limits Up to \$5M per occurrence / \$5M aggregate
- Non-Admitted: Limits Up to \$10M per occurrence / \$10M aggregate
- Minimum Premium: \$200/tank (ASTs); \$300/tank (USTs)
- Policy Term: Annual



A Member of the Tokio Marine Group

855.585.6322 | [PHLY.com/ES](https://www.phly.com/ES)

All products are underwritten by Tokio Marine Specialty Insurance Company. Certain risks may not be suitable for excess and surplus lines and/or are required to be written on an admitted basis. Surplus lines companies do not participate in state guaranty funds in any jurisdiction, except New Jersey, and thus, surplus lines insureds are not protected by those funds. © 2026 PHLY E&S Insurance Solutions, Inc., All Rights Reserved.



## ENERGY STORAGE, TRANSPORT & SALES ENVIRONMENTAL LIABILITIES

### PHLY Environmental provides the following coverage solutions...

#### Contractor Environmental Coverage (CEC)

Energy Storage and Sales contractors have a potential exposure for Contractors Environmental Coverage policies such as but not limited to transportation of products.

#### CEC Exposures:

- Energy Transportation operations
- Operation & Maintenance error leading to release
- Damage of third-party property due to installation-caused release

#### What can a CEC policy cover:

- Environmental liability coverage for contracting operations performed by the insured or on their behalf
- Transportation of waste or materials to and from a project site or yards,
- Disposal and recycling of waste or materials from job sites, and their owned or leased locations

#### CEC Product Specifics:

- Limits: Up to \$15M per occurrence / \$15M aggregate
- Minimum Premium: \$3,000
- Policy Term: up to 3-year term available

#### Claim Scenarios:

#### \$900,000 Remediation Expense, Property Damage and Natural Resource Damage:

Waste oil was transferred to a tank at a bulk storage facility. The tank was over-filled and waste oil spilled into the secondary containment system. A valve in the secondary containment system was left open during a recent clean-out. The waste oil was released into the neighboring river. The spill impacted a marina, river, wetlands and wildlife. Losses included remediation expenses for emergency response on the river and property damage included the cleaning of boats and docks. Natural resource damages were also incurred for lost wildlife and damaged wetlands.

#### \$368,000 Remediation Expense:

A service station owner, who performed regular tank testing on his fuel systems, discovered during the latest test that an underground tank supply line was leaking. Soil sampling and investigations identified that diesel fuel had pooled around the tank. The tank was excavated, and the contaminated soils were removed and disposed of at an offsite waste facility. A total of \$368,000 was spent between the costs for investigation, remediation, and disposal.



A Member of the Tokio Marine Group

855.585.6322 | [PHLY.com/ES](https://www.phly.com/ES)

All products are underwritten by Tokio Marine Specialty Insurance Company. Certain risks may not be suitable for excess and surplus lines and/or are required to be written on an admitted basis. Surplus lines companies do not participate in state guaranty funds in any jurisdiction, except New Jersey, and thus, surplus lines insureds are not protected by those funds. © 2026 PHLY E&S Insurance Solutions, Inc., All Rights Reserved.

