DETAILS OF INTERESTING CLAIM

No.:

Loss year 2005

Type of insurance All risk including Machinery Breakdown

Description of damaged item

Damage of a High Voltage Generator (136 kV) operating direct to the grid (i.e. no transformer between generator and grid)

Cause of loss

Earth failure in the generator stator leading to electric arc and trip of the turbo generator

Claim cost

Claims cost in excess of EUR 5 Mio, business interruption only anticipating that no material damage will be indemnified through property insurer (guarantee still in force). The business interruption is estimated to be less than 16 months.

Description of Incident

The 38 MW water-cooled high voltage generator was operated in a District Heating and Power Plant in Sweden. The turbo set was shutting down after short circuits between the two phases 1-2 and earth. The following electric arcs destroyed surrounding cables (windings) and the stator. The exactly cause of the damage is still unknown. The damage was possibly caused by a network failure which in its turn was caused by a lightning stroke or the damage was possibly caused by an earlier erection/assembling failure.

Claim status (July 2006)

The damaged High Voltage Generator will be replaced by a conventional 12, 5 kV generator.