



## Joint Rig & Associated Committee (JRC)

“Why is it relevant today”

Lillehammer Energy Claims Conference

Simon Williams

25<sup>th</sup> February 2010

# Agenda

- History of the JRC
- Topics covered in old years
- JRC Terms of Reference
- Committee past and present
- Managing Events
- What the JRC has delivered
- What the JRC plan to deliver in 2010

## History of the JRC

- Existence of an energy grouping of underwriters in the 1980's

## A 1980's pre-JRC meeting



## History of the JRC

- Towards end of the 1980's the Group was adapted by LMA & IUA to form : **The Joint Rig and Associated Committee (JRC)**
  - Earliest official minutes were in January 1992
  - JRC Committee was:
    - Gale Coles (Chairman)
    - Tim Burrows
    - Neil Copping
    - Charles Franks
    - Tony Judd
    - Chris Knowles
    - Peter Portman
    - James Rossi
    - Matthew Bell
    - Chris Compton Rickett
    - Michael Payton – Legal Rep

## A typical JRC Agenda in 1992!

- Delivery of drinks cabinet
- Critical lunch venues
- Preference for meat or fish
- Should alcohol be served at meetings

## Agenda items discussed in 1992

- Wind Forces in North Sea – Jan 1992
- EED review wording – Feb 1992
- Exposure worksheet – Feb 1992
- Onshore Exposures – Mar 1992
- Horizontal Wells - Mar 1992
- Hurricane Andrew – Sept 1992
- Rig moves and Surveys – Oct 1992
- Gulf of Mexico aggregations – Nov 1992
- Ekofisk Tank 2/4T issues – Nov 1992

## An Outsiders View of the JRC

- A Secret Club
  - No real purpose
  - An inner circle
  - Collusion
  - As a member you have arrived!
- 
- **BUT: NO**

## JRC Terms of Reference

- Provide a representative forum for the London marine energy market.
- Promote the best principles and practice of marine energy insurance matters.
- Initiate project or sub-groups.
- Advise the LMA Marine Committee and the LMA Marine Claims Committee.
- To promote the views and needs of the sector in London and beyond.
- To promote the profile of the London market internationally.
- Support and co-ordinate the work of London Market committees in the UK and overseas.
- Guide the Board and secretariat in the LMA's provision of advice, information and technical services
- Communicate regularly with the marine energy market on pertinent issues

## Chairman Past & Present

- Gale Coles Jan 1992 – Jun 1992
- Chris Compton-Rickett July 1992 – Dec 1995
- Len Messenger Jan 1996 – May 1999
- Tim Burrows May 1999 – Oct 2000
- Mike Onslow Nov 2000 – Feb 2001
- Dominic Hoare Feb 2001 – Jun 2004
- Charles Franks July 2004 – June 2007
- Simon Williams June 2007 – present

- Simon Williams Chairman since 2007
- Members undertake tasks outside of their day job
- A mix of Lloyd's (LMA) and London Company Market (IUA)
- The commitment is to be proactive/take on tasks
- To work within Terms of Reference
- Deliver the annual work plan
- Deliver and provide unified guidance on issues to the Energy market
- A single point of contact for external bodies

- Simon Button – Houston Casualty
- Paul Dawson – Beazley
- Tony Gates – Chaucer (Claims)
- Stephen Hawkins- Catlin
- Simon Mason - Aspen
- Len Messenger -Zurich
- James Miller -Ace
- Richard Palengat -Aegis
- Brian Randall -Watkins
- Tim Taylor –BLG (Legal)
- Chris Walker –W R Berkley
- Steve Warren -Canopus
- Duncan Wilson – QBE
- John Gurtenne – LMA (Secretary)

# Dealing with Major Events

- WTC 9/11
  - Terrorism coverage in energy policies

# Dealing with Major Events

- Hurricane Ivan
  - Loss of Production Income and Business Interruption
  - Claims management

## Dealing with Major Events

- Hurricane Ike and Gustav
- Gulf of Mexico Exposure Template
- Lloyd's issues
- Claims issues

## JRC's Seminars & Presentations

- To name but a few in recent years !!!!
  - Shallow Water Flow (2003)
  - Gulf of Mexico (2006)
  - Standards for Offshore Structures (2006)
  - Health & Safety KP3 Report (2008)
  - Law & Jurisdiction (2008)
  - Transportation Risks (2008)

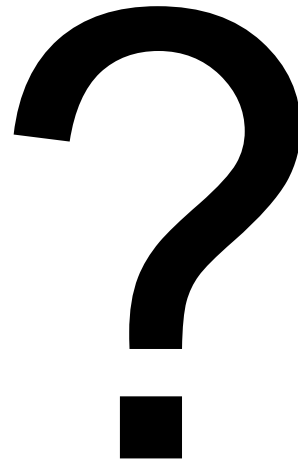
## Wordings delivered by JRC

- Energy Market General Underwriting Agreement GUA (2003)
- Shallow Water Flow Exclusion (2003)
- Marine Warranty Surveyors Code of Practice (2004)
- Marine Warranty Generic Scope of Work (2005)
- Loss Of Production Income (2005)
- Errors and Omissions (2007)
- London Platform Form (2008)
- Drilling Well Surveyor Code of Practice (2009)
- Political Risk Exclusion & Buyback (2010)

## Other JRC Related Initiatives

- MODU Valuation Report (2007)
- Statoil Educational Visit (2008)

So what is the JRC doing now?



Answer...

Sitting back on our past achievements!

## JRC 2010 Work Plan

- Energy Seminars – two planned, March and October/November
  
- Wordings
  - Construction – WelCar updated – end 2<sup>nd</sup> Quarter
  
  - Political Risk Exclusion and Buyback clause – 1<sup>st</sup> Quarter
  
  - Review Making Wells Safe endorsement – end 1<sup>st</sup> Quarter
  
  - EED amendment to Termination clause – end 1<sup>st</sup> Quarter
  
  - Review & Update LSW 498 Mobile Unit Shift Addendum – 1<sup>st</sup>/2<sup>nd</sup> Quarter

- JRC Sub-Committees
  - Survey & Engineering Committee
    - Review of Market's use of Marine Warranty Surveyors, including
    - Review of Surveyors Code of Practice (CoP) and Generic Scope of Work (GSoW)
  - Improving our Data Collection/Submission

- Links with External Organisations
  - IUMI Energy
  - Lillehammer Claims Conference
  - Lloyd's Asia
  - LMA Energy Claims Committee
  - Modelling Agencies and Software Houses
- Educational visits
- Broker liaison

## So is the JRC necessary?

- I certainly think it is...
  - It is a well represented committee of the London Market
  - It is recognised internationally
  - It can assist third party issues with one voice
  - It is a point of first reference if necessary
  - It is a platform for underwriters and brokers to raise issues
  - It will continue to promote energy insurance
  - It assists change where necessary
  - It endeavors to inform and educate – this is free

Thank You