

FOR IMMEDIATE RELEASE

Hometown Connections and Wortham Power Gen Insurance Launch Public Power Cyber Liability & Privacy Insurance Program

Providing Innovative Coverage and Group Purchase Savings

LAKEWOOD, CO and HOUSTON, TX (September 7, 2016) – Hometown Connections, the utility services subsidiary of the American Public Power Association (APPA), and leading broker Wortham Power Gen Insurance introduce the **Public Power Cyber Liability & Privacy Insurance Program**. Beginning in October 2016, APPA members will be able to purchase innovative data breach protection designed specifically for public power utilities and take advantage of lower rates & broader terms, achieved by leveraging their combined purchasing power.

Wortham's approach to the Cyber Liability program has been to determine first those cyber security exposures already transferred through existing Property & Casualty insurance as well as possible Tort immunity protections. The design of the Public Power Cyber Liability & Privacy Insurance Program is based on the remaining cyber security exposures, thereby avoiding duplication and reducing costs.

Specifically, the Public Power Cyber Liability & Privacy Insurance Program covers:

- Liability from a data breach in which customers' or employees'/retirees personal information [e.g., Social Security, Medical Information or credit card numbers] are exposed or stolen;
- Expenses associated with a data breach including notification costs, credit monitoring, and legal costs;
- Costs associated with Regulatory Fines & Penalties (HIPPA, NERC, FERC, Payment Cards, etc.);
- Liability arising from erroneous website media content, as well as costs associated with data recovery, computer fraud, funds transfer loss, and cyber extortion; and
- Emergency access to professional services to handle data breach crisis management and limit reputational harm.

A single-page form makes the application process quick and easy.

Wortham's Power Generation Team specializes in placing insurance for public/regulated utilities. Wortham's opinion is that when purchasing insurance, public power utilities are incorrectly underwritten within the general "Power Generation" class rather than as municipally operated "Regulated Utilities". As a result, public power utilities do not always receive the benefit of their superior risk profile, namely better trained/more experienced operators, richer maintenance programs, and tort immunities. The mission of the Wortham Power Gen Insurance team is to reduce costs significantly by advocating that APPA members possess these traits and by leveraging the combined national purchasing power of the membership. APPA utility members may also access additional savings through an aggregated insurance purchase organized by their joint action agency or state association.

"Because public power utilities must protect themselves from the potentially heavy financial burden of a customer data breach, Hometown Connections is excited to launch this cyber liability and privacy insurance program," said Bill Smart, Senior Vice President, Business Development. "We have worked closely with Wortham Power Gen Insurance to design a program that offers public power utilities the risk protection they need and pricing that reflects their national purchasing power."

“Our firm dedicates great resources to understanding the Public Power market and designing programs that meet their unique requirements,” said George Adkins, Managing Director & Power Generation Practice Leader, Wortham Power Gen Insurance. “We are pleased to have this partnership with APPA’s Hometown Connections. We very much look forward to building out the national public power Cyber Liability insurance program, as well as others. “

About Wortham Power Gen Insurance

Since 1915, Wortham has managed its clients’ insurance needs with a comprehensive portfolio of services, including insurance brokerage, risk management and employee benefits consulting. As one of the largest privately held insurance firms in the U.S., the Wortham team of more than 500 insurance professionals has placed more than \$1.4 billion in premiums through 300+ insurance companies worldwide. Wortham experts create the right insurance solutions for unique business requirements and deliver strategic risk management services and resources critical to business success. For more information, visit www.worthampowergen.com.

About Hometown Connections International, LLC

Hometown Connections is the utility services subsidiary of the American Public Power Association, offering public power utilities guidance and access to quality products/services from a trusted entity with public power’s best interests in mind. Hometown Connections personnel provide consulting support in the areas of organization assessment, strategic planning, governance development, market research, and staffing. Hometown Connections is a resource to APPA members large and small, providing discounted pricing on technology, services, and other solutions from industry-leading companies. The products and services offered through Hometown Connections include the full range of advanced grid solutions, as well as financial and organizational management tools and consulting. For more information, visit www.hometownconnections.com, <https://www.facebook.com/HTConnections>, <https://twitter.com/HTConnections>.

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