



Securing a \$5.57M Recovery After a Critical Tank Failure

Story Overview

A renewable energy facility in Warsaw, North Carolina suffered an overpressure event in a feedstock conditioning tank critical to its anaerobic digestion process. The incident caused severe damage to the tank's roof and upper walls, forcing a shutdown of feedstock intake and gas production. The loss threatened both operational continuity and the client's financial stability, requiring immediate and strategic claims advocacy.

Conflict

The claim faced early obstacles, including delayed reporting while the client pursued vendor recovery and later determined the loss resulted from operational error. Once submitted, the claim stalled amid disagreement over repair versus full replacement of the tank. Conflicting engineering opinions, extended inspections, disputed vendor bids, and limited advance payments created months of delay. The insurer's business interruption position further understated the duration and financial impact of the loss, leaving the client without a viable recovery path.

Action and Resolution

IMA's claim team led an in-person, multi-stakeholder session to align technical and financial perspectives. Through coordinated engineering analysis and forensic accounting, we demonstrated the operational realities and long-term cost implications, prompting senior-level escalation. The insurer ultimately agreed to full tank replacement and an extended indemnity period. After nearly a year of sustained advocacy, the claim settled for \$5.57 million, more than double the initial authorization.

Key Takeaways

- + **Proactive advocacy:** Our team challenged prolonged inaction and disputed responsibility to protect the insured from improper financial exposure.
- + **Cross-functional expertise:** By coordinating engineering insights with forensic accounting analysis, we presented a comprehensive, data driven case that clearly demonstrated the true cost of the loss.
- + **Client-first focus:** Throughout a prolonged and complex process, we prioritized the client's ability to continue operating, securing critical advance funding, extending indemnity, and ultimately delivering a resolution that protected long term viability.

This success story highlights our claim team's commitment to providing exceptional service and advocacy for our clients, showcasing our expertise in handling complex claim situations.



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