

20th Annual Insurance Law Institute

Developments in Energy Insurance

Tamara D. Bruno

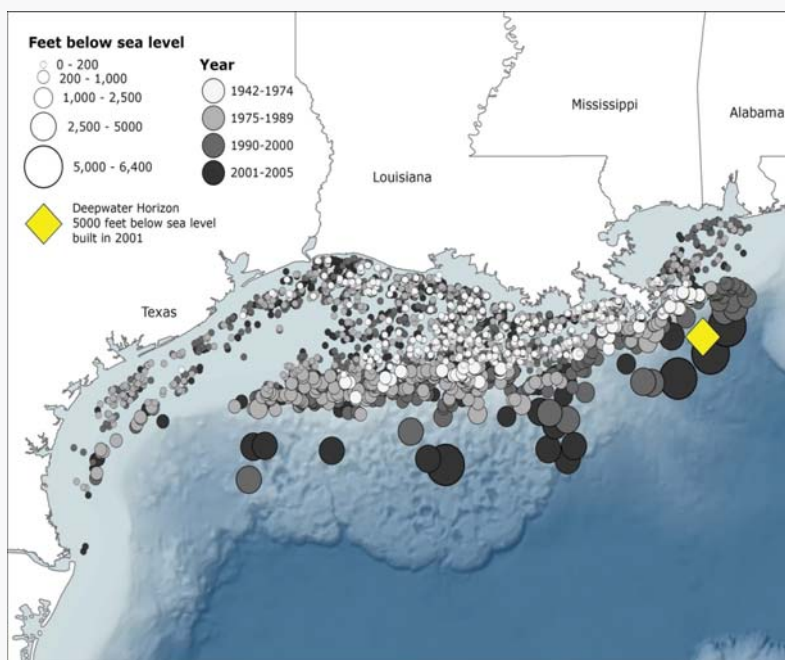
Pillsbury Winthrop Shaw Pittman LLP

Karen K. Milhollin

Hall Maines Lugin, P.C.



Contract Limits to Additional Insured Coverage



What does this map show?

- Where Not to Fish in the Gulf
- Gulf Oil Spills
- Progress of Deepwater Drilling in the Gulf

Contract Limits to Additional Insured Coverage

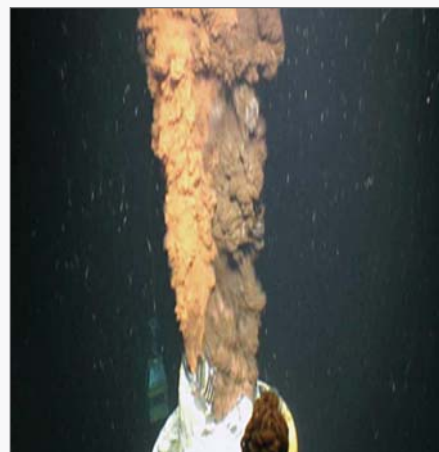
In re Deepwater Horizon, No. 13-0670,
2015 Tex. LEXIS 141 (Tex. Feb. 13, 2015)



3

Contract Limits to Additional Insured Coverage

- Transocean had to name BP additional insured for liabilities assumed by Transocean in the contract
- Transocean agreed to indemnify BP's liability for pollution "originating on or above the surface of the land or water"



4

Contract Limits to Additional Insured Coverage

Transocean Policies:

- “Insured” includes “[a]ny person or entity to whom the ‘Insured’ is obliged *by oral or written ‘Insured Contract’* . . . to provide insurance such as afforded by [the] Policy”
- “[W]here required *by written contract*, bid or work order, additional insureds are automatically included hereunder”

Contract Limits to Additional Insured Coverage

- Consider the underlying contract if directed by the policy language
- Transocean policy language confers coverage by reference to the parties’ contract
- Contract required BP to be an additional insured for liability assumed by Transocean
- BP assumed subsurface pollution liability under the contract

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: Developments in Energy Insurance

Also available as part of the eCourse

[Industry-Specific Insurance Trends 2015](#)

First appeared as part of the conference materials for the
20th Annual Insurance Law Institute session

"Developments in Energy Insurance"