



Hurricanes and Oil Will Mix: **Managing Risk Now**

Wednesday, June 30, 2010

Moderator

Heidi Cullen CEO/Director of Communications and Senior Research Scientist, Climate Central

Panelists

Greg Holland Director, NCAR Earth System Laboratory, National Center for Atmospheric Research

Rick Luetlich Professor and Director, Institute of Marine Sciences, University of North Carolina at Chapel Hill

Rowan Douglas CEO Global Analytics, Willis Re and Chairman, Willis Research Network



Oil. Hurricanes. Climate.

Heidi Cullen
Climate Central

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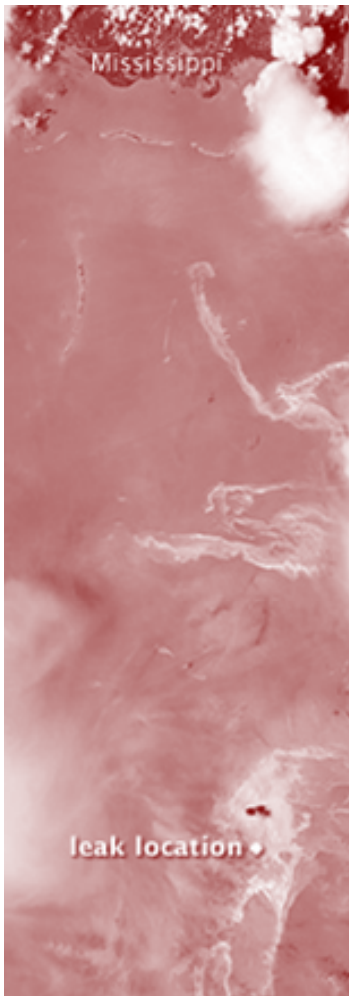


*And with appreciation to the
House Committee on Science
and Technology*

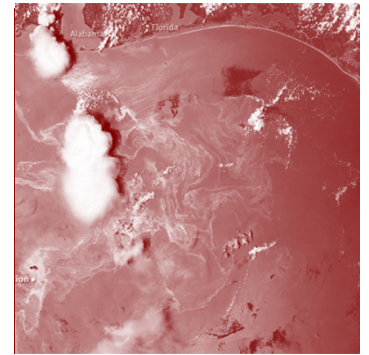


Risk Management

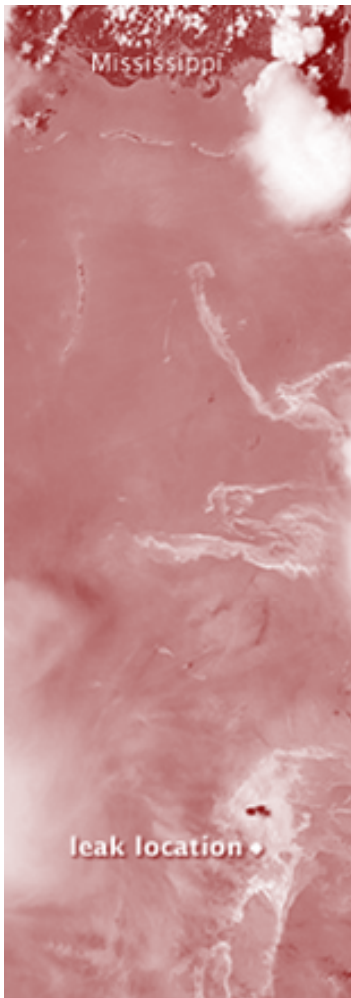
- Greg Holland (NCAR)
 - Hurricane Season 2010 and Climate Change
- Rick Luettich (Univ. NC Chapel Hill)
 - Oil Spill/Hurricane Risk Assessment
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 - Risk Management and Reinsurance



Looking back...2005



2010 Hurricane Season Forecast



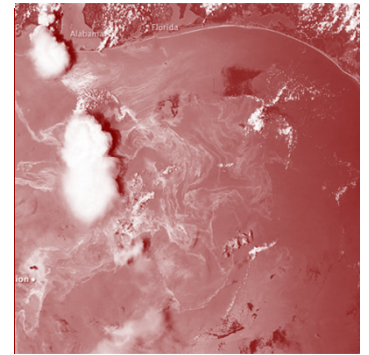
■ Active Season

- 14 to 23 Named Storms (top winds of 39 mph or higher)
- 8 to 14 Hurricanes (top winds of 74 mph or higher)
- 3 to 7 could be Major Hurricanes (Cat 3, 4 or 5; winds of at least 111 mph)

■ Climate Change

- Future change in hurricane intensity and frequency?

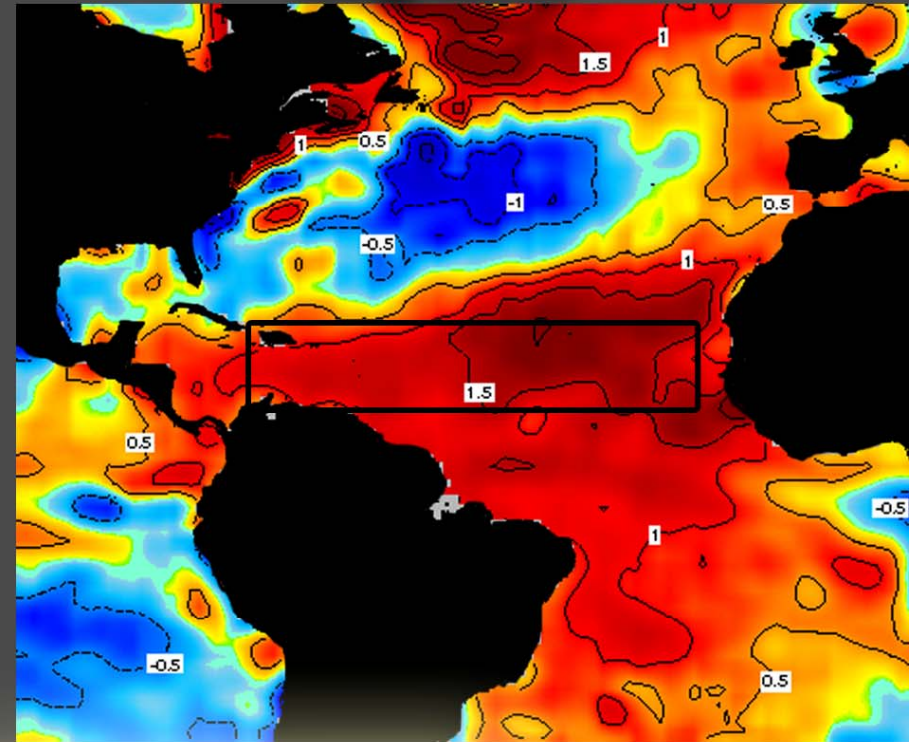
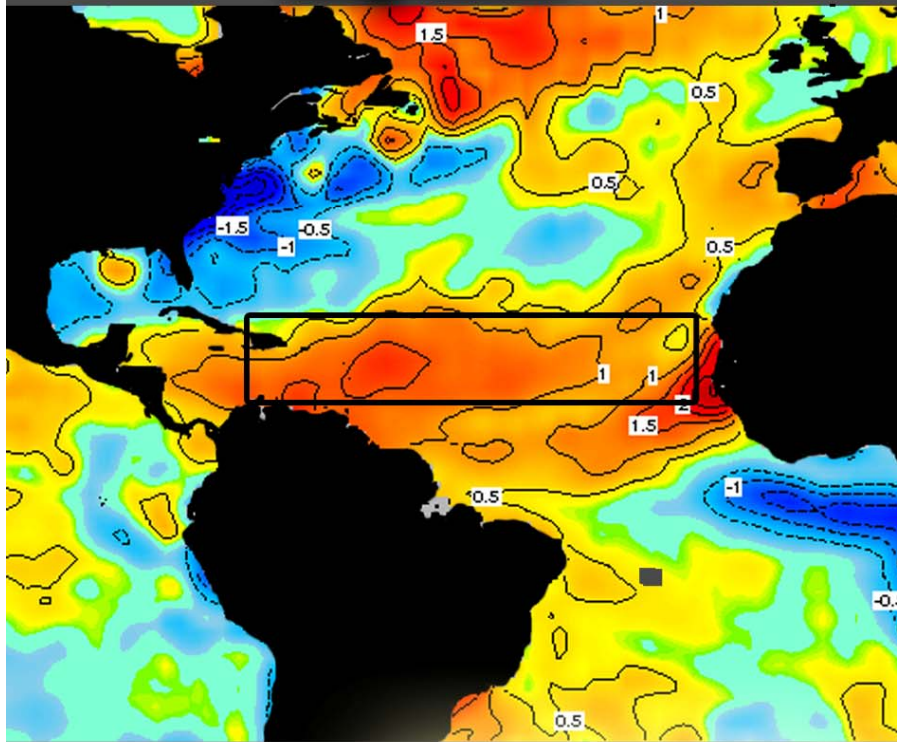
Now...warm ocean temps



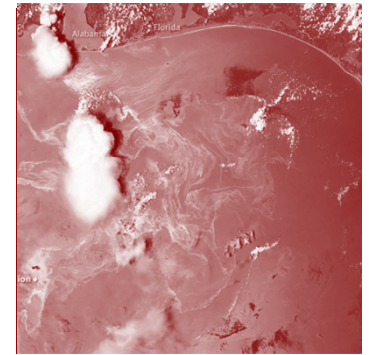
Sea Surface Temperature Anomalies

May 2005

May 2010



The Loop Eddy



- Until recently Loop Current was temporarily broken.
- Need to continue to monitor.
- Once in Loop Current oil would take 1-2 months to move northward in the Gulf Stream.

Summary

2010 hurricane season is projected to be highly active

Highest Oil Risk – Western Louisiana to Texas and marshes east of Mississippi Delta

Lower but Significant Oil Risk – Get from the Loop Current into the Florida Current and into the Gulf Stream



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