



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

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December 8, 2025

Via Email and U.S. Mail

Kristof Terryn
Chief Executive Officer
Zurich North America (Zurich)
4 World Trade Center, 150 Greenwich Street
New York, NY 10007

Re: Review of Insurance Carriers Operating in Alaska

Dear Mr. Terryn:

Our offices are jointly undertaking a comprehensive review of insurance carriers operating in Alaska to ensure compliance with the State's insurance code and consumer-protection laws and to advance a broader effort. We're strengthening Alaska's standing as a top, reliable place to invest. In recent years, Alaska ranked among the top five states in America to do business.¹ That progress reflects deliberate work by the State to reduce barriers to investment and support industries that create jobs and opportunity for Alaskans. But more remains to be done.

As part of our review, we're testing whether insurance markets treat Alaska fairly and lawfully. Insurers, like other financial institutions, help decide which projects live or die. In recent years, Alaska and other energy states have been able to convince some investment banks that had attempted to de-bank Arctic energy projects to revisit their flawed assumptions about Alaska and start backing these projects again. But insurance

¹ <https://instituteforlegalreform.com/wp-content/uploads/2020/10/2019-Lawsuit-Climate-Survey-Ranking-the-States.pdf>.

coverage remains a problematic form of gatekeeping for the State. If insurers refuse coverage on non-actuarial grounds, investment stalls. And so does Alaska's economy.

Alaska's insurance code is built on a central premise: underwriting decisions must rest on risk, and that means no discrimination based on extra-legal political, environmental, or long-range policy commitments. And where the insurance code doesn't reach, our consumer-protection statute prohibits unfair or deceptive acts or practices, which could include misrepresentations of compliance with Alaska law in contractual dealings. AS 45.50.471(a). It is with this legal backdrop that we turn to Zurich's policies and practices that give us concern.

Oil and gas. We have substantial concerns about Zurich's treatment of Alaska's oil and gas sector—an industry that remains foundational to our State's economy and essential to future projects such as the Alaska LNG project. Zurich states that it “expect[s] oil and gas producers to have a zero routine flaring commitment by 2030 and have credible transition plans aligned to achieving net-zero by 2050, with interim targets and clear measurable commitments,” and Zurich threatens to “exit the relationship” if those expectations are not satisfied.² Further, Zurich excludes coverage for “new . . . oil and gas exploration and development projects,”³ and Zurich says that it “will not insure or invest in” companies that meet any number of statistics for reliance on oil production.⁴ These targeted exclusions and requirements do not appear to be tied to short-term actuarial risk within the policy period. Instead, they appear to be implemented as instruments to reshape a lawful sector according to Zurich's long-term environmental commitments.

Zurich also expressly excludes insurance coverage for “[o]il and gas drilling and production projects and infrastructure . . . in the Arctic”⁵—an exclusion that uniquely affects Alaska. Alaska has invested years of planning and permitting work to open responsible opportunity in the Arctic. Zurich's policy is unacceptable, and no other State faces this kind of exclusion.

² <https://edge.sitecorecloud.io/zurichinsur6934-zwpcorp-prod-ae5e/media/project/zurich/dotcom/investor-relations/docs/financial-reports/2024/annual-report-2024-en.pdf>, at 128, 131.

³ <https://edge.sitecorecloud.io/zurichinsur6934-zwpcorp-prod-ae5e/media/project/zurich/dotcom/investor-relations/docs/financial-reports/2024/annual-report-2024-en.pdf>, at 131 (emphasis omitted).

⁴ <https://www.zurich.com/sustainability/governance-and-positions/our-positions/fossil-fuels>.

⁵ <https://www.zurich.com/sustainability/governance-and-positions/our-positions/fossil-fuels>.

Zurich should take note that Alaska is home to significant conventional oil and gas reserves, world-class operators, modern pipeline systems, and one of the most robust safety and environmental frameworks in the nation. The Alaska LNG project, for example, represents one of the most consequential energy infrastructure efforts in the United States today—a strategic asset capable of delivering reliable gas to Alaskans and global markets while creating hundreds of high-paying jobs. These projects require the availability of insurance. When an insurer adopts blanket exclusions based on geography or on long-range public policy objectives untethered to risk, those exclusions function as de-facto prohibitions on investment.

To put a finer point on this, we are undertaking this review precisely because Alaska is working to broaden, not narrow, the range of industries and companies willing to invest here. If insurers adopt criteria that deem entire categories of Alaskan energy projects uninsurable—despite a proven safety record and responsible operating practices—those decisions directly threaten Alaska’s economic growth. We cannot ignore policies that effectively deny coverage to responsible operators based solely on Zurich’s policy preferences rather than the realities of risk on the ground.

Coal. We have related concerns regarding Zurich’s underwriting approach to coal-related industries. Zurich’s public materials state that it “will not insure or invest in” companies that: “generate more than 30% of their revenue from mining thermal coal”; “produce more than 20 million tons of thermal coal per year”; “generate more than 30% of their electricity from coal”; “are in the process of developing any new thermal coal mining, power or transportation infrastructure”; or “are purpose-built . . . transportation infrastructure operators for thermal coal . . . products, including pipelines and railway transportation.”⁶ In addition, Zurich refuses to underwrite “any new metallurgical coal mining,” and it plans to “phase out insurance for companies that mine or transport thermal coal, or generate electricity from thermal coal by 2030 for OECD . . . countries” like the United States.⁷ None of those exclusionary policies is required by any Alaska or federal statute, and none of them reflects traditional one-year underwriting risk. These are corporate policy choices, not risk calls. Alaska law does not allow that substitution.

The broader concern. Across these sectors, our preliminary assessment is that Zurich’s underwriting restrictions appear to be driven by its corporate commitment to “become a net-zero business by 2050 across [its] insurance business,”⁸ which means

⁶ <https://www.zurich.com/sustainability/governance-and-positions/our-positions/fossil-fuels>.

⁷ <https://www.zurich.com/sustainability/governance-and-positions/our-positions/fossil-fuels>; see also <https://www.oecd.org/en/countries/united-states.html>.

⁸ <https://edge.sitecorecloud.io/zurichinsur6934-zwpcorp-prod-ae5e/media/project/zurich/dotcom/investor-relations/docs/financial-reports/2024/annual-report-2024-en.pdf>, at 19.

achieving “[n]et-zero . . . underwriting by 2050.”⁹ Zurich has also committed to “[a]ligning each of [its] insurance and investment portfolios to support emissions reductions,” and to “targeting a reduction in . . . insurance-associated emissions (IAE) in [its] large corporate customer portfolio by 20 percent by 2030.”¹⁰ Whatever the merits of those commitments, Alaska law requires insurers to treat insureds with like risk characteristics alike and to base underwriting decisions on risk—not on corporate climate-policy preferences or extra-legal standards developed to “[l]imit[] average temperature increases” in line with the Paris Agreement.¹¹

We also note that if Zurich has entered into contracts with Alaska governmental entities that include representations of compliance with Alaska law, any violation of AS 21.36.120(c) may raise additional questions under Alaska’s Unfair Trade Practices and Consumer Protection Act. We do not reach that conclusion here, but it is part of our broader review. Again, although Alaska’s consumer-protection laws generally defer to other regulatory bodies where they have jurisdiction, surplus-lines insurance is not regulated in the same manner. To the extent Zurich issues surplus-lines coverage in Alaska, those policies would fall squarely within the scope of our consumer-protection review.

Given the significance of these issues to Alaska’s energy security, and to our State’s ability to attract and retain investment across multiple industries, we believe direct engagement with Zurich is essential. We invite Zurich’s leadership to Alaska to talk through these issues, offer any context you wish, and explain how the company plans to comply with Alaska law.

Please contact Director Heather Carpenter at heather.carpenter@alaska.gov within ten business days so we may schedule a meeting. We appreciate your prompt attention to these concerns and look forward to a constructive dialogue.

Sincerely,



Julie Sande,
Commissioner, DCCED



Stephen J. Cox
Attorney General

⁹ <https://www.zurich.com/sustainability/strategy-and-reporting/strategy>.

¹⁰ <https://edge.sitecorecloud.io/zurichinsur6934-zwpcorp-prod-ae5e/media/project/zurich/dotcom/investor-relations/docs/financial-reports/2024/annual-report-2024-en.pdf>, at 126, 128 (emphasis omitted).

¹¹ <https://www.zurich.com/sustainability/governance-and-positions/our-positions/fossil-fuels>.