

## Combating Weather Related-Hazards

WINTER IS UPON US, and with the colder weather comes increased risk of loss. Weather-related emergencies can occur at any time. Proper underwriting and communication to your insureds can help to avoid potentially devastating and often tragic losses. After a few years with no major storms or severe winter temperatures, complacency tends to set in, but the potential for loss is always present.

Fire is always a leading cause of loss, and this only increases during the colder months. With rising fuel costs, people are using wood burning stoves, propane/space heaters and fireplaces to heat their homes and places of business. In tough economic times, stoves (sometimes home made) tend to be quickly and often improperly installed. Fireplaces that were meant for decorative fires are being taxed to heat an entire house. The fuel that is used can also be a problem. For example, improper use of propane can easily lead to explosions. As the demand for wood as a heating source increases, people will turn to less expensive fuel sources such as soft woods. Kits to make newspaper logs are available for sale online and through mail order catalogs. Materials such as soft wood and newspaper increase the hazard of chimney fires. Heating sources should be included in company underwriting reviews. Proper installation is a must in order to avoid costly fires. In all cases, equipment must be UL approved, as well as operated in an appropriate manner. Regular



maintenance, including cleaning chimney flues and stove pipes is also essential.

An added hazard from fires is the improper disposal of the ashes. When a fireplace is being used constantly to heat the home, it may not be possible to adequately cool the ashes prior to removing them. Ashes should be stored in a covered, fireproof container, away from combustible materials.

Seasonal and vacant dwellings are often unattended for months at a time. Proper care must be taken to prevent weather-related losses. Water must be turned off and pipes insulated, or adequate heat must be maintained to prevent freezing. Even though the heat may be on, if the insulation is inadequate, or the thermostat is not set high enough, the pipes can still freeze. In a seasonal or vacant building, ensuing water damage from pipes that burst may go unnoticed for weeks and months, leading to substantial addi-

tional damage, such as mold and buckled and rotting floors. Even buildings that are occupied are subject to freezing pipes if they are not properly insulated.

In upstate New York, snow fall is often measured in feet not inches. Weight of ice, sleet and snow can bring down power lines, or cause trees to fall on them. Weight of ice and snow is especially problematic for flat roofs. Left uncleared, these roofs and buildings are subject to collapse. Freezing and thawing can lead to ice damming and water damage to the interior of the building. Roof inspections should be part of the underwriting process to determine measures that may be needed to protect them from storm damage. Gutters should be cleaned regularly, and snow should be removed from the roof. Special flashing to prevent water entry into the structure and heated coils to reduce ice buildup may also be recom-

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mended.

In addition to snow, winter often brings high winds. Outdoor property such as sheds and garages are usually covered as additional structures and for the same causes of loss as the dwelling building. So if the dwelling is covered for wind, then so would the shed or garage be covered. However, other outdoor structures such as pools, patios, bulkheads, wharves and docks are not normally covered for weather-related damage such as freezing, thawing, and weight of ice, sleet or snow. Insureds should store their campers, trailers and watercraft inside as these are not covered for wind or hail damage unless they are in a fully enclosed building or other structure at the time of loss.

Power failures are also common in the winter. Depending on the cause of the power failure, ensuing damage such as spoilage may or may not be covered. While damage caused by the power failure may not be covered, the loss of power compounds other weather-related issues. The potential for freezing is increased, even in occupied buildings. As mentioned previously, use of alternate heating and lighting sources such as fireplaces, wood stoves and candles increases the fire hazard. Power failures can occur

anywhere. Everyone should have an emergency plan for heat, water and food. For tips on preparing for emergencies, go to the Homeland Security website: [www.ready.gov](http://www.ready.gov).

Coverage for storm and weather-related damage may be limited or nonexistent. For example, damage to the interior of a building and to other property in a building is not covered for damage by rain or snow that comes in through an open window or skylight. For coverage to apply, the exterior of the building must first be damaged, thus letting in the rain or snow. Water damage from runoff, or due to blocked drains or sewers, or caused by flooding, is not covered under most standard policies. Recent years have shown us the devastating effects of wind and related damage. While hurricanes are what make the eleven o'clock news, wind damage from unnamed storms is much more common. Many policies now include special deductibles for wind damage.

Although property damage claims come to mind more often, there are also significant weather-related liability exposures that are usually preventable, including trip and fall claims from improperly cleaned sidewalks. Each year, numerous serious accidents are caused by snow and ice flying off cars and blinding the drivers be-

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hind them, or damaging other vehicles. Drivers in New Jersey with "dangerous accumulations" of snow or ice on their cars or trucks will be fined. This trend is sure to extend to other states.

One solution to avoiding weather-related claims is the use of named perils policies. While this is not going to be acceptable to many of your standard homeowners and business risks, it may be the only way to write coverage on seasonal or vacant buildings that are not adequately monitored or protected. Named perils is also an option for older buildings that may not be properly maintained, or that may be prone to collapse or damage from weight of ice and snow. Creative underwriting can enable a risk to be written that might otherwise be ineligible. This is especially important if the "ineligible" risk belongs to an important client.

In any season, proper underwriting by the company and preparation by the insured can help avoid or minimize costly losses. Providing information and assistance to help insureds avoid potential losses is another value added service that insurers and their agents can provide.

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