

Pollution Liability Case Studies

Just how important is pollution liability coverage?

As the following case studies illustrate, pollution coverage is vital to a number of job activities, from HVAC installation, to electrical control systems to simple removal of waste.

Fumes Spread through Building

A firm was installing a new HVAC system for an existing building. Sealant fumes from their work rose through the ducts and made other building occupants ill. A claim was filed against the contractor with a demand of over \$500,000. Because the incident was tied to the contractor's job site activities, the claim was covered by their pollution policy.

Forklift Accident Contaminates Site

A metal drum containing PCB chemicals fell off a fork lift while it was being loaded into a truck for removal from the construction site. The spill contaminated the site, requiring a \$100,000 clean-up. The policyholder's pollution policy paid for the cost of the clean-up.

Before You Dig . . .

A contractor began a site excavation without having underground lines identified through Miss Utility. During excavation, a gasoline transmission line was broken, causing a spill. The \$45,000 clean-up cost was covered by the CPL policy.

System Malfunction Pollutes Factory's Air Supply

A contractor installed an electrical control system for a manufacturing plant's air filtration system. The air filtration system malfunctioned, releasing pollutants into the air and shutting down business for two days. Several people were hospitalized. The contractor's CPL policy covered the over \$75,000 claim.

Phase I Failure Spreads Pollutants to Nearby Stream

A Phase I report fails to identify pollutants on a construction site. During the construction process, a contractor spreads the existing pollutants, contaminating a stream on the site. The contractor's pollution policy paid the cost of the clean up and resulting damages.

Improper Installation Contaminates Drinking Water

A contractor installs an air conditioning system that uses glycol as a coolant. Due to improper installation, glycol is released through the plumbing system into the drinking water. The contractor's pollution policy paid to correct the problem and to award damages to those people who drank the contaminated water.

For more information on pollution liability for contractors, visit our website,

www.PlanetContractor.com.