



Environmental Case studies

XL Insurance

Contacts

Simon Harwood-Matthews

simon.harwood-matthews
@xlgroup.com

Robert Potter

robert.potter@xlgroup.com

Simon White

simon.white@xlgroup.com

Graham Withers

graham.withers@xlgroup.com

Laurent Gangiotti

laurent.gangiotti@xlgroup.com

Insurance coverage in any particular case will depend upon the type of policy in effect, the terms, conditions and exclusions in any such policy and the facts of each unique situation. No representation is made that any specific insurance coverage would apply in the above examples. Please refer to individual policy forms for specific coverage details.

XL Insurance is a registered trademark of XL Capital Ltd and the global brand used by its insurance company subsidiaries.

Contractor's pollution liability

These examples are intended to illustrate the wide variety of environmental exposures faced by civil engineering and building contractors and the many ways in which those exposures can arise.

Herbicide run-off results in pollution claim

A contractor was employed to control the vegetation along an overhead power line right of way. A herbicide was applied to reduce the vegetation, following which, a heavy rainstorm occurred and washed herbicide on to adjoining farmland. The farmer's crops and land were severely damaged and the contractor was held liable for the damages.

Sewer rupture by sub-contractor results in claim against main contractor

A utility contractor undertaking construction of a new overhead power line employed a sub-contractor for installation of the power poles. The sub-contractor hit an underground sewer while undertaking this work which resulted in damage to the sewer and the spillage of a significant volume of raw sewage. The utility contractor was held vicariously liable for the actions of the sub-contractor and for costs in respect of repair to the sewer and clean-up of the spilled sewage.

Dewatering operation exacerbates groundwater contamination

A highways contractor was constructing a road in an area where the water table was extremely shallow which necessitated extensive dewatering to allow excavation to the sub-grade level. After the dewatering wells had been drilled and pumping had been in progress for two days, the contractor detected petroleum hydrocarbon odour in the groundwater being extracted. Petroleum hydrocarbons had leaked from an underground tank near the project site into the groundwater. This was then exacerbated by the dewatering operations for the new road which was pulling the contaminated groundwater underneath the site. In a pump and treat remediation programme lasting several weeks, the contractor was required to clean up both the soil and groundwater in respect of the exacerbation of pollution conditions arising from his actions.

If you would like to discuss how XL Insurance's dedicated EIL business unit can assist, please do not hesitate to contact one of the team listed.



Environmental Case studies

XL Insurance

Contacts

Simon Harwood-Matthews
simon.harwood-matthews
@xlgroup.com

Robert Potter
robert.potter@xlgroup.com

Simon White
simon.white@xlgroup.com

Graham Withers
graham.withers@xlgroup.com

Laurent Gangiotti
laurent.gangiotti@xlgroup.com

Insurance coverage in any particular case will depend upon the type of policy in effect, the terms, conditions and exclusions in any such policy and the facts of each unique situation. No representation is made that any specific insurance coverage would apply in the above examples. Please refer to individual policy forms for specific coverage details.

XL Insurance is a registered trademark of XL Capital Ltd and the global brand used by its insurance company subsidiaries.

Contractor's pollution liability

These examples are intended to illustrate the wide variety of environmental exposures faced by civil engineering and building contractors and the many ways in which those exposures can arise.

Construction activities impact pristine waterway

Inadequate erosion control measures implemented during construction of an abutment for a highway overbridge resulted in petroleum-impacted sediment being released into a pristine waterway. The road contractor was required to pay significant clean-up costs.

Vandals cause fuel release

Vandals broke into a contractor's establishment area overnight and broke open the dispensing valve on a mobile fuel bowser releasing over 5,000 litres of diesel into sub-soils on what hitherto had been a greenfield site. The contractor was held liable for clean-up of the resulting contamination.

Wetlands impacted by highway construction activities

A contractor was lifting temporary barriers following completion of permanent crash barrier repairs when a crane overturned spilling hydraulic oil and diesel into a wetland area adjacent to the road. The regulator responded to complaints from members of the public of oil on the water as well as water fowl coated with oil. The contractor was liable for substantial response costs and wetlands restoration.

If you would like to discuss how XL Insurance's dedicated EIL business unit can assist, please do not hesitate to contact one of the team listed.