



ADVICE FROM AN EXPERT by Mick Sagrillo

INSURING YOUR WIND SYSTEM

Filing An Insurance Claim

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Should a disaster strike your wind generator and require that an insurance claim be filed, contact your local insurance agent at your earliest convenience. Before doing so, however, gather all information that may be pertinent to your claim.

Explain the problem, the circumstances involved, and your speculation as to what caused the damage for which you are filing a claim. For example, did bullet holes show up in your blades on opening day of hunting season? Or did your blades and tower suffer damage after exceptionally high winds whipped debris around the neighborhood? Or maybe lightning took out your utility intertie inverter as well as your well pump and VCR. Any observations you can provide may be helpful.

In all likelihood, you will be contacted by the insurance company's claims adjuster, who will visit your site to gather information and take a few photographs. Since few insurance companies are familiar with wind generator systems, it will be helpful if you are available to show this person around and answer questions.

Any documentation you can offer about the system will go a long way towards helping your claim. This includes information like bill of sale and warranty, performance and maintenance records, and invoices for repair work, all of which should be dated. If these records are comprehensive and in order, the adjuster will have confidence that your system is well taken care of.

The adjuster will probably require a repair estimate from one or two wind generator repair companies. This estimate is usually written as a quote "not to exceed" a certain price. Remember that you are responsible for paying your deductible. If you will be doing any of the work, it is reasonable to request compensation from the insurance company. If yours is an off-grid system, you may also include any additional fuel costs for your standby generator that are incurred while your wind system is being repaired.

Expect a week to go by before your insurance adjuster gets back to you with a go-ahead to repair your system. Do not, however, allow the insurance company to drag its feet with regards to the decision. Do not allow the insurance adjuster to claim that a well maintained wind system with a design life of 20 to 30 years should fail incidentally after a lightning storm due to normal wear and tear on the equipment. Insurance is essentially a gamble: you are gambling your premiums versus the probability of a claim. The insurance industry is gambling that the probability of a given claim is low and that they will not have to ante up more money than the pool the

insured has paid them. If you have to absorb all the risk, then why buy insurance?

If your insurance adjuster indicates that she/he is not likely to honor the claim, do not despair. You still have recourse. First of all, request that the insurance company reconsider the decision. Long-time customers of a given company will have more leverage here. Make sure that you document all phone calls, with whom they were made, and what was discussed.

If need be, you can contest the decision with your state insurance commissioner or consumer protection division. If you take this course of action and cannot wait for an appeal, be prepared to pay for the claim out of pocket, then recoup your expenses, possibly in court.

Never file an insurance claim for damage sustained to your wind system due to your negligence or lack of maintenance. Insurance fraud is illegal and punishable by stiff fines. In addition, this behavior does an injustice to the entire community of wind generator owners by making future bona fide claims more difficult to collect on.

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