

Cover for Existing Property

Working Group 113
Wien - October, 21st 2019
Eric Bentz

Stockholm City Line



Impressive works on and close to EP

Example of damages to EP



Fire in the Hôtel Lambert
construction site
Paris, July 2013



Hôtel Lambert case

Prestigious building built during the 17th century

Precious paintings on walls

Refurbishment works (installation of 2 elevators, thermal regulation system and plumbing) inside the building which started in 2010

While the works are about to be completed a fire occurred in July 2013

The repair works are completed in 2018

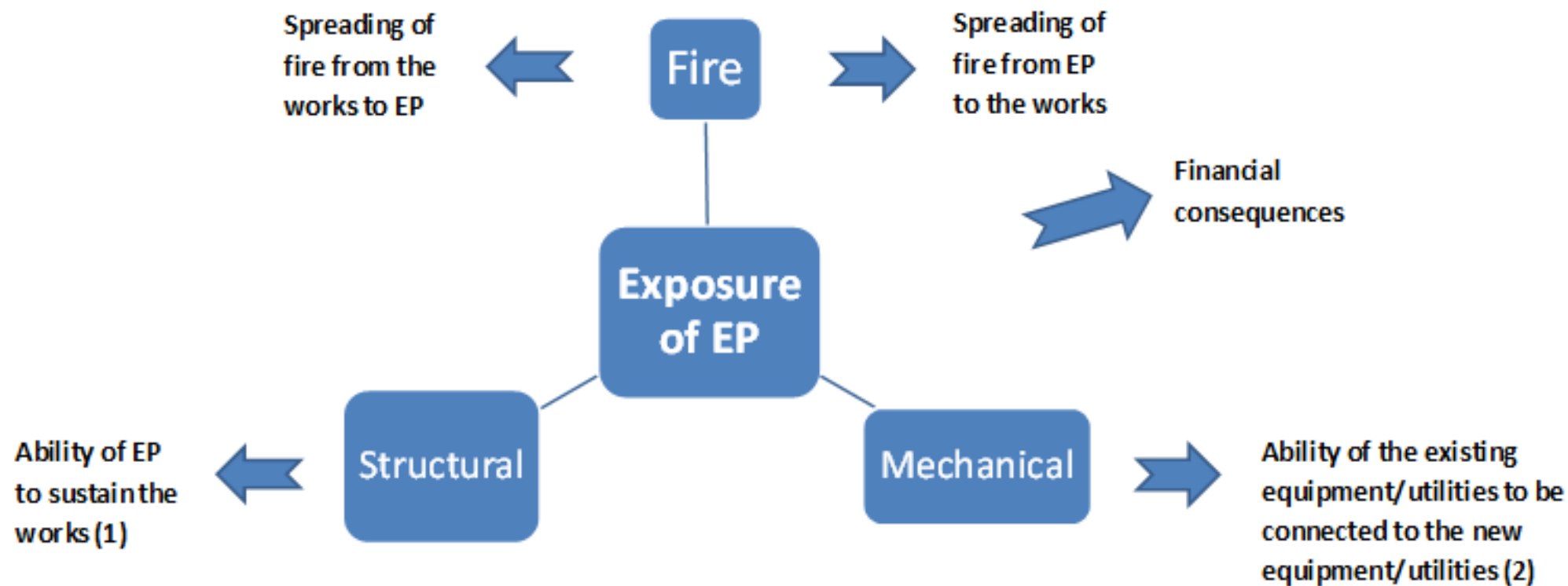


Hôtel Lambert case



The public value of the whole cost of the repairs is 130m€

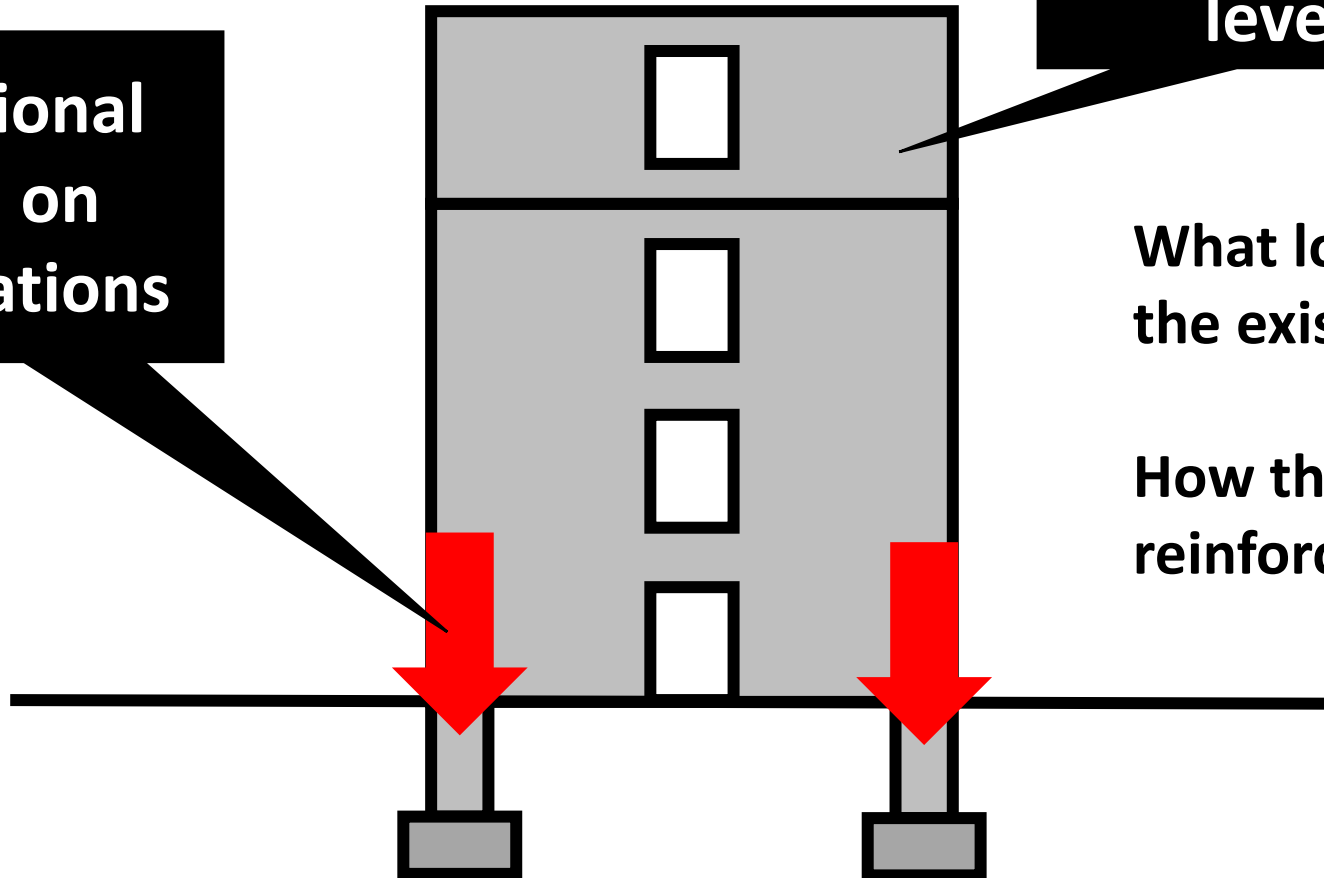
EP EXPOSURE



EP EXPOSURE



Additional load on foundations



Additional level

What load is able to sustain the existing foundations?

How they should be reinforced?

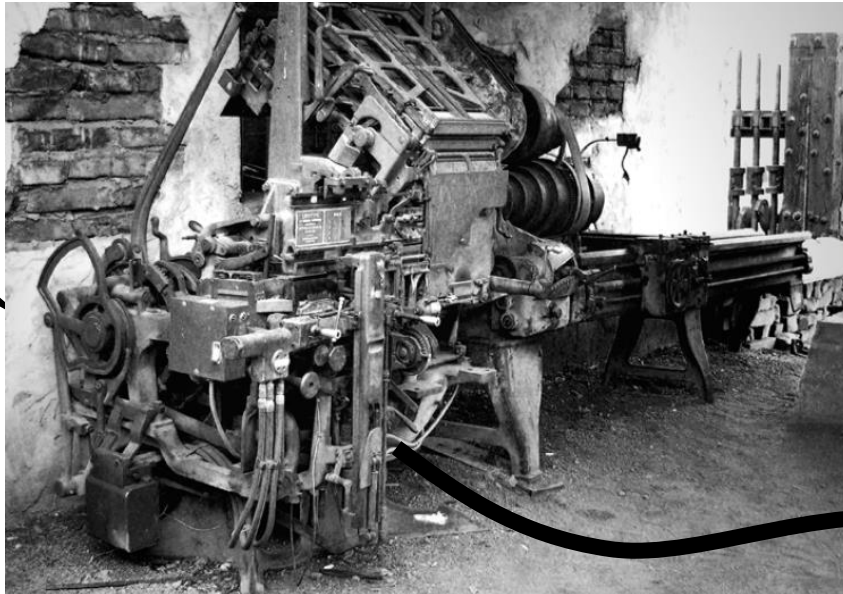


Technical documentation

Review of the mechanical characteristics of the EP: Any available report about it?



**Existing
machinery**



**New
machinery**



Connection

Does it work?

Case of a simple cycle power plant converted into a combined cycle plant



Technical documentation

Any underwriting information regarding the compatibility of the new equipment with the existing equipment?

REVIEW OF RISKS

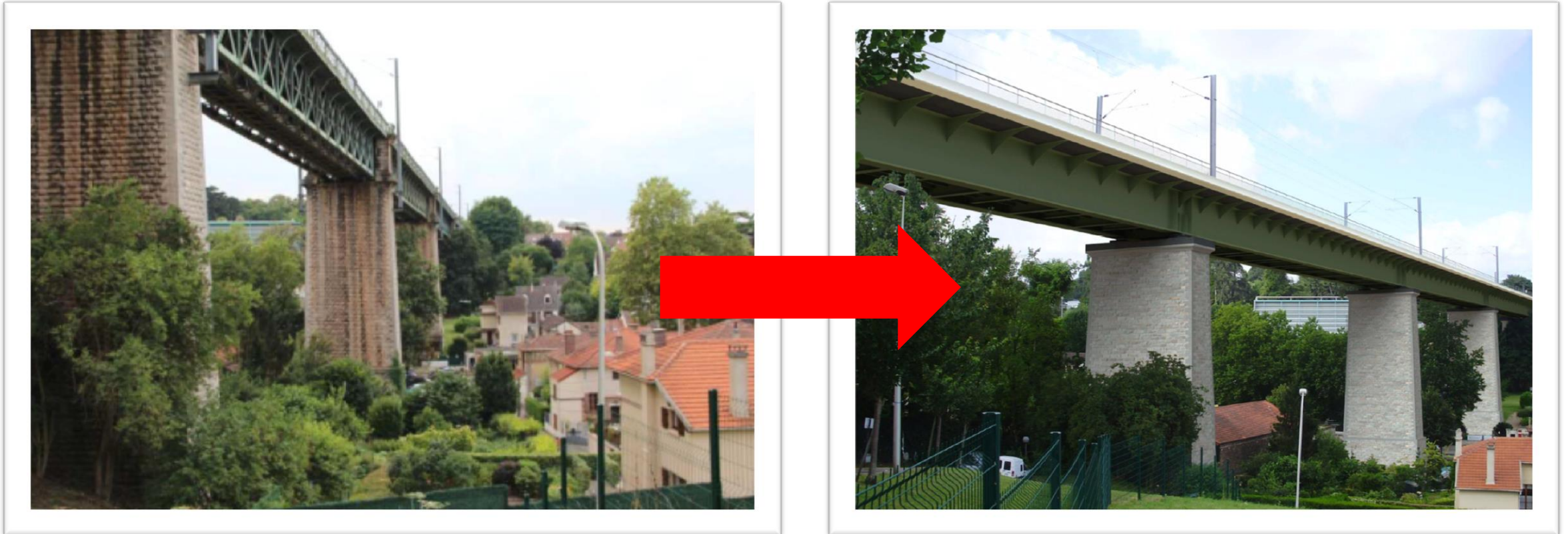
To which extend the EP limit is exposed ?

✓ *Example of the Lambert Hôtel*

Fire fighting means and procedure to mitigate the fire exposure?

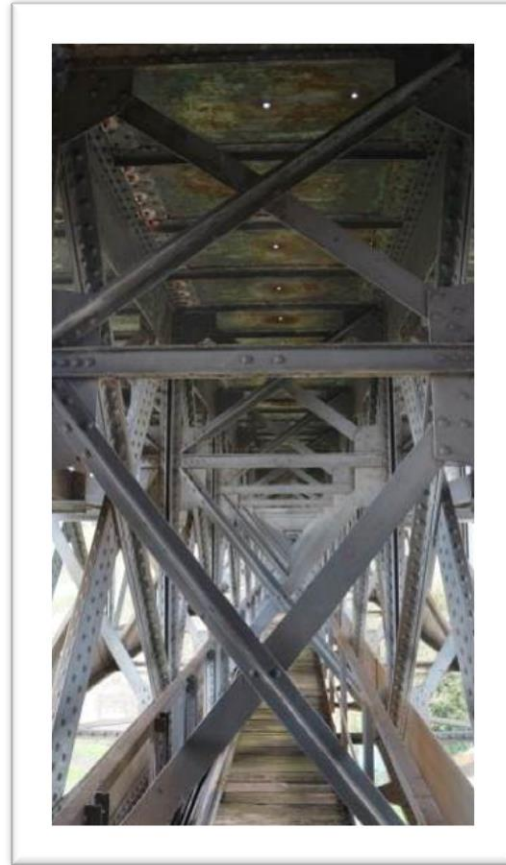
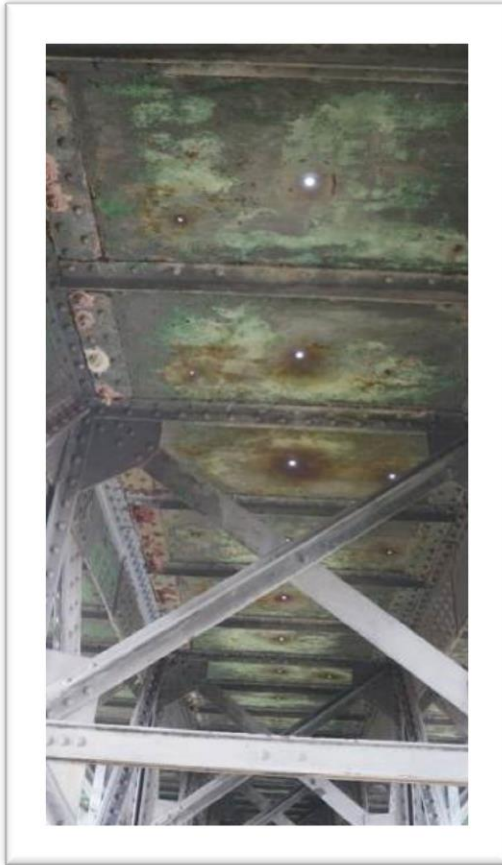
Availability of technical documentation regarding EP

REVIEW OF RISKS



Example of a restructured railway bridge

REVIEW OF RISKS



Vue du parement sur la pile 2



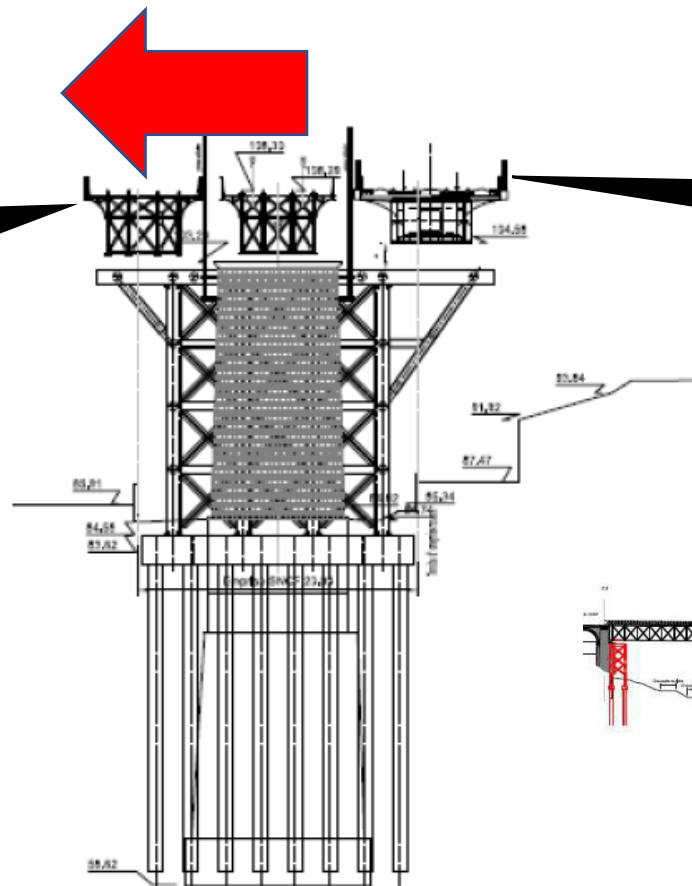
Vue d'un fragment du parement, sondage S7, pile 3

Quality	CS (Mpa)	Nber
Good	20 to 30	1/5
Bad	10 to 20	2/5
Very bad	<10	2/5

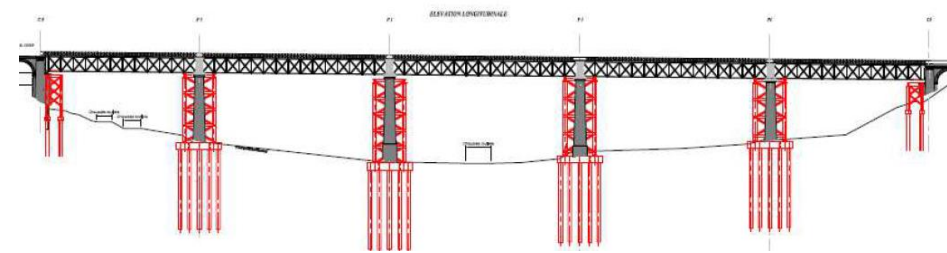
Technical review of EP

REVIEW OF RISKS

**Existing Deck
that will be
moved aside**



New Deck



Methods

REVIEW OF RISKS

PRÉPARATION

Vers Saint-Nom-la-Bretèche
(gare de Marly-le-Roi)



REVIEW OF RISKS

Vers Saint-Nom-la-Bretèche
(gare de Marly-le-Roi)



REVIEW OF RISKS

RIPAGE

Vers Saint-Nom-la-Bretèche
(gare de Marly-le-Roi)





REVIEW OF RISKS

If DSU or BI is requested does it extend to material damages to EP? In that case exposure of DSU/BI limit?

Exposure of third parties as a result of damages to EP?

Policy wording underwriting considerations

SECTION	COVERAGE	DETAILS	EXPOSURE	REMARKS	APPENDIX
Material Damages	Extensions				
	"Impossibility to repair as original" clause	Let the possibility to indemnity the damages at a cost level higher than initial	What is the detailed value of EP ?	Generally not detailed which means that commitment on EP limited by EP limit	1
	Authority clause	Cover of additional costs to comply with the regulations to apply on the repair works	Updated regulation can request stronger safety factor or technical arrangements which would lead to higher repair cost and indemnification		2
	Phased handover	Parts of the project are handed over. These parts become EP but are still covered by the policy	Similar to property policy but nearby the works in progress with possibly an high fire exposure. Question regarding the fire fighting system in operation in the handed over parts	Case of shopping mall construction	
	Special Exclusions				
	Process or special equipment older than... (5 years)		During hot testing high exposure of damages to the old equipment	Important exclusion especially if exposure not detailed in the UW pack	
	Fire in EP	Exclusion of the damages due to fire developping from EP	The fire spreading from the work are still covered under MD	In that case the property/fire policy would cover the fire damages. However the fire developping from the works to EP are covered by the CAR/EAR policy	
	Pre-existing damages to EP			The pre-existing damages need to be recorded during a survey	
	Fire policy not applied	Non compliance with fire policy detailed in the underwriting pack excluded	Fire exposure especially in relation to hot spot works excluded	Stronger approach than provision	
	Provisions				
To apply fire policy	Fire covered but under provision		See above		
DSU/ALOP	Extensions				
	as a result of damages to EP		The reconstruction of EP may be fairly long in the case of historical building and exhaust the full DSU/ALOP limit		
	Special Exclusions				
Damages to EP	Fire spreading from EP won't trigger the DSU/ALOP	However if the fire reach the works the DSU/ALOP would be covered			





POST UNDERWRITING **CONSIDERATIONS**

Any pre-existing damages not caused by the works ?

=> To make to soonest an inventory of the pre-existing damages

Surveys to assess the ability of EP to withstand abnormal conditions especially where very valuable elements exists

POST UNDERWRITING CONSIDERATIONS

To control that risk mitigation procedure are applied:
Deflection control, fire mitigation procedure...

Any risk register available?

