

2025

Policyholders' Conference

Stronger together.



Breakout Session

Casualty Losses – Lessons Learned

MODERATOR

Anita Daddar

Vice President,
Casualty Underwriting

Garrett Finnegan

Assistant VP, Excess
Liability Claims

Mark Rutkowski

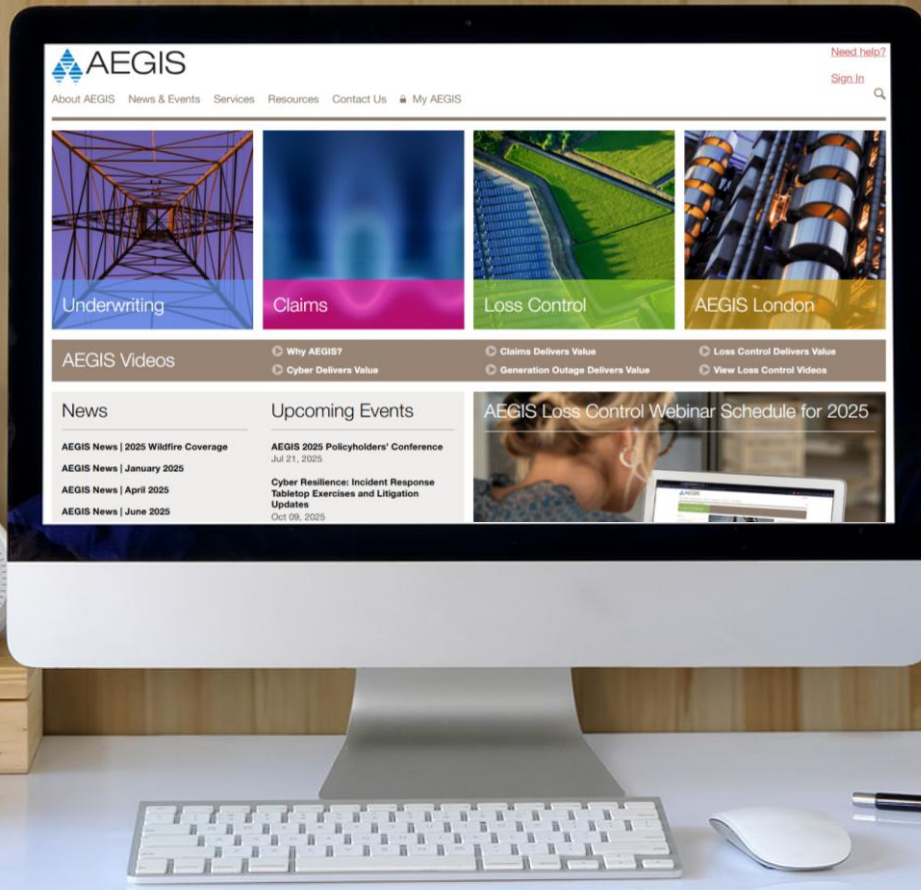
Assistant VP, Excess
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Jyotin Thaker

Senior Electric Utility
Professional

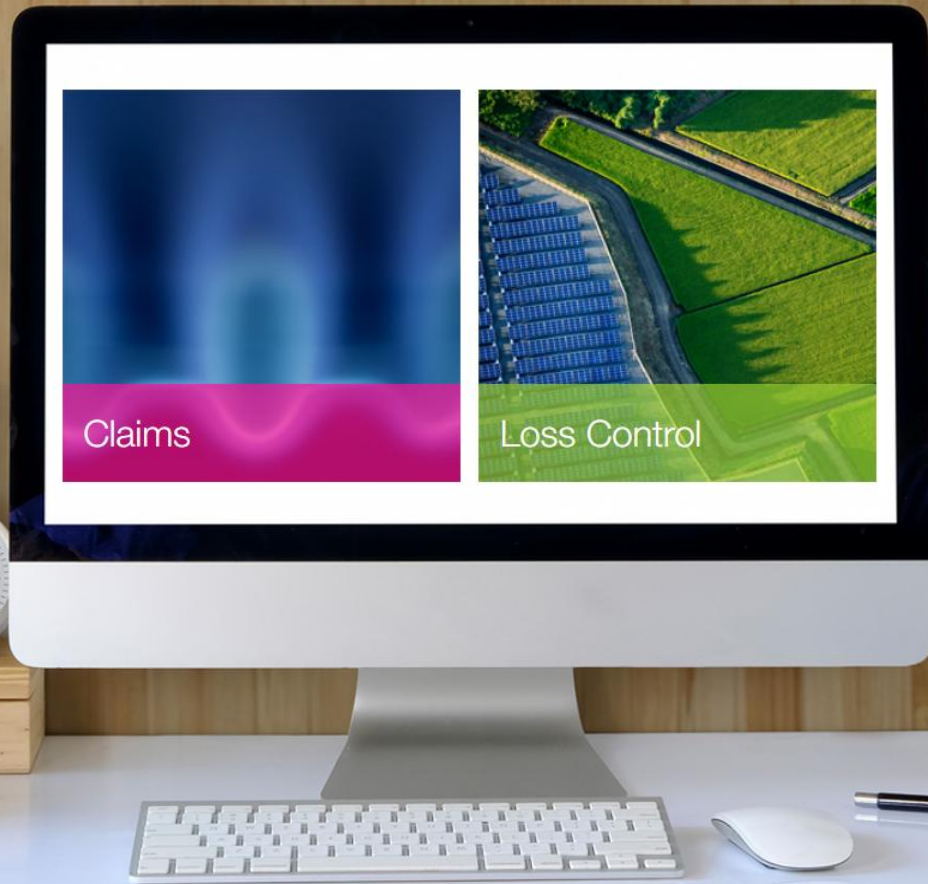
Eddie Lynch

Senior Natural Gas Utility
Professional



2025 Policyholders' Conference





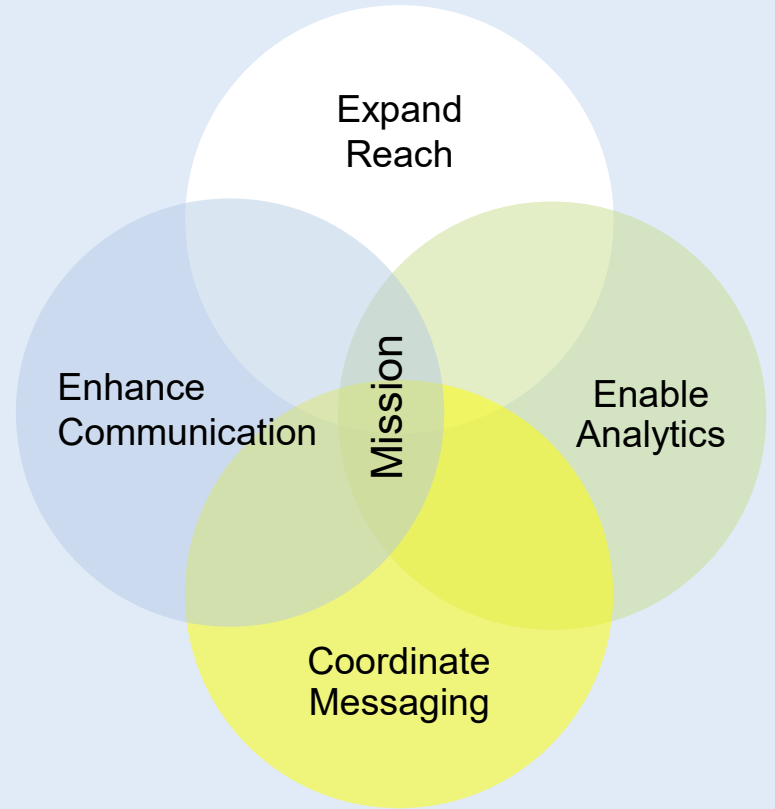
Claims

Loss Control

Loss Control Mission



To assist AEGIS member companies in maintaining effective and safe operating systems while reducing their overall long-term cost of risk.



Loss Control Products & Services

- Risk assessments
- Lessons learned and hazard awareness videos
- Focused services
- Electrical incident investigation workshops
- Monthly webinars
- White papers

The screenshot displays the AEGIS website's Loss Control section. At the top, the AEGIS logo is on the left, and navigation links for 'About AEGIS', 'News & Events', 'Services', 'Resources', 'Contact Us', and 'My AEGIS' are in the center. On the right, there are links for 'Need help?' and 'Sign in'.

The main content area is titled 'Loss Control' and includes an 'Overview' section with links for 'Our unmatched expertise', 'Utility Services', 'Property Services', and 'Videos & Webinars'. A large 'quick tips' banner features the text 'Steam Turbine Equivalent Operating Hours: What is your EOH?'. To the right, a 'Loss Control News' section lists several quick tips, such as 'AEGIS Loss Control Webinar Schedule for 2025', 'Quick Tips: A Year's Worth of News You Can Use', and 'Quick Tips: Steam Turbine Equivalent Operating Hours: What is your EOH?'. Below this, there are sections for 'Loss Control Events' (listing 'AEGIS Loss Control Fire Protection Training' on 11/21, 2025) and 'Loss Control Tools' (listing 'My Risk Assessments', 'Electric RMLL's', 'Natural Gas RMLL's', and 'Staff Directories').

A 'White Paper' section is also visible, featuring a 'Loss Control' white paper titled 'Utility Wood Pole Maintenance'. Below the title is a photo of utility poles and a 'Table of Contents' with the following items:

Table of Contents	
Purpose	2
Introduction	2
Consequence of Wood Pole Failure	2
Claim Experience	2
Elements of an Effective Pole Inspection Program	4
Asset Management Strategy	4
Pole Inspection Methods	5
Reject Criteria and Work Management Practices	7
Quality Assurance	7
Joint Pole Use	7
Impact on Pole Maintenance	8
Double Wood Pole Removal	9
References	10
Disclaimer	10

At the bottom right, there are sections for 'Resources', 'Publications', and 'Education', each with a plus sign indicating expandable content.

Claims Division Mission



The AEGIS Claims Division is committed to consistently providing superior claims management services to every AEGIS member.

While working in partnership with its members, brokers, counsel and other AEGIS divisions, the Claims Division strives to manage every claim in a fair and efficient manner and to reach mutually satisfactory resolutions while containing costs and mitigating exposure, to the extent possible.

AEGIS Claims Services

- AEGIS Gas & Electric Litigation Services
 - Team of seasoned attorneys with extensive industry knowledge who can assist with difficult technical, statutory or tariff-based defenses
- The AEGIS Structured Settlements Company
 - Provides structured settlement services to AEGIS members
- Educational Opportunities
 - Claims Roundtables
 - Biennial Claims Seminar – October 2026

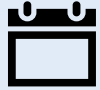


AEGIS Claims Upcoming Events



Thursday, October 9, 2025

Cyber Resilience: Incident Response Tabletop Exercises and Litigation Updates



Thursday, March 5, 2026

Effective Use of Experts Throughout Litigation



Thursday, June 4, 2026

Managing and Defending Serious Gas, Electric and Auto Incidents



Monday, October 12 – Wednesday, October 14, 2026

Claims Seminar

save the date



2025 Claims Roundtables

save the date

Lowes Chicago Hotel
October 12-14, 2026



Electric Guy Wire Contact Incident

Mark Rutkowski

Assistant VP, Excess Liability Claims

Jyotin Thaker

Senior Electric Utility Professional

Electric Contact – Guy Wire

Facts

- Subcontractors for CATV company, working on a utility pole pulling fiber line inadvertently put the boom of their truck in between the guy wires
- The workers may have unwound the guy wire wrap at the anchor, causing it to swing free
- The loose guy wire, struck the 12kV primary line, contacting the secondary electrical line and the CATV cable
- The energized guy wire contacted the workers resulting in serious injuries



The contractor inadvertently placed the boom of their truck in-between the guy wires

Electric Contact – Guy Wire

Liability

- Plaintiff asserted that the installation of guy wires and insulators violated the National Electric Safety Code (NESC)
- Defense conceded that improper placement of the guy wire insulators above the 12kV line was improper
- This placement violated both the utility's own Construction Standard and NESC Rules 279
- Utility's defense claimed that the contractors purposely unwound the guy wire
- No definite evidence that the wire was unwound
- Plaintiffs argued guy wire was not cut but became unwound due to improper securing



Electric Contact – Guy Wire

Liability

- Utility was on notice of NESC 279 violations relating to guy wire insulators after a 2009 audit
- Conducted an all-hands meeting for maintenance inspectors and provided refresher training to its maintenance inspectors
- Prior to the accident, the utility performed regularly scheduled circuit inspections of the high voltage lines at the subject utility pole from 2009 to 2016
- The inspection records revealed no reported guy wire insulator problems at this location
- The inspector's work became an issue in the case



Electric Contact – Guy Wire

Liability

- Utility's maintenance records revealed multiple instances of guy wire insulator placement issues which remained unaddressed for decades
- The persistent violations, despite the commission audit findings, suggested a systemic failure in safety compliance
- An audit following the accident identified numerous similar guy wire insulator placement violations within the service area
- Widespread violations indicate a broader issue with the utility's historical installation practices and maintenance procedures
- Opened the door to punitive damages



Electric Contact – Guy Wire Damages

- Severe Burns
 - Contractor worker suffered approximately 50% total body surface area (TBSA) full thickness and deep full thickness burns to his face, bilateral upper extremities including hands, left scapula, left buttock and left leg including the foot
 - Bilateral amputation of upper extremities
- Fatality – Owner of CATV suffered fatal injuries



Electric Contact – Guy Wire

Resolution

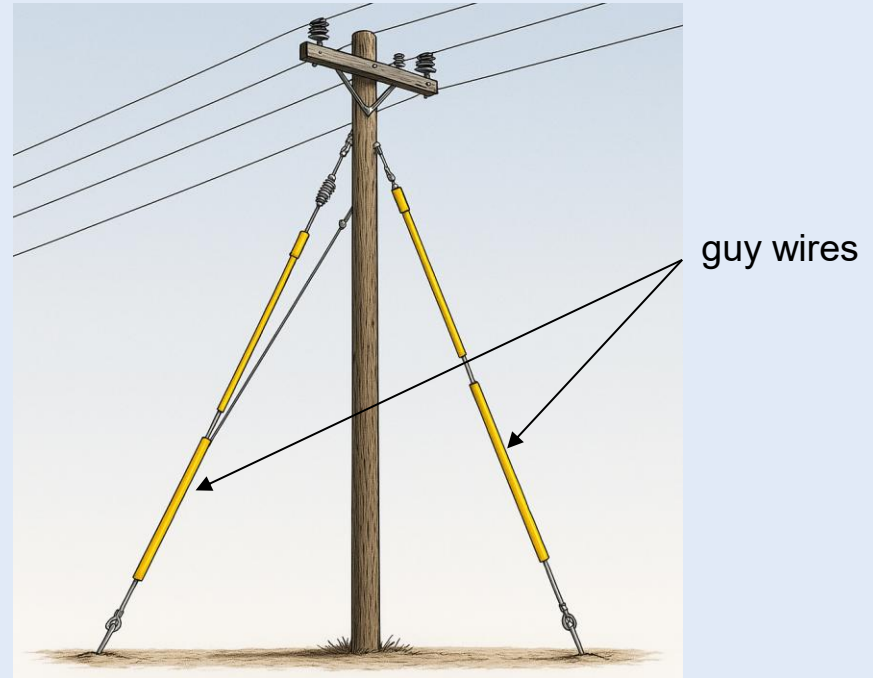
- Several mediations and contentious motions
- Bad venue, aggressive plaintiff's counsel
- Sympathy for workers
- Mock trial results
- Case was settled for a substantial, though confidential, sum



Electric Contact – Guy Wire

Lessons Learned

- Anchor guys provide a potentially dangerous electrical path to ground if not constructed correctly
- Correct construction that complies with NESC rules 215.c and 279 is best defense against creating a dangerous situation
- Work orders issued with correct size and number of guy strain insulators
- Field verification and quality assurance that facilities constructed per standards and per the work order
- Inspection practices and corrective action

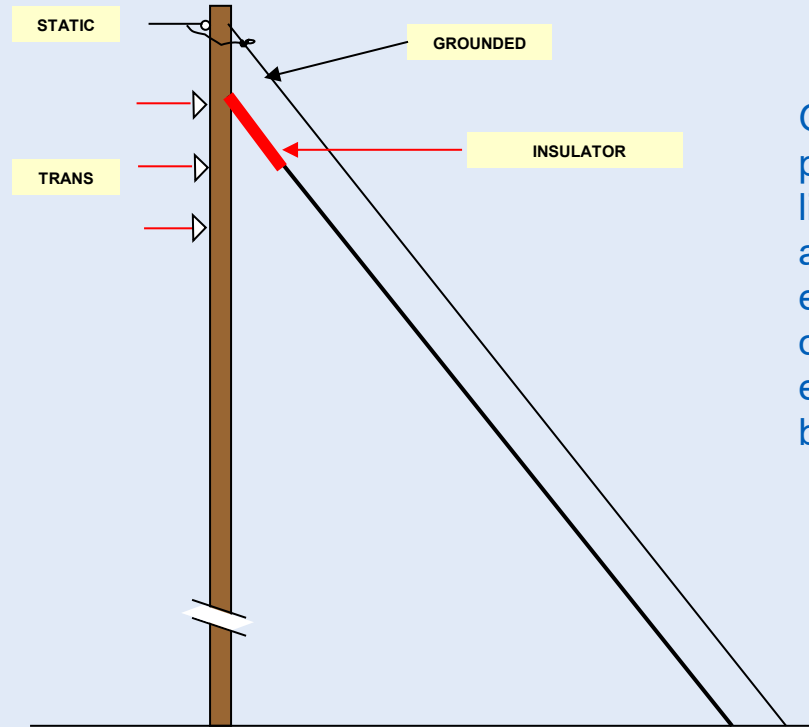


Electric Contact – Guy Wire

Lessons Learned

Does this meet the code?

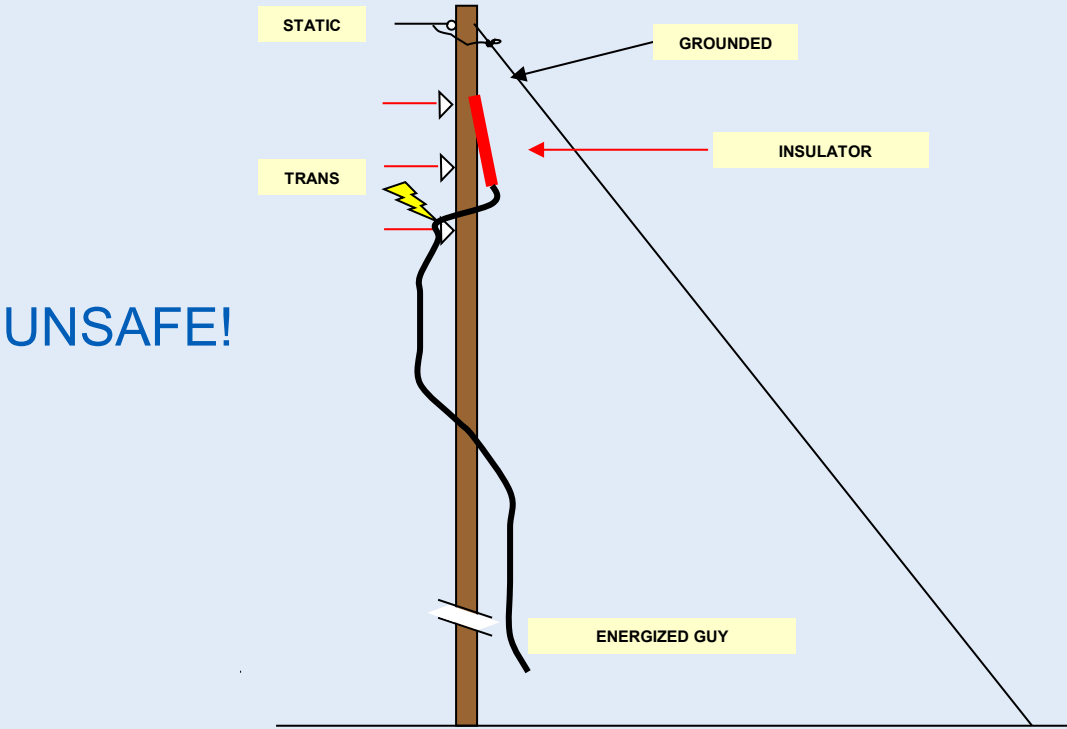
Is it safe?



Guy insulators shall be positioned so as to limit the likelihood of any portion of an anchor guy becoming energized within 8 ft (2.45 m) of the ground level in the event that the anchor guy becomes slack or breaks

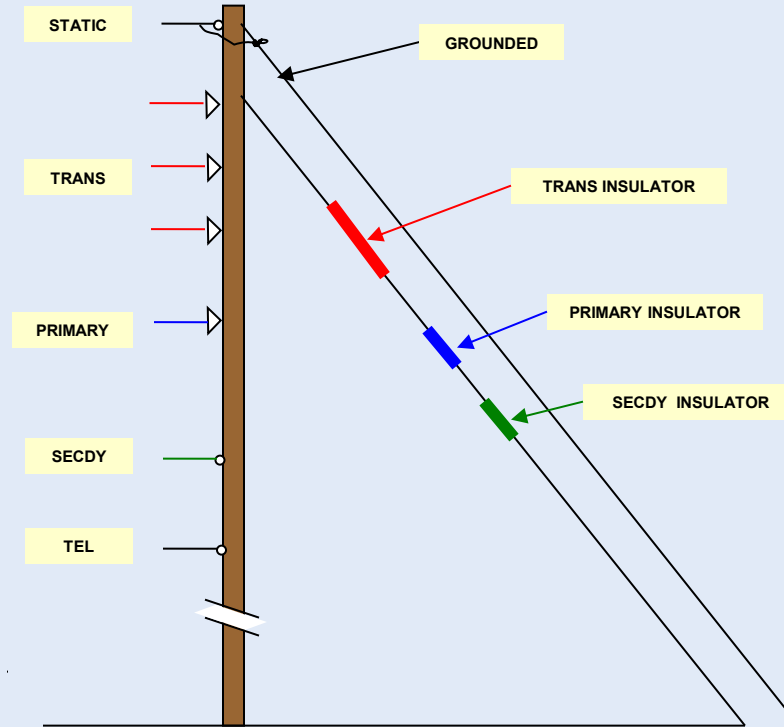
Electric Contact – Guy Wire

Lessons Learned



Electric Contact – Guy Wire

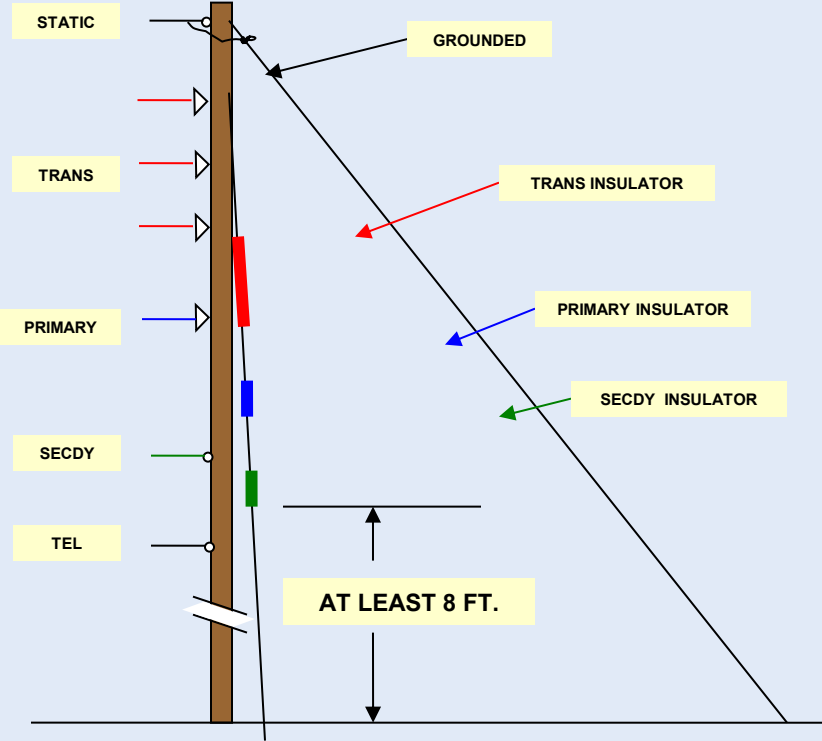
Lessons Learned



Guy insulators shall be positioned so as to limit the likelihood of any portion of an anchor guy becoming energized within 8 ft (2.45 m) of the ground level in the event that the anchor guy becomes slack or breaks

Electric Contact – Guy Wire

Lessons Learned



Gas Incident Discussion

Garrett Finnegan

Assistant VP, Excess Liability Claims

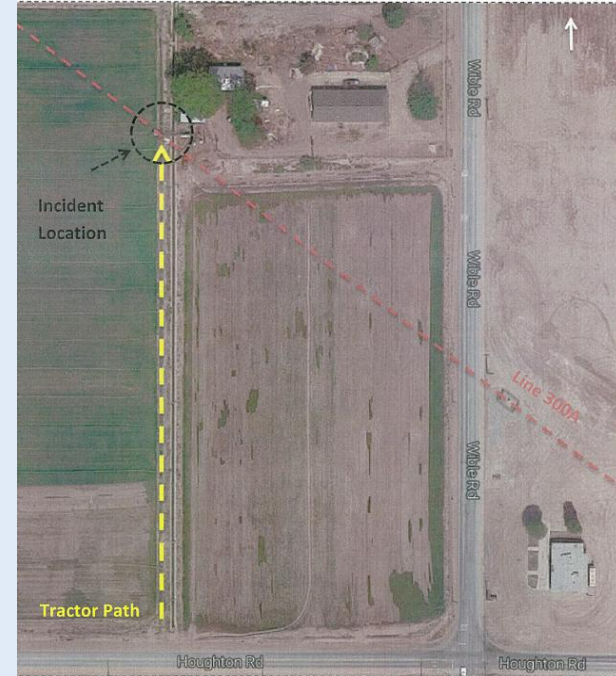
Eddie Lynch

Senior Natural Gas Utility Professional

Natural Gas Explosion

Facts

- Farm owner hired management company → contractor for deep ripping
- 36-inch natural gas transmission pipeline ran under field
- Contractor notified utility via 811, received USA tickets
- Utility marked line; contractor delayed project beyond expiration
- Tractor operator forgot to lift ripping shank → line puncture
- Massive explosion/fireball 200+ ft tall, visible 6+ miles away
- Operator fatally injured; nearby home badly damaged



Natural Gas Explosion

Damages

- Operator survived by wife, adult son and 2 minors
- Three family members injured – grandmother, mother, 17-day-old baby
- Mother suffered third- and fourth-degree burns, 9+ skin grafts and PTSD
- Grandmother hospitalized for 2 months, chronic pain
- Infant treated for smoke inhalation; no lasting harm confirmed
- Family lost pets – two dogs, two cats and fifteen birds
- Emotional distress and consortium claims filed



Natural Gas Explosion

Liability

- Allegations against the utility included failure to
 - Properly mark the gas line
 - Ensure markings remained visible
 - Issue adequate safety warnings
 - Provide proper safety support to contractor
- OSHA investigation findings excavator found to be at fault
- Contractor and farm management issues
- Communication breakdown
- Aerial patrol evidence



Natural Gas Explosion

Liability

- PUC investigated historic issues with the locate and mark program
- Broad admissions undermined exculpatory evidence
- Expert reports relied on discredited documents
- Utility admitted that a late response was the contributing factor to prior incident



Natural Gas Explosion Resolution

- Liability and external pressure
 - The more culpable defendants lacked insurance
 - The PUC investigation intensified scrutiny
- Utility reputation and risk
 - History of public dissatisfaction
 - Mock trial confirmed attitudes
- Trial risk
 - Bad jury
 - Some PUC info would be allowed



Natural Gas Explosion

Lessons Learned

- Most gas utilities have some form of “watch and protect” program
- Good record keeping practices are critical when defending liability should an incident occur
- Using up to date locating technology can verify the accuracy of locates when a dig in occurs



Questions?

Disclaimer

- This presentation is advisory in nature and is offered as a resource to be used together with your professional insurance and loss control advisors in maintaining a loss prevention program. It is intended only as an overview, and is not intended as a definitive statement of the law in any jurisdiction or a substitute for consultation with your insurance broker, or for legal, engineering or other professional advice of any kind. This presentation is provided without any warranties of any kind and no liability is assumed by reason of the information contained herein.
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