

2007 January 2nd – Insurance firms face ‘War Zone’

Dale Rogoza, CIP, CRM, KA's Vancouver Island Branch Manager, was recently quoted in the Victoria Times Colonist describing the latest storms as the busiest storm season since the blizzard of 1996. "extreme rain and snow followed by severe winds sent trees crashing through houses and snapping power lines...it was a war zone out there". The Insurance Bureau of Canada last week estimated claims at \$80M for this part of the province.

Since the 1st of November, Kernaghan has doubled its staff on the Island and opened a Campbell River Office. Additionally, we have brought in adjusters from other KA branches to assist with the storm claims.

Please see below for the complete story.

Insurance firms face 'war zone'

As storm damage claims approach \$80 million, adjusters struggle to meet demand

Jeff Rud

Times Colonist

Thursday, December 28, 2006

With claims from recent winter storms expected to hit \$80 million in southwest B.C., insurance adjusters on the Island have been run off their feet in recent weeks.

One company, Kernaghan Adjusters, is so busy, it has doubled its staff on Vancouver Island since November, area manager Dale Rogoza said yesterday.

"We opened up an office in Campbell River on Nov. 1 just in time for the flooding in Port Alberni," Rogoza said, adding that the "cornucopia of weather-related problems" meant the company has had claims "right from north to south" on the Island.

Like most who have been cleaning up from the storms -- including B.C. Hydro and municipal crews -- Rogoza says extreme rain and snow, which compromised the root systems of trees, followed by unusually strong winds, sent the trees crashing through houses and snapping power lines.

Although the famed blizzard of 1996 was busier for adjusters, "this is certainly No. 2," Rogoza said.

It's also been much different. While the 1996 blizzard wreaked havoc for a concentrated few days, this year's storms began with flooding in Port Alberni on Nov. 15, continued with a major snow dump on Nov. 26 and concluded with a series of raging wind storms through December.

At one claim he worked in Sooke, Rogoza said a total of 20 trees hit a single garage. Driving over tree-strewn roads and navigating through branches to inspect damage was challenging. "It was a war zone out there," he said.

Jim Potvin, one of the owners of Thunderbird Insurance Brokers Ltd. of Victoria, said trees falling on structures account for most of the claims. In his 23 years in the insurance business, Potvin can't recall another winter when as many trees came down.

The Insurance Bureau of Canada last week estimated claims at \$80 million for this part of the province.

Although some are comparing the insurance bill to the 2003 Kelowna fires, it's not quite on that scale, said Trudy Lancelyn, deputy executive director of the Insurance Brokers Association of B.C. That summer, 230 homes were lost in the fires and more than \$200 million in claims made, she said.

"I don't think we've got that this time here," Lancelyn said. "Because the damage really seems to be in pockets."

But that damage has been staggering. During the various storms, up to 250,000 B.C. Hydro customers lost power, said Hydro spokeswoman Elisha Moreno. "The power line technicians have told us that they've never seen anything like this before. And some of them have between 25 and 30 years of service here."

As of yesterday, about 90 homes in Victoria were without power. But about 20,000 customers on the Island were affected by a wind storm yesterday that struck Nanaimo and north.

Meanwhile, Telus plans to bring crews into B.C. from other parts of the country next week to help staff who have been working overtime trying to repair phone lines. A Telus spokeswoman said several hundred customers are still without service on the Island.

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