



## Power surge burns out hotel air conditioning units Equipment breakdown loss

HSB Canada, part of Munich Re, is a technology-driven company built on a foundation of specialty insurance, engineering, and technology, all working to drive innovation in a modern world, to keep you ahead of risk.

Guests complained about 32° heat when several “window type” air conditioning units failed to work. Electricity in the hotel had just been restored following a brief power interruption. Our investigation revealed that with the return of electrical service came a power surge that damaged 18 air conditioning units. The contractor had difficulty locating new units on short notice because the area was in the midst of a late summer heat wave and supplies had become depleted.

### Loss details

**Nature of Business:**

Hotel/motel

**Type of Equipment:**

18 small air conditioning units plus a water circulation pump motor

**Age of Equipment:**

17 years

**Final Loss**

**Settlement Amount:**

Physical damage - \$18,005.33

Business interruption - \$546.30

Total - \$18,551.63

**HSB Canada**

390 Bay Street, Suite 2000

Toronto, ON M5H 2Y2

Tel.: (416) 363-5491

[hsb.ca](http://hsb.ca)

These examples summarize actual and possible losses and coverage.

For all terms, conditions and exclusions, consult the actual policy.

© 2020 The Boiler Inspection and Insurance Company of Canada. All rights reserved.

