

***Glen Lee and Cindy Lee v. York Insurance Company of Maine***

Held January 21, 2015 – Docket No. INS-14-2142

Decision Issued: February 18, 2015

The named insured requested a hearing to contest the cancellation of homeowners policy for a physical change in the risk making the property uninsurable. The company failed to demonstrate that the installed wood pellet furnace rendered the property uninsurable.

***Held:*** For the insured. 24-A M.R.S. § 3049(5) permits cancellation for a physical change in the insured property that makes the property uninsurable. The parties agreed that the installation of the wood pellet unit was a change, but the evidence on the record did not support the company's contention that it rendered the property uninsurable. Although connected to the same flue as the oil furnace, the set-up does not allow the two appliances to run at the same time, and the oil furnace remains only as a backup if the pellet unit breaks down. In addition, the evidence indicates that wood pellets do not create the same creosote hazard as firewood.