

***Theodore Sirois and Mary Sirois v. Phenix Mutual Fire Insurance Company***

Held January 14, 2016 – Docket No. INS-15-2148

Decision Issued: January 25, 2016

The named insured requested a hearing to contest the nonrenewal of a homeowners relating to a wood burning appliance and oil burning appliance vented in the same flue. The evidence on the record demonstrates that the two appliances remain in the same flue and the loss control recommendation to separate them conveyed in February 2015 has not been addressed.

***Held:*** For the company. 24-A M.R.S.A. § 3049(10) permits an insurer to cancel or nonrenew a policy if the insured fails to comply with reasonable loss control recommendations within 90 days after notice from the insurer. Alternatively, an insurer may nonrenew for a good faith reason that is related to the insurability of the property. The company demonstrated that the shared flue configuration increases the risk of loss covered by the policy, therefore its loss control recommendation was reasonable and the continued shared flue affects the insurability of the property. Accordingly, the nonrenewal was permitted.