

From: **PERSONAL LINES UNDERWRITING**

Date:

**April 1, 2021**

## New aluminum wiring requirements

Does your client's home have aluminum wiring running through it? If so, you'll need to provide a general electrical home compliance report or an Electrical Safety Authority (ESA) report, completed by a certified electrical contractor, for new policy submissions as of May 1, 2021.

These are standard reports that can be provided directly by the contractor. The report should be no older than one year from the date of application, and the cost will need to be covered by the customer.

This change affects new business only. We don't require a completed report to be submitted for existing policy renewals where the home has aluminum wiring, unless it's specifically requested by an underwriter.

After you've confirmed that the home has aluminum wiring, we ask that you advise the customer to contact a certified electrical contractor to provide the report, and include it as a PDF attachment to the policy submission. If the report isn't included, the policy can't be bound.

We appreciate you taking this extra step, as your frontline underwriting skills and expertise will help support sustainable and profitable growth.

### Why the change?

Aluminum wiring was commonly used in home construction in the 1960s and 70s. It's a softer metal than copper, and more prone to damage that can cause overheating at connection points like splices, outlets, and light fixtures. Often the first signs of problems with aluminum wiring include flickering lights, burned insulation or warm cover plates. These factors can contribute to a greater risk of house fires.

### What the report should include

The certified electrical contractor needs to determine if the home's electrical system is compliant. At a minimum, the general electrical home compliance or ESA report must confirm that:

- the main panel, grounding and bonding are compliant; and,
- the correct circuit protection is used.

The report should also include:

- the percentage of aluminum and knob and tube wiring in the home, and whether all the wiring meets the required standards;
- a complete list of all deficiencies; and
- a list of the recommended corrections to fix the deficiencies.

**What we don't require**

We don't require every electrical connection to be inspected. Random sampling can be used to determine the overall compliance to Canadian Electrical Codes Standards.

This new information will be updated in our underwriting manual posted on the broker website. If you have any questions about this change, please contact your Underwriter or Broker Partnership Representative.