

# The Real Cost of an Incident

An insurer's point of view on how an incident impacts safety programs, mariners' credentials, and your bottom line



# Panel

**Chris Law – AON**

**Placito Miceli – HUB**

**Chris Buseman – AJG – 360**

# Insurance Products

## Hull & Machinery

- Physical damage coverage for owned/operated vessels
- Agreed Value basis – C&Vs
- Named Perils coverage: “Perils Of the Seas”, fire/explosion, jettison, negligence, others
- Remedies: Particular average, general average, sue & labor

## Protection and Indemnity

- Liabilities of owning/operating vessels
- Injury, illness or death crew/passengers (maintenance & and cure, repatriation)
- Collision and Allision / Wreck removal
- Tower’s liability
- Vessel Pollution (market dependent)
- May extended to cargo legal liability

# Insurance Products

## Professional liability insurance

- Insurance for licensed/credentialed Mariners
- Covers license protection & regulatory defense resulting from shipping casualties
- Civil and criminal defense costs
- Civil legal liability as well as fines and penalties
- Income protection
- Serves as additional risk management protocol
- Workforce recruitment and retention


# Insurance Products

## Risk Advisory and Consulting

- Acts as a liaison between the market and client
- Advise you on how to identify, quantify, and reduce risks
- Provide property risk engineering
- Consult on market, legal, and risk trends
- Develop catastrophic modeling reports and mitigation plans
- Tailor solutions for your true risk appetite
- Create a synergy between employee benefits and property and casualty coverages to reduce exposures

An aerial photograph of a tugboat named "GLACIER WIND" navigating through a narrow channel of ice. The boat is white with a blue cabin and is positioned in the upper right quadrant of the frame. The ice is broken into large, jagged floes, and the water is dark. The word "GLACIER WIND" is visible on the side of the boat's cabin. The word "Discussion" is overlaid in large, bold, black text in the center of the image.

# Discussion

An aerial photograph of a tugboat named "GLACIER WIND" navigating through a narrow channel of ice. The boat is white with a blue cabin and is positioned in the lower right quadrant of the frame. The ice is broken into large, jagged floes. The text "GLACIER WIND" is visible on the side of the boat's cabin. The background is a vast expanse of ice and water, with a bright light source in the upper left corner creating a shimmering effect on the water's surface.

# Q&A

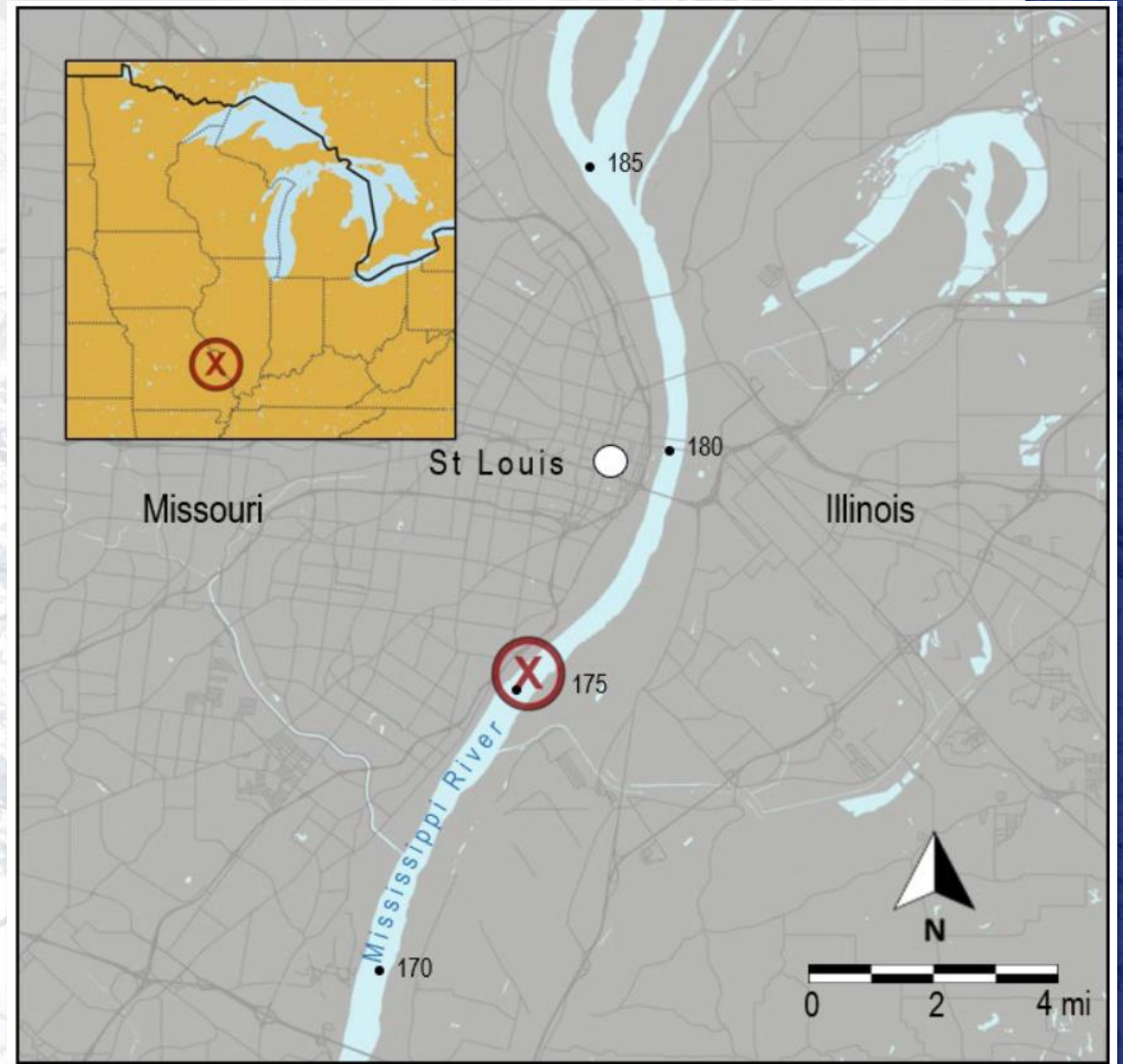
# Case Study

Engine Room Fire – Towing Vessel *redacted*  
[\(link to investigation here\)](#)



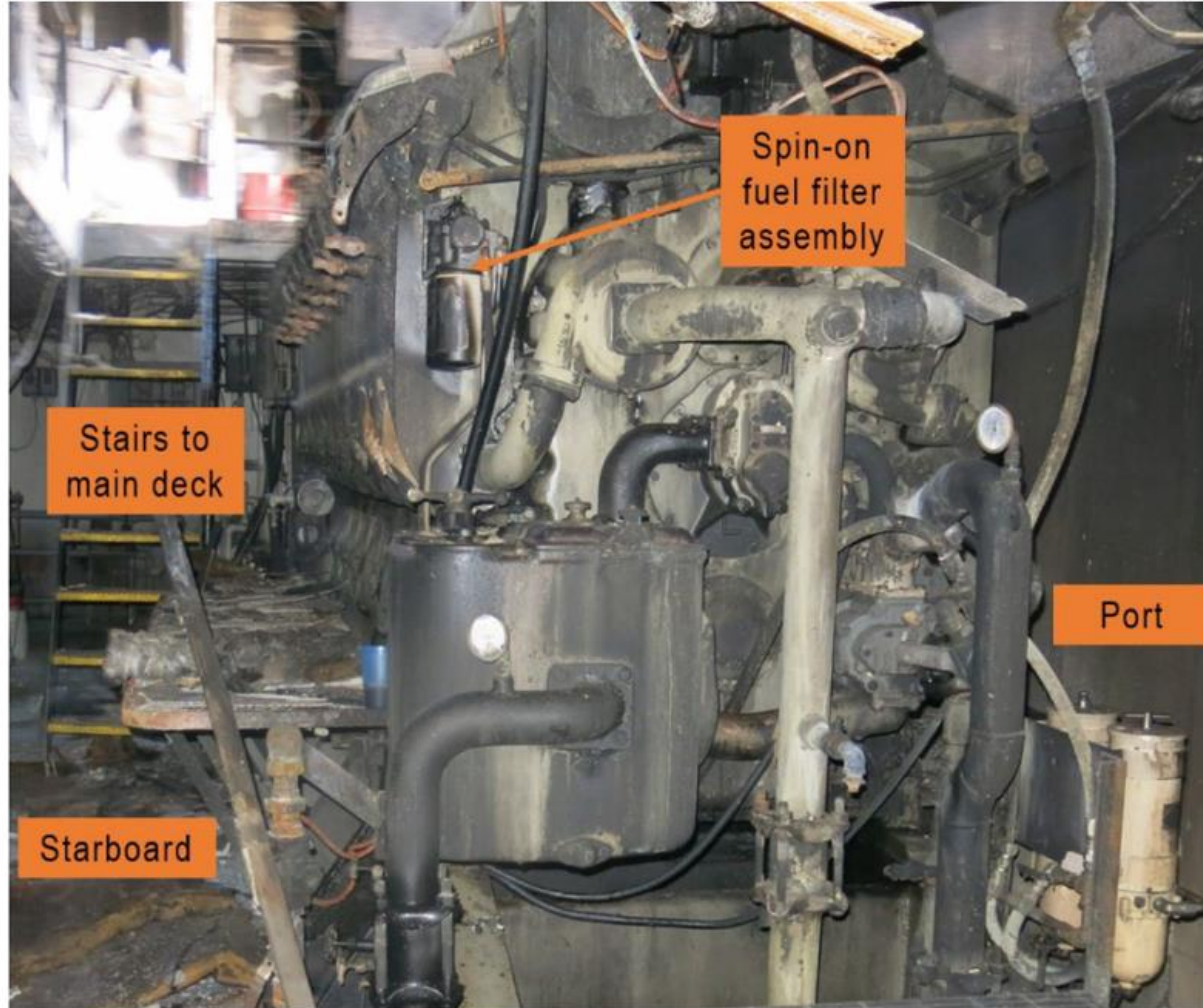
## **INCIDENT:**

- Approximately 0653 local time,
- 7,600 hp – 141 ft
- Upbound near mile 176 on the upper Mississippi River near St. Louis, Missouri
- Fire broke out in the engine room.
- A nearby Good Samaritan towing vessel and a St. Louis Fire Department fire boat helped put out the fire, which was extinguished at 0810.
- There were no injuries or pollution reported. Damage was estimated at over \$700,000.



- Chief engineer reported hearing a “pow” just before the fire broke out.
- Sound came from a blown sight glass bypass bowl for spin-on fuel filter directly behind port main fuel intake.
- Diesel pressure in line should range between 20-30 PSI.
  - Improper valve positions / ventilation system design resulted in pressure of 60 PSI. This caused sight glass to ‘blow’
- Lost fuel likely ignited by exposed exhaust manifold parts
- Crew unable to extinguish fire due to loss of fire pump power (no fixed system)
- NTSB also identified fatigue as a possible contributing factor, as the chief engineer reported 5-1/2 hours of sleep over two days leading to the event.





**Figure 5.** The front of the [redacted] port main engine, looking aft, from the forward lower engine room, postfire.

**LESSONS LEARNED:** The NTSB determined that the probable cause of the engine room fire on board the towing vessel was:

- Over-pressurization of the fuel day tank (which did not have an independent vent) and a main engine fuel return system;
- Failure to reopen the fuel day tank overflow valves to the storage tanks after refueling hours before the incident;
- Uninsulated engine components exposed to spilled diesel fuel; and
- Crew fatigue.

## Faults?

1. PIC and Crew did not review fueling procedure and fuel piping diagrams
2. No procedures to double check valve position after fueling and maintenance.
3. Maintenance procedures for fuel system filter replacement and checking insulation on hot engine components may not have been proper.
4. Did not consider auxiliary fire extinguishing systems that are independent of the main vessel fuel system.

# Panel

## Chris Law – AON

Chris Law is Senior Vice President and head of Marine Loss Control with Aon's US National Marine Practice with 17 years of professional maritime experience. Prior to joining Aon in December 2019, Chris started his career as a shipyard naval architect in the UK before relocating to the US in 2010 and spending 6 years as a marine surveyor and consultant naval architect. He then worked for a commercial marine insurer, Starr Companies, managing their hull and marine liabilities marine loss prevention programs immediately prior to joining Aon.

Email: [chris.law@aon.com](mailto:chris.law@aon.com)



## Placito Miceli – HUB

Placito Miceli is a Senior Risk Consultant for HUB Insurance Broker's Risk Services Division with over 15 years in claims, safety, training, and risk management. He is also the National Hospitality Risk Lead, a subject matter expert across the HUB footprint for maritime (port and marine) exposures, and is a member of HUB's Catastrophic Modeling Team. Placito's background includes 8 years as risk manager for a large towboat and stevedoring operation on the LMR, a claims supervisor for BITCO Insurance Company, and an accident investigator for a global third-party administrator

Email: [placito.miceli@hubinternational.com](mailto:placito.miceli@hubinternational.com)



## Chris Buseman – AJG – 360

Chris Buseman is a Program Manager at Arthur J. Gallagher (Gallagher Affinity) and heads up various specialty insurance Program lines under the 360 Coverage Pros trade name including Mariner Liability Insurance. Chris has more than 10 years of professional liability and license protection experience and has spoken at various industry conferences and universities. Prior to joining Gallagher in November of 2019, Chris spent more than five years working at Aon Affinity within the business unit. Prior to his role at Aon he spent three years at Independence Blue Cross acting as a Client Broker.

Email: [Chris\\_Buseman@ajg.com](mailto:Chris_Buseman@ajg.com)

