



# EXTINGUISHING THE COST OF COTTAGE INSURANCE

How volunteer fire departments in five BC communities tackled the problem of home insurance for rural cottagers.

By Sharon McInnes

**M**ost cottagers enjoy waxing poetic to their friends from the city about the joys of life in the country or on the shore. But get a group of off-grid cottage owners together for any length of time after their visitors have gone home, and sooner or later you're likely to hear rumblings of discontent over the cost of home insurance. The issue is, of course, that most cottages are in rural areas where trees (i.e. fuel to stoke a fire) abound and infinite sources of water do not.

Insurance premiums are, not surprisingly, substantially higher in rural areas than in cities. This isn't prejudice on the part of insurance companies. They determine premium rates using a combination of factors, including a community's Fire Insurance Grading Index, Public Fire Protection Classification, and Dwelling Protection Grade. Basically, an area is rated "unprotected" (no fire department, no water supply system), "semi-protected" (volunteer fire depart-

ment but inadequate water supply system) or "protected" (volunteer fire department and adequate water supply system). Fire Underwriters Survey, a national risk management association funded by insurers,

“ Since the classification upgrades, some cottagers have seen their premiums drop by 25–50 per cent. ”

evaluates the fire protection capacity of Canadian communities and assigns a fire grade. In general, the better a community's ratings, the lower their insurance premiums, assuming all other factors are equal.

But all other factors are rarely equal. To establish a premium, insurers may consider many factors: Is the homeowner a smoker? How far is the property from a recognized water supply? How far from the nearest fire station? What is the purchaser's claims history? What level and kind of coverage does he want? How old is the home? Is it made of wood or concrete? What is the value of its contents? Does it comply with building, fire and electrical codes? Is there an alarm system?

In addition, premiums are affected by prevailing property insurance market conditions. As well, some companies give discounts to members and/or seniors. So there are some things individual cottagers can do to reduce their premiums a little (i.e. be a non-smoker and install a monitored alarm system), but the greatest savings result when a community works together to upgrade their Fire Insurance Grading Index.

Since 2005 that's what five rural BC ▶



Above: The Gabriola Volunteer Fire Department pumps water during the Fire Underwriters Survey. Right: A Gabriola volunteer firefighter at the controls.



communities—Errington, Blind Bay/Sorrento, Sproat Lake, Gabriola Island and Grand Forks—have done. In these communities, cottage owners who apply for home insurance can now tick the “YES” box to the question: Is there a fire hydrant within 300 metres? Since the classification upgrades, some homeowners have seen their home insurance premiums drop by 25–50 per cent. The feat these communities achieved was earning Superior Tanker Shuttle Service (STSS) accreditation, a fire protection system intended for use in rural communities that lack the resources to develop municipal-type pressurized water supply systems. Essentially, this designation gives the community a fire protection rating similar to the rating in the city where there’s a fire hydrant within 300 metres.

Interestingly, according to the fire chiefs of several of the above communities, their Volunteer Fire Departments (VDF) had the capacity to effectively fight most fires even before achieving STSS accreditation, but the certification officially recognized that competence and resulted in lower insurance premiums for homeowners. To achieve STSS certification a VDF must demonstrate to Fire Underwriters Survey that, among other things, they can flow 200 imperial gallons of water per minute for two hours by shuttling water back and forth from a hydrant or other source of “infinite” water from a location at least 5 kilometre-

tres away. Fire departments use systems of tankers and portable water containers to accomplish this.

But long before the day of the demonstration to Fire Underwriters Survey, fire departments complete a community risk assessment and prepare to demonstrate that they meet many other requirements related to equipment, communication systems, manpower levels, firefighter training, operating procedures, and other administrative and policy-related standards. For some VFDs this is mostly a matter of organizing their documentation; for others, it can mean a significant investment of time, energy and money. On Gabriola Island, for example, under the leadership of Fire Chief Rick Jackson, the VFD decided that 30 volunteer firefighters would eventually earn the National Fire Protection Association Fire Fighter 1 Certificate through

the Justice Institute of BC.

Errington, a small Vancouver Island community, was the first in Western Canada to earn STSS accreditation. Although they achieved this status in 2005, it took close to eight years to prepare for the survey, according to Fire Chief Colin Catton. To meet the water supply standard, Errington developed a unique system of roll on/roll off vehicles. Catton believes the average insurance saving to homeowners in Errington was \$300–500, but he’s heard of one homeowner who saved \$1,500.

Sorrento/Blind Bay in the Columbia/Shuswap area of the Okanagan achieved STSS accreditation in 2006. According to Jack Blair, Fire Services coordinator for the

region, insurance rates of some commercial businesses fell by 40 per cent. Sproat Lake, in the Alberni-Clayoquot region, met the water supply standard by developing a system of portable tanks and a fleet of pumper trucks that fed water through a flow gauge, allowing them to shuttle water from a hydrant several km away. Sproat Lake Fire Chief Peter Klaver writes in the Sproat Lake Community Association newsletter: "...because of our tankers we have been upgraded by the insurance underwriters to 'hydrant status'.... It means 30-50 per cent savings on every single homeowner's insurance policy. I personally saved \$500 this year."

On Gabriola Island the VFD met the water supply standard by installing five gravity-fed hydrants in strategic locations on community properties, including a summer camp, a privately owned small lake and a large irrigation reservoir. Currently, Fire Underwriters Survey doesn't recognize the contribution made by the department's compressed air foam (CAF) system pumps, which, according to Jackson, are recognized in the firefighting industry as a way to reduce the amount of water required to extinguish a fire, depending on the circumstances, by up to 90 per cent. He expects CAF systems will be accepted by Fire Underwriters Survey in the near future, and that this will contribute to even greater insurance savings for communities.

The Grand Forks Volunteer Fire Department developed a water supply system using several portable tanks, much like swimming pools, that they transport to a fire scene. Water tank trucks shuttle water back and forth to them from a hydrant in the valley. The average savings for Grand Forks homes that were formerly "semi-protected" is \$250, but one resident saved \$800, according to Fire Chief Blair MacGregor.

As the owner of a year-round cottage on Gabriola Island, I'm delighted not only that STSS accreditation has made my insurance more affordable, but also that, should a fire threaten our home, our local fire department is so well-equipped to deal with it. 🚒

### HELP YOUR FIRE DEPARTMENT HELP YOU!

- Make sure visitors know your exact address
- If a fire starts, call 911 immediately
- Keep your driveway accessible year-round
- Place your house numbers—preferably fluorescent and large—where they can be seen in all seasons
- To learn how to protect your rural home from wildfire, see the Home Owners Fire Smart Manual at [www.pssg.gov.bc.ca/fire-com](http://www.pssg.gov.bc.ca/fire-com) or call 1.888.988.9488.

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