From:	Mike McCombs
To:	Rick Dixon
Cc:	Chris Schulte; Bryan Holland; Tarry Baker; jterrito@territo.com; Jack Glenn; Greiner, Dale; Don Gaetz; Do Kim; dale griener; C.Tibbs@STEelectric.com; 'Building Officials Association of Florida, Inc.'
Subject:	Fw: Article : Citizens Insurance approves much cheaper fix for aluminum wiring
Date:	03/16/2011 10:25 AM

Rick, I do not know if you read the article , but after the Monday article ran in the newspaper ,Citizens agreed Monday afternoon to these alternate methods. It was also discussed that the procedures and other alternate methods would be highly considered after we meet with TAC and commission , and the Fl. Bldg .Comm. drafts a letter to Citizens insurance, Re: future and other alternate methods, along with the recognized procedures. Thanks Mike McCombs

----- Original Message -----
From: dcspencer
To: Mike McCombs
Sent: Tuesday, March 15, 2011 9:58 AM
Subject: Article : Citizens Insurance approves much cheaper fix for aluminum wiring

Mike, I thought you might be interested in this.

Don

----- Forwarded Message ----
From: John Venable <John.Venable@myfloridacfo.com>
To: Don Spencer <dcspencer@bellsouth.net>
Sent: Tue, March 15, 2011 8:03:10 AM
Subject: FW: Article : Citizens Insurance approves much cheaper fix for aluminum wiring

Don, here is that article. Tks/jv

Homeowners dodge total rewire as Citizens Insurance approves much cheaper fix for aluminum wiring

12:00 AM, Mar. 15, 2011 |
5Comments

Written by
Jamie Page

- FILED UNDER
- News
- Local News

Alternative methods

Citizens Property Insurance Co. has approved two acceptable alternative methods for ensuring aluminum branch

wiring is not a fire hazard and is insurable.

-- AlumiConn: An aluminum-to-copper plug that's connected to existing aluminum wiring at each receptacle, making aluminum wiring run cooler with a safer connection, according to King Innovation, manufacturer of the connector.

-- Copalum: This connector is considered an acceptable repair method by the U.S. Consumer Product Safety Commisison. Copalum permanently connects old technology aluminum wire to a short length of copper wire. The copper wire is then terminated to outlets, fixtures and appliances.

Citizens is still researching the potential for CO/ALR connectors to be considered as a third insurable alternative method:

-- CO/ALR: The name means copper-aluminum revised. The device has screw terminals designed to grip the wire tightly and act as a similar metal to aluminium. It helps eliminate the likelihood of electrical arcing that can cause a fire.

Florida homeowners with aluminum-wired homes got a break Monday.

The state-owned Citizens Property Insurance Corp. on Monday approved two alternative methods to make aluminum branch wiring safe and insurable.

Since last summer, Citizens and all other private insurers in Florida had said they would no longer write new insurance policies on homes with aluminum wiring because it's considered a fire hazard.

As a result, homeowners wanting to sell their residences, or shop other insurers, would have had to spend $5,000 to $20,000 to rewire their homes with copper wiring to make then insurable.

But, now, Citizens has approved two types of electrical wire connectors — known as AlumiConn and Copalum — as acceptable methods to avoid rewiring, Citizens spokeswoman Christine Ashburn said.

"This is big, big news for the Panhandle. The total rewire has been terrifying to many of our constituents," said state Rep. Doug Broxson, R-Gulf Breeze. "We don't understand why this issue is unique to the Panhandle, but we want to make sure people are not spending $8,000 to $10,000 on a total rewire when there is going to now be a fix that is much less expensive."

Aluminum wiring was used in many homes constructed between 1965 and 1973, the U.S. Consumer Product Safety Commission reported. During those years, 14,159 homes were built in Escambia County and 2,808 in Santa Rosa , according to county records.

Broxson has been meeting with Citizens representatives weekly for the past six weeks on the matter of researching alternative methods to rewiring aluminum.

"Now we have an option and, hopefully, this will encourage the other homeowner insurance markets to do the same," he said.

The cost of having a certified electrician install AlumiConn connectors has been estimated at between $900 and $2,000.

Mike McCombs, president of McCombs Electrical Co. in Milton , has been working to persuade the state to address the insurance issue with aluminum wiring.

After a News Journal story on Monday about the issue, he was flooded with calls from customers wanting to get their homes rewired to avoid being dropped by their private insurers.

But McCombs advised them to "hold off a little while" until Citizens determined whether it was going to accept the alternative methods.

"My phone has done nothing but ring off the hook. Everybody has been asking 'What do we do?' " McCombs said. "They are going to be very excited to hear that they have an alternative.

"I think there are a bunch of other methods out there that I hope they will look at, as well. Now what are we going to do about the rest of these insurance companies?"

McCombs hopes that private insurers will follow suit and honor the alternative methods as they followed suit when Citizens announced last summer it would no longer write policies on aluminum-wired homes.

"If these other insurance companies will not insure people with aluminum wiring, then people just need to leave and take all their business with them elsewhere — auto insurance, everything," McCombs said.

Linda Helland, 63, was one of the people who called McCombs about her home's aluminum wiring.

"I think it's wonderful," she said. "It's about time that something happened that would be on the side of the common person. Paying up to $2,000 is at least doable for a lot

of people. But if I had to pay as much as $20,000 to rewire, I would have not had my house insured because I couldn't afford it. So, I am very happy something has been done."

Helland plans to call Citizens today to see if she can switch insurers. Her insurer, Universal Property & Casualty Insurance, has put her on notice that it plans to drop her coverage May 5.

Citizens will send detailed information to insurers this week so that policy holders can be clear on what methods are acceptable, Ashburn said.

The information also will explain what retrofit method Citizens is looking for from electrical contractors, and why it believes these methods are safe, she said.