Accident Investigation and Claims Preparation

Insurers rely upon Baker & O'Brien's technical expertise and commercial experience during investigation of industrial accidents and preparation of claims. Our consultants have arrived on-site within hours of catastrophic accidents to assist in evaluation of the site and collection of evidence. Baker & O'Brien has advised insurers and their clients in preparing claims for property damage and business interruption. We are frequently called upon to assist insurers in subrogation actions by evaluating causation theories and claims for damages.

RELATED EXPERIENCE

- **Plant Commissioning Review**
  Provided initial guidance and comments regarding the development of a commissioning and start-up schedule for a polypropylene plant. Provided initial input into how plant start-up incidents affected the commissioning schedule.

- **Shipyard Insurance Claim Analysis**
  Assessed a business interruption claim filed by a shipyard that resulted from a third-party incident. Based upon our analysis of the claimant's business operations and performance, claim estimates were developed that formed the basis for settlement negotiations.

- **Refining Market Forecast**
  Investigated business interruption claims from fuels refineries, lube refineries, cement plants, fuels distributors, and chemicals manufacturers due to the closure of marine access following the release of oil into the waters surrounding the plants.

- **Tube Sheet, Flare Tip Matter**
  Investigated the cause of tubesheet and flare tip damage related to an unplanned sudden shutdown of the facility. Evaluated whether damage was caused by the shutdown, long-term wear, or contractor error during installation. Provided expert support through mediation and settlement efforts.

- **Oil Field Pipe Dispute-Insurance Claim**
  Reviewed a claim involving an insurance dispute relating to proper preservation of drilling pipe in a storage yard following a hurricane.

- **Gas Plant Fire Damage Repair Costs**
  Assessed fire-related damages and estimated rebuild cost for a cooling tower at a gas plant.

- **Ethanol Plant Freeze Claim**
  Reviewed an insurance claim associated with an idled ethanol manufacturing facility being re-started. Purpose was to assess items listed in the claim to determine if damages were caused directly by a winter freeze or due to some other failure mechanism such as improper mothballing techniques or normal degradation of a once-operating facility.

- **Gas Plant Explosion & Subsequent Insurance Claims**
  Assisted resolution of claims between insurance company and Owners/Operators related to a gas plant explosion. Reviewed property damage and business interruption claims for accuracy and veracity.

- **Incident Analysis - Petrochemicals**
  Performed an investigation analysis following fire and explosion incidents at a major Gulf Coast manufacturing facility. The engagement entailed development of the sequence of events, root cause analysis, assessment of the decision to rebuild, and reconstruction monitoring. An independent project schedule and cost estimate for the plant reconstruction was developed.
- **Subsea Pipeline Rupture**
  Assisted attorneys in investigating the circumstances surrounding a rupture of a subsea crude oil pipeline caused by a vessel dragging an anchor. This assignment included a review of the impact on crude oil gathering system and receiving terminal operations, the owner's emergency response, subsea pipeline repair costs, and a determination of the maximum insurable loss.

- **Tank Truck Explosion Investigation**
  Investigated the potential causes and sources of ignition for an explosion that destroyed a road tanker, used to haul raw natural gas liquids from a gas treating plant, that was in a repair shop for the replacement of a pressure relief valve.

- **Sulfuric Acid Plant Fire Investigation**
  Investigated cause for sulfuric acid plant fire. Reviewed plant operating conditions prior to the fire and the unit design to identify the cause and potential contributing causes to the fire and subsequent explosions.

- **Refinery Business Interruption Dispute**
  Following an unplanned shutdown, caused by extensive equipment damage, evaluated the refinery operation to confirm that all mitigation steps had been taken and also confirm the claimed business interruption losses.

- **Ethanol Plant Business Interruption Dispute**
  Reviewed an insurance claim for an ethanol plant "opportunity loss" due to a power outage resulting from repair work on main electrical feed cables after being damaged by a construction contractor. Reviewed operating expenses and ethanol pricing during the subject period and provided an opinion on the reasonableness of the size of the claim.

- **Refinery Business Interruption Claim**
  Provided technical support for a business interruption claim associated with a refinery fire. Evaluated refinery linear program model used to develop the "but for" cases. Prepared a report with recommended corrections to the linear program model "but for" case output.

- **Gas Turbine Damage**
  Assisted in a root-cause analysis and damages dispute concerning a major turbine failure in the start-up of a power plant.

- **Supply and Distribution**
  Assisted in a dispute concerning the effects of Hurricanes Katrina and Rita on jet fuel prices for the Gulf Coast market. The sequence of events and impacts on individual suppliers were developed, as well as an allocation of outages and price differentials attributable to each hurricane. Our analysis of pricing activity also considered estimates of normalized versus event-based price movements in the overall market.

- **Refinery Fire Damage Assessment and Rebuild Costs**
  Assisted in a dispute concerning fire damages and estimated rebuild costs at a petroleum refinery, as well as monitored the rebuild project.

- **Chemical Plant Insurance Claim Support**
  Provided comprehensive technical and accounting support for a property damage claim settlement and analysis for a chemical manufacturing plant that was damaged during a hurricane. Work included review of all repair cost estimates and invoiced repair invoices, as well as analysis of claimed damages discovered and submitted post-recovery. Assistance was also provided during final claim settlement negotiations.

- **Chemical Plant Fire Repair**
  Provided technical advice and consultation for recommended repair procedures for vessels and piping damaged in a chemical plant fire.

- **Explosion Insurance Claim**
Provided report presenting a reasonable timeline and duration to source, contract, start, and conduct the demolition of the parts the Gas Plant damaged after the plant experienced a fire and explosion.

- **Ammonia Plant Construction Insurance Dispute**
  Evaluated the technical basis for an ammonia plant insurance claim involving construction defects and warranty work. Inspected the plant, evaluated project records, and reviewed maintenance records.

- **Business Interruption Claim and Root Cause Analysis**
  Monitored rebuild engineering and construction of facilities damaged by fire and offered expert opinion on the appropriate construction period for the business interruption claim. Participated in the incident root cause analysis.

- **Review Insurance Claim**
  Reviewed a petroleum refinery business interruption insurance claim resulting from a dock closure because of an oil spill.

- **Power Outage Root Cause Analysis**
  Root cause analysis of a Port of Houston container facility power outage and an assessment of potential exposure to business interruption claims.

- **Petroleum Products Terminal and Pipeline Environmental Matter**
  Provided expert witness testimony in a groundwater contamination dispute regarding a petroleum products terminal.

- **Power Plant Insurance Claim**
  Provided expert consulting services regarding operations and maintenance of a barge-mounted, diesel-powered turbine electric power generation facility.

- **Ammonia Plant Failure Investigation**
  Assisted in evaluating a series of insurance claims centered around separate events to determine a proximate cause. Work included reviewing design and operating records for a worldscale ammonia plant. Each of the events resulted in claims for property damage and business interruption. Prepared an analysis and report that evaluated the root cause for each of the events and whether the events were connected by a chain of causation.

- **Electrostatic Precipitator Explosion**
  Investigated the cause and origin of an explosion in an electrostatic precipitator used in a cement manufacturing plant that was the subject of an insurance claim. Reviewed operating records for temperatures, pressures, and flow rates through a rotating cement kiln. Evaluated operation of the electrostatic precipitator for anomalies prior to the explosion. Concluded that the cause and origin related to a mechanical failure in the kiln. Provided findings to the owner and its insurer and supported decisions regarding coverage and subrogation issues.

- **Ethylene Plant Construction Dispute**
  Opined on the reasonable period of time for the completion phase of a rebuild project after a fire during an expansion project. Commented on the implementation of relief system changes during the rebuild to be in compliance with standards and codes.

- **Insurance - Sugar Mill: Lost Production Claim**
  A steam-driven turbo-generator in a sugar mill failed, causing loss of production. There was a dispute between the mill owner and its insurer concerning the physical damages and the business interruption losses. We were engaged to evaluate the claim.

- **Business Interruption Damages Claim by Concrete Supplier**
  Provided an expert consultant business interruption loss estimate for damages to a concrete products producer as a result of an incident at an oil refinery.