

Homeowner, renters' insurance likely won't cover PG&E power outage losses

ABC 7 News

SAN FRANCISCO KGO) — Although people had a couple of days to plan for the power shutoffs, losses were inevitable. So who's responsible to pay for that?

Unfortunately, it's the PG&E customers who are stuck with the bill.

What makes this situation different than any other is the fact it was a planned outage ordered by PG&E. As power went out, thousands of residents watched helplessly as refrigerators full of food spoiled. Some folks couldn't work from home. Others fled to shelters or hotels that had electricity.

Your homeowners insurance might cover such losses — if this had been a normal disaster... but probably not this time. Why?

Insurance consumer advocate, Amy Bach, puts it this way: "Most policies will only cover a loss due to a power outage if it was ordered by a civil authority. That's our concern, is that because PG&E initiated it, and they're not a government entity, there may not be coverage."

That's right: since PG&E is a private company, its decision to cut your power is probably not covered by your homeowner or renter's insurance.

Bach says it would be a different story if a government agency had ordered the power shutdown. Then most likely policyholders would be covered.

Consumers can try filing a claim with PG&E for losses like spoiled food — but PG&E said it does not compensate for this type of loss.