



**Independent  
Insurance  
Agents of Texas**

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**News**

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### **Thieves targeting fuel; insurance coverage uncertain**

Austin, TX – Gasoline and diesel fuel are fast becoming targets for thieves, while insurance companies are determining how claims will affect policy holders. At current prices businesses with truck fleets or bulk fuel storage facilities are particularly at risk.

“Insurance may cover the value of stolen fuel,” according to David Surles, an insurance coverage expert with the Independent Insurance Agents of Texas, an industry trade group representing Trusted Choice® agents. “But the only way to be certain is to check with your insurance professional,” suggests Surles.

How big is the problem?

“There are reports of fuel thieves striking all over the country,” said Surles. “600 gallons were stolen from a bulk storage tank at a landscaping company in Washington, 4,800 gallons from a gasoline distributor in Virginia, and 850 gallons of diesel fuel from a construction site in Pennsylvania, just to cite a few.” And there are probably hundreds of incidents involving theft of fuel from a car or truck that go unreported.

Theft of fuel from a car or truck is covered by the auto insurance policy only if the owner has purchased particular theft coverage on the vehicle. The typical policy with theft coverage pays not only for theft of the entire vehicle, but also pays for parts and attached equipment stolen from the vehicle.

“Insurance companies and claims adjusters we have spoken to all agree that fuel is an integral part of the vehicle,” said Surles, “and therefore covered on the auto policy.” But he said it is a matter of interpretation – rather than a specific mention of fuel in the policy – and not all insurance companies interpret their policies the same way.

If you are concerned about the possibility of fuel theft from your commercial or personal vehicle, Surles suggests you ask your insurance agent to obtain a written opinion from the insurance company that writes your auto insurance policy before you get into a claims situation.

“Keep in mind that most auto policies contain a deductible for losses caused by theft, anywhere from \$50 to \$1,000 or more,” reminds Surles.

Businesses with bulk fuel storage facilities are at risk for a large loss if thieves break through security and help themselves. And security, of course, is the best first line of defense against such losses. “Once you have security in place,” said Surles, “then it’s time to think about arranging insurance on the storage tanks and the fuel inside the storage tanks.”

“The typical commercial property insurance policy is designed to cover your building and the personal property inside the building. If you want insurance on fuel storage tanks and fuel, then you need to tell your insurance agent or company representative so special coverage can be arranged,” advises Surles.