



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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Report to the Joint Committee on Environment and Natural Resources

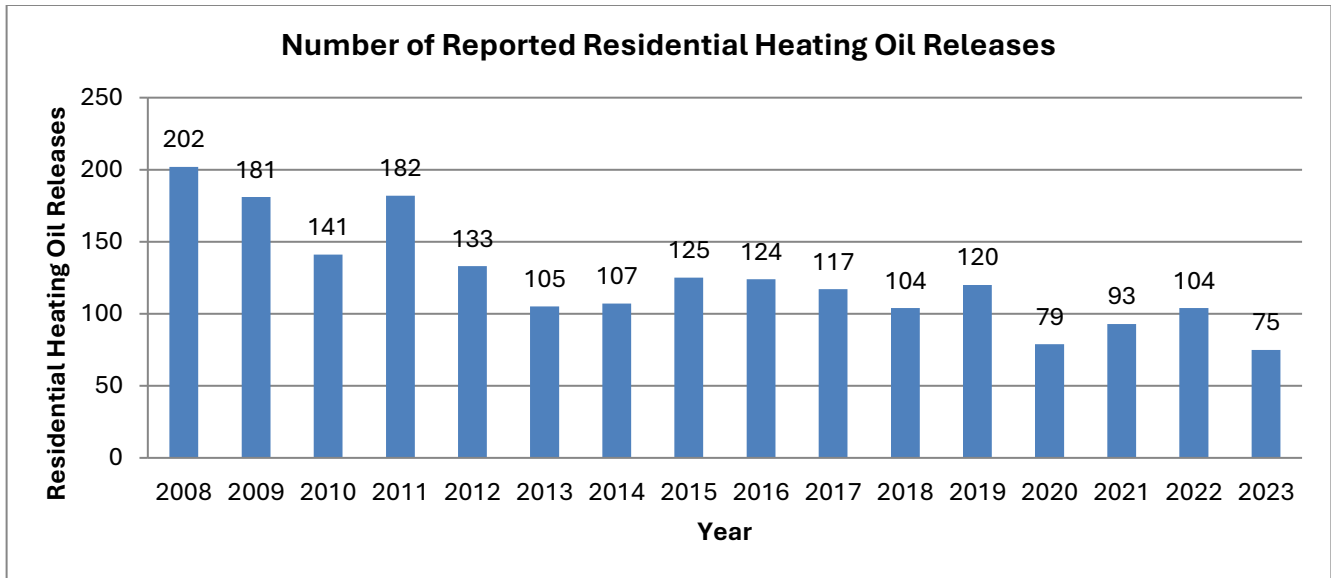
November 22, 2024

This report has been prepared pursuant to [Chapter 453 of the Acts of 2008](#), *An Act relative to homeowner heating safety*, as amended in 2010. The Act requires the Department of Environmental Protection (the Department) to report annually to the Joint Committee of Environment, Natural Resources and Agriculture¹ the number of home heating oil releases reported in the previous year, the number of heating system upgrades completed and certified in accordance with the Act, the number of liquid fuel endorsements purchased by homeowners in the previous year, and any recommendations of the Department relative to home heating oil releases.

Number of heating oil releases reported to the Department. In the 2023 calendar year (January 1, 2023 through December 31, 2023), 75 heating oil releases at residential properties were reported to the Department. The number of releases reported for each year since calendar year 2008 is provided for comparison in the graph below².

¹ The Joint Committee on Environment, Natural Resources, and Agriculture, has been formally re-constituted as the Joint Committee on Environment and Natural Resources, to which this report will be submitted.

² The 2011 release numbers include 20 releases associated with the tornado and flooding events in western and central Massachusetts in June and August of that year.



Number of heating system upgrades completed and certified in accordance with the Act

The requirement to upgrade home heating systems to prevent releases took effect of September 30, 2011. (The requirement was originally set to take effect on July 1, 2010, but the date was extended in 2010.) The certifications of the upgrades are filed with the local fire departments in each city and town. The Department is unable to provide information as to the number of certifications that have been made.

Number of liquid fuel endorsements purchased by homeowners in the previous year

Effective July 1, 2010, insurers licensed to write and engage in writing home insurance in Massachusetts were required to make available liquid fuel endorsements to homeowners whose home heating oil systems comply with the upgrades required by Chapter 453 of the Acts of 2008. Purchase of such liquid fuel endorsements by homeowners is optional. The Division of Insurance collects data on the number of liquid fuel endorsements purchased or renewed each calendar year from the Fair Access to Insurance Requirements (FAIR) Plan and the top 25 insurance companies writing home insurance coverage in Massachusetts in the past year and provides this data to the Department for inclusion in this annual report.

As indicated in the “Annual Change in the Number of Liquid Fuel Policy Holders with Statutory Coverage” graph and the data in Table 1 below, the Division of Insurance reported a drop in the number of liquid fuel policies between the years of 2012 and 2018. In calendar year 2019, the annual change in the number of policyholders with statutory coverage increased for the first time by 14%.³ In calendar years 2020, 2021, 2022 and 2023 the annual change in the number of policyholders with statutory coverage increased by 13%, 18%, 34% and 12%, respectively.

³ The annual increase in the number of policyholders with statutory coverage starting in calendar year 2019 likely reflects local television reports and related print news articles which have highlighted the financial and emotional impact of home heating oil spills on uninsured Massachusetts homeowners and encouraged homeowners to add the optional coverage for oil spills to their home insurance plans. Initial report: C10 Boston, February 4, 2019, “Costly Heating Oil Spill Nightmares Leave Homeowners Devastated” <https://www.nbcboston.com/news/local/heating-oil-spill-nightmares-leave-massachusetts-homeowners-devastated/3804/>

Annual Change in the Number of Policy Holders with Statutory Coverage

(Percentage change by year, as compiled by the Division of Insurance)

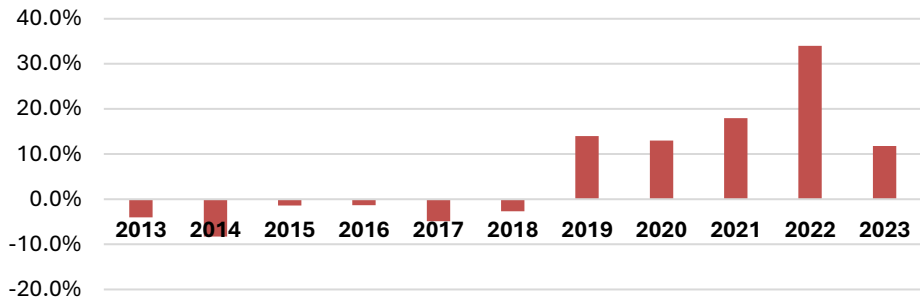


Table 1 Number of Homeowner Liquid Fuel Endorsements

	[A]	[B]	[C]	[D]	[E] (equals [C] – [D])	[F] (equals [A] +[E])
Cal. Year	Total number of policyholders with liquid fuel coverage at the statutory level in force at the start of the calendar year*	Total number of policyholders with liquid fuel coverage at the statutory level who renewed coverage during the calendar year	Total number of policyholders with liquid fuel coverage at the statutory level whose coverage was newly written in the calendar year	Total number of policyholders with liquid fuel coverage at the statutory level whose coverage was cancelled midyear or not renewed during the calendar year	Total change in the number of policyholders with liquid fuel coverage at the statutory level over the calendar year	Total number of policyholders with liquid fuel coverage at the statutory level in force at the end of the calendar year
2023	101,984	88,478	26,049	14,008	12,041	114,025
2022	76,291	66,644	36,412	10,527	25,885	102,176
2021	54,796	51,121	13,774	3,979	9,795	64,591
2020	48,101	45,320	9,707	3,349	6,358	54,458
2019	42,211	39,267	9,305	3,415	5,890	48,101
2018	43,373	38,184	4,405	5,561	-1,156	42,217
2017	45,860	38,965	5,132	7,359	-2,227	43,633
2016	39,274	36,205	3,022	3,551	-526	38,745
2015	40,656	37,616	2,913	3,469	-556	40,100
2014	59,950	53,509	3,994	8,972	-4,978	54,972
2013	60,148	56,286	3,770	6,232	-2,462	57,686
2012	60,670	55,395	5,209	5,786	-577	60,093

This reports the number of endorsements reported to the Division of Insurance by the top 25 home insurance carriers and the FAIR Plan. The number of year-end policies differs from what was reported for the start of the following calendar year due to shifts in which companies are part of the top 25 carriers. Thus, changes within each calendar year may be more informative when looking at trends than year-to-year comparisons of absolute numbers.

Department recommendations relative to responding to home heating oil releases

The Department continues to work with homeowners to assist them with managing cleanups in the event of a release, including using its contractors to address situations that pose health risks or conditions that are likely to cause additional environmental damage if not mitigated in a timely way. Work conducted by Department contractors is subject to cost-recovery from the homeowner.

A homeowner’s ability to respond to the release is very often dependent on the extent to which the cleanup work is covered by homeowners’ insurance. Of the 1,343 parties that have asserted to the Department a “financial inability” to complete the required assessment and cleanup of an oil or hazardous material release regulated under MGL c. 21E and the Massachusetts Contingency Plan (or “MCP” at 310 CMR 40.0000), 381 (28%) are homeowners who have experienced a home heating oil release. The lack of financial resources available to many of these homeowners to complete the necessary response actions affects their ability to fully

restore the condition and value of their residential properties and to eliminate risks to human health.

The Department supports efforts by insurers and home heating oil delivery companies to raise awareness among residential home heating oil consumers about the availability of optional liquid fuel endorsement coverage.