



RISK MANAGEMENT

ALERT



Suggested Practices for Home Heating Firms

1. The service manager or a competent service technician should pre-inspect all furnaces before accepting them on a service contract or prior to sale of a replacement furnace.
2. Customer records should include at least:
 - a. Name, address, etc,
 - b. Type of equipment and its location
 - c. Special notes on the equipment
 - d. Dates and times of all calls
 - e. Name of technician
 - f. Nature of complaint
 - g. Diagnosis or corrective action(s) taken
 - h. Signature of customer, if possible
3. As part of the annual tune-up, servicing technicians should conduct the “Efficiency Test/Bacharach Test,” which should include at least:
 - a. smoke test,
 - b. draft test, and
 - c. voltage test (at the annual tune up).

This should be done each time a burner is worked on. The reason for this is that every time a technician leaves a customer’s furnace, there is an expectation that the unit was left in “good working order.” If there are no readings on file, it may be argued that the technician just “guessed.” Documentation of tests can be used in defense against claims alleging faulty work.

4. Obtain certificates of liability insurance from all firms to whom you subcontract work, even if only occasionally. Have your firm named as an “Additional Insured” on that certificate. Update the certificates annually and retain outdated ones in file.
5. Provides as much detail as possible on the fuel oil delivery tickets about the customer’s premises in addition to the name and address such as:
 - a. House color*
 - b. Fill pipe location
 - c. Cross streets
 - d. Any other helpful tips

The objective is to help prevent delivery of oil to the wrong home.

*NOTE: Cosmetic changes, paint color, siding, are subject to change, but a “difference” from the description should trigger additional actions to verify the location.

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6. Annual training should be provided for the technicians to keep them “current” in the latest developments in the field.
7. An inventory control program should be implemented for the parts and tools on the service vans. There have been cases of technicians running their own side businesses out of an employer’s vehicle. Good inventory controls help reduce the chances of this.
8. Drop cloths, etc., should be used to protect customer’s property from soot and stains during servicing.
9. Only new parts should be used in service work. Sale or use of rebuilt parts increases your exposure to law suits.
10. Obtain M.V.R.s (driver license histories) on all drivers of company vehicles at the time of hire and annually afterwards. Obtain them on employees that drive incidentally as well.
11. New employees (oil drivers and service technicians) should ride with more experienced employees for at least a week, if not more, to learn the way you wish them to work.
12. Document the customer’s file that you have tried at least twice to contact them (once by mail and once by phone) to schedule the annual “Tune Up.”

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