

Coverage Issue, Petroleum Contamination, Summary Judgment

Successfully represented an insurance carrier in a declaratory judgment action in Scotland County in a claim for indemnification and the duty to defend. The claim was made against the carrier by its insured oil company for coverage of a claim for petroleum contamination under a general liability policy. The underlying claim was brought by 300 plaintiffs for contamination of a community water source by the seepage of 10,000 gallons of petroleum from an underground storage tank. The court granted summary judgment for the carrier finding no coverage for the claim. The court held that the policy in question would have only covered the contamination if its release had been a sudden spill rather than seepage over a period of time.