



# Line Protection Programs

## Indiana Office Of Utility Consumer Counselor

Some utilities and third-party vendors offer “line protection programs.” For a monthly fee, these programs may help cover repair costs for underground supply lines, utility lines within the home, or both.

### The Basics

Line protection plans are **voluntary**, whether they are offered by a utility or another company. These plans are not regulated by the Indiana Utility Regulatory Commission (IURC). Consumers are not required to buy or keep them as a condition of utility service. Typically, a water, gas, or electric line on the customer’s side of the meter is the customer’s responsibility. A line protection plan may act as a warranty of sorts. But if you consider enrolling in such a program, you should make a careful and informed decision. This includes reading the fine print and making sure you know what you are purchasing.

### Questions to Ask

- Q.** What is the likelihood that your utility lines will have problems and need repairs?
  - A.** If your home is more than 40 years old, if it still has the original utility lines, and if your neighbors have needed repairs, then you are at greater risk.
- Q.** Does your homeowners insurance cover utility line replacements?
  - A.** The only way to know is to read your policy, talk with your insurance agent, or both. If your insurance covers replacements, a line protection plan probably isn’t necessary.
- Q.** Do you live in an apartment or other rental unit?
  - A.** If you do, talk to your landlord and review your lease. Landlords are typically responsible for utility lines on rental property.
- Q.** Does the policy cover pre-existing conditions?
  - A.** In many cases, the programs will not. There can also be many different definitions for “pre-existing conditions.” If you consider signing up, make sure you understand exactly how the company defines a pre-existing condition.
- Q.** Are there any hidden fees?
  - A.** In addition to monthly or annual charges, a line protection plan may include a fee for signing up and/or an early termination penalty if you withdraw. Reading the fine print is crucial. So is questioning the company about anything you don’t understand.
- Q.** Do you know exactly what is and what is not covered?
  - A.** Is there a deductible? Are there maximum limits on how much a plan will pay for repairs? Are there any exceptions or instances in which the company is not responsible? Again, reading the fine print is crucial.
- Q.** If you need repairs, who does the work?
  - A.** Does the company have its own service employees? Does it have contractors? How much flexibility will you have in choosing?
- Q.** Is the vendor reputable?
  - A.** Checking with your local Better Business Bureau, Angie’s List, and other resources is always a good idea.

*This fact sheet is a general overview and is not intended to serve as legal advice or a recommendation on whether a consumer should or should not enroll.*

### Fast Facts from the Indiana Office Of Utility Consumer Counselor (OUCC)

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*Our Mission:* To represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education and creative problem solving.



Updated 10/2020