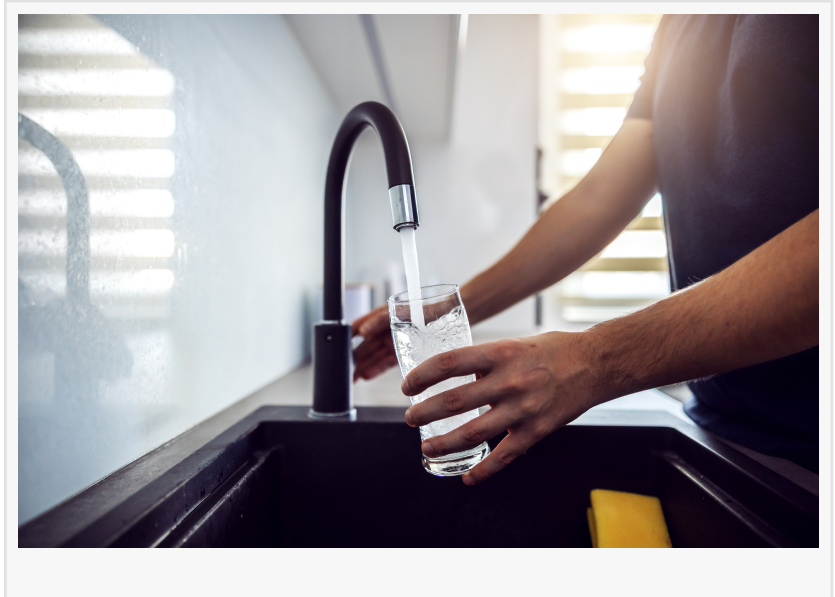


Louisiana Businesses Face Uncertain Waters as Saltwater Intrusion Threatens Local Supply of Drinking Water

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[/EINPresswire.com/](https://www.einpresswire.com/) -- As Louisiana grapples with increasingly severe drought conditions, the issue of insurance coverage concerning saltwater intrusion into the Mississippi River comes to the fore. Policyholders and businesses in lower Louisiana, including the City of New Orleans, are advised to consult their insurance agents, brokers, and legal teams to ascertain whether their existing coverage encompasses losses or expenses related to the impending freshwater crisis.



Saltwater Intrusion and its Ramifications



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Shannon Howard-Eldridge

Recent data from the National Weather Service indicates that the Mississippi River's volume is set to plummet to historic lows in the weeks ahead. Consequently, saltwater from the Gulf of Mexico is intruding farther upstream, affecting the water quality in several parishes including Plaquemines, St. Bernard, Orleans, and Jefferson. This disruption jeopardizes the safe drinking water supply for communities and poses significant risks for businesses reliant on freshwater.

Insights from Legal Expertise

[Shannon Eldridge](#), a seasoned attorney at [Milling Benson Woodward LLP](#), specializing in

insurance coverage and defense litigation, opines on the situation. "The question of whether a lack of drinking water constitutes a covered cause of business loss will hinge on multiple variables, including the specific insurance policy and the circumstances leading to the loss," states Eldridge. "It's imperative for policyholders to scrutinize their policy terms and conditions."

Types of Insurance Policies

Business insurance can differ considerably in what they cover. Basic policies may offer property insurance and business interruption insurance. "Each policy type covers distinct losses," adds Eldridge. "For example, property insurance may cover the cost of purchasing bottled water in some cases, whereas business interruption insurance could compensate for revenue loss due to a halt in operations."

Understanding Perils Covered

It's essential to comprehend what perils or events your insurance policy covers. Common perils include fire, theft, natural disasters, and occasionally interruptions in essential utilities like water. "You'll need to cross-reference the events causing the lack of drinking water against your policy's listed perils to determine coverage," Eldridge advises.

Importance of Endorsements and Add-Ons

Businesses can opt for endorsements or riders to insure against specific risks not covered in their standard policies. "If you're concerned about water-related issues, consult your insurance agent about possible endorsements that could address this risk," Eldridge notes.

Causes and Exclusions

"The cause of water scarcity is also pivotal," Eldridge continues. "For instance, if it's attributable to a covered peril like a natural disaster, you may be eligible for coverage. However, if it's due to an excluded event, you might find yourself in a legal battle with your insurer."

Moving Forward

As communities and businesses brace for the impact of saltwater intrusion on freshwater supplies, the ambiguity surrounding insurance coverage remains. "We're entering uncharted territory," concludes Eldridge. "As the situation develops, I anticipate a flurry of claims relating to business interruptions and water shortages."

For further guidance on how these events might affect your insurance coverage, consult legal and insurance professionals immediately.

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