

Warning: Electric Scooter Charging in Progress

The benefits of electric scooters are obvious. They are compact, fast, and reduce road congestion and pollution. However, the Australian Government doesn't share this appreciation for electric scooters and in most states, they're not welcome on the roads. Only Queensland, WA and the ACT allow the use of electric scooters on roads, but there are strict regulations in place, which differ for each state.

Although safety concerns appear to be the driving factor behind the other states' refusal to legalise electric scooters for on-road use, the biggest issue emerging globally is fires and explosions occurring when electric -scooters are charging.

THE PROBLEM WITH LITHIUM-ION BATTERIES

The quality of the battery and other components in electric scooters is emerging as the cause of these fires. Most battery fires emanate from poor design, manufacturing flaws and physical abuse, such as everyday hits and knocks, which can damage the battery.

Electric scooters, and any device that contains a lithium-ion battery, are susceptible to fires. This includes laptops, mobile phones and most rechargeable devices. It's particularly problematic for electric scooters given the size of the battery, which could lead to a larger explosion or fire than if your mobile phone was to do the same thing.

Lithium-ion batteries may spontaneously combust, even when they are just being used or stored. It's not necessarily a charging issue. There have been several examples across the world of serious and significant damage caused by exploding batteries, including incidents in Australia.

TOO CLOSE TO HOME

It's a very topical subject. And one of our staff had a first-hand experience in the strata building where they live.

When our EGM Technology & Customer Experience, Rod Tancred, woke to hear his apartment building's fire alarm going off, he initially thought it was just another false alarm. But after smelling smoke a few minutes later, he opened his front door and was horrified to see a cloud of smoke in the corridor.

As he evacuated the building, he bumped into two other tenants covered in soot and coughing from smoke inhalation. They had apparently left their electric scooter on charge overnight and it had blown up, starting a fire.

Fortunately, no one was injured, and the fire was extinguished quickly, but a frightening experience, nevertheless.

HOW DOES STRATA INSURANCE DEAL WITH THIS EMERGING RISK?

BCB has received several enquiries about how strata insurance policies deal with the impact of fires or explosions caused by charging electric scooters.

If you're lucky the impact will be limited to physical damage to the equipment, but there's also the potential for injuries or fatalities.

In serious cases, fire is an accepted peril under strata insurance and cover is extended to damage to the building and common contents.

There are presently no specific cover exclusions relating to this type of incident. However, given the prevalence of these occurrences, and the fact that electric scooters are charged within the confines of a unit, policy exclusions may apply in the future.

Insurance is always a balance of risk versus exposure and as the risk increases, so does the exposure to what could potentially be a very significant loss. Insurers will react accordingly.

There may also be a liability exposure for the occupant if it can be proven they failed to follow manufacturer's recommendations for the use, care, and charging of an electric scooter.

You should remember, a strata insurance policy provides cover for building and common contents only. If personal items belonging to an owner or occupant are damaged, they will need to make a claim with their own contents insurer.

Whilst BCB doesn't see any specific exposure to the Strata Scheme or Committee, other than the impact to their policy resulting from a claim, it's a good conversation to have with your Strata Scheme and Committees, to highlight the potential risk.

WHAT CAN STRATA SCHEMES DO?

A Strata Scheme can take steps in making their occupants aware of the dangers and the potential for significant damage and possibly loss of life. BCB suggests appropriate signage and issuing all occupants with guidelines about the risks of charging electric scooters, including (but not limited to):

1. Find a suitable place to charge your electric scooter away from any heat sources or combustible items, such as curtains, bedsheets, carpets, or fabric that can easily catch fire.
2. Avoid charging the electric scooter immediately after using it, wait for the battery to cool down.
3. Older batteries are more likely to catch fire and will cause the device to overheat. If the scooter is getting too hot and not turning on (even though it's plugged in and charged), this may be a sign that the battery needs replacement.
4. Avoid keeping your machine in places with extreme temperatures, such as out in the sun all day or, in the kitchen.
5. Don't overcharge the battery as some batteries may not be equipped with an auto power-off function. Always follow the manufacturer's instructions for charging and do not leave charging overnight, especially unattended.
6. Ensure proper storage when not in use. Tape over the charging terminals and store batteries at room temperature away from heat sources and combustible items.

7. Replace the battery regularly but, do so immediately if the battery is showing signs of wear or physical damage.

Electric scooters are a fun and inexpensive way to make your way around our cities, whilst doing your bit for climate change and inner-city congestion.

However, we urge owners to make informed choices when purchasing electric scooters and take good care of the scooter, always following manufacturer's instructions for maintenance and servicing.

We sincerely thank our Platinum Partners [Body Corporate Brokers](#) for this editorial.



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