



Wildfire — A Growing Problem

Wildfires have dominated the news lately in most Western states. Three huge fires have gotten national attention. The first is the Yosemite blaze that — at press time — is still burning out of control. Another is a fire in Idaho that threatened the homes of celebrities and others near Sun Valley. The

last is a fire that killed the firefighters in Arizona.

All point out that the West is on fire and with each succeeding year the fires grow in number. Currently there are dozens of them burning in 11 Western states.

Get used to it says a report from environmentalist and atmospheric chemist Lorreta Mickley. She is a Harvard University researcher and notes that climate scenarios, meteorological data from today and the past, and past fire records mean we're going to see longer fire seasons in the future.

Mickley is predicting one that is three-weeks longer by 2050.

The implications are huge. “We weren’t altogether certain what we would find when we started this project. In the future atmosphere we expect warmer temperatures, which are conducive to fires, but it’s not apparent what the rainfall or relative humidity will do. Warmer air can hold more water vapor, for instance, but what does this mean for fires?”

How long one lasts and how big it grows is a region to region question mark. “It turns out that, for the western United States, the biggest driver for fires in the future is temperature, and that result appears robust across models. When you get a large temperature increase over time, as we are seeing, and little change in rainfall, fires will increase in size,” Mickley said.

Vince Ciulla is the vice president of personal lines for Van Gilder Insurance. He penned an article for ***PropertyCasualty360.com*** on the issue and on what you — the independent insurance agent — need to know about wildfire coverage changes.

The problem — Ciulla notes — is in an increasing number of people moving into the Wildlife Urban Interface (WUI). That’s the land near national forest lands. More than one-million people currently dwell in the WUI. “We only have to look at the high price tag of last year’s Waldo Canyon wildfire, roughly across the highway from this year’s Black Forest wildfire, to see the enormous cost: the number estimated for insured losses is \$292.8 million. Insurers paid out an estimated \$453.7 million for the 2012 Waldo

Canyon wildfire that destroyed 347 homes in the Colorado Springs area and is the state's most costly wildfire," he writes.

These homeowners and others may soon find insurance companies not quite so willing to write insurance policies for them. That's why Ciulla thinks it is very important that agents become more familiar with the underwriting guidelines of companies for these properties. He notes some of the changes in the article:

- Restrictions on eligibility for fire protection for properties in the highest fire risk classification or Public Protection Class 10 locations.
- Insureds in designated areas with any fire losses in the last 5 years are now ineligible for new policies.
- Homes in these areas on a slope in excess of 20 degrees are ineligible.
- Homes in these areas with brush, forest, or uncleared areas within 100 feet of the structure are ineligible.
- Public Protection class 8B or 9 risks will require a supplemental property brush inspection report.

Many of these restrictions are already in place in some states and more states will soon be seeing them.

You can see Ciulla's entire article here: <http://www.propertycasualty360.com/2013/08/29/what-agents-should-know-about-wildfire-coverage-ch>

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