



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

May 30, 2025

**VIA ELECTRONIC MAIL**

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SUBJECT: Declination to Specify Required Model Information  
PRID Procedure of Cotality's U.S. Wildfire Model v.22.1  
(File No. PRID-2025-00003)

Dear Cotality and Consumer Watchdog,

On March 3, 2025, the PRID procedure for CoreLogic/Cotality's<sup>1</sup> U.S. Wildfire Model v. 22.1 was initiated. The procedure was intended to encompass an overview of the model, a demonstration of the model, and detailed review of the model's event generation and hazard, vulnerability, and financial components in succession. To date, the overview and demonstration of the model have been completed and review of the hazard component has begun. Based on careful review of the information and documents submitted to date by the Model Advisor and as explained below, this PRID procedure will not result in the issuance of a pre-application required information determination specifying the required model information and will be terminated pursuant to California Code of Regulations, title 10, section 2648.5, subdivision (r)<sup>2</sup>. This PRID procedure and this declination applies only to Cotality's U.S. Wildfire Model v.22.1. Pursuant to Section 2648.5, subdivision (t), this declination is not a final determination, ruling, finding, rule, decision or order of the Commissioner. In accordance with the regulations, no information and data regarding this model has been provided to the Commissioner.

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<sup>1</sup> As of March 24, CoreLogic rebranded to Cotality.

<sup>2</sup> All further regulatory references are to California Code of Regulations, title 10.

This declination does not prevent Cotality from petitioning to initiate a new PRID procedure for another model or a new version of this model in the future. Moreover, this declination does not, as a matter of law, prevent an insurer from seeking to rely upon Cotality's U.S. Wildfire Model v. 22.1 in a complete rate application, and providing all requested information about the model publicly to the Insurance Commissioner. Section 2648.5, subdivision (r) states in relevant part, "In the event the Model Advisor declines to specify a set of required model information, any insurer may still seek to rely upon the model in a subsequent complete rate application but shall publicly produce any information and data the Commissioner requires regarding that model as part of the complete rate application."

Cotality's U.S. Wildfire Model v. 22.1 was released in 2022. Under the regulations, required model information must include "information that demonstrates the model uses established concepts, data, equations, and principles, as well as best available scientific information and data, insurance claims expertise, and other assumptions appropriate for the risk or peril being modeled."<sup>3</sup> Further, a catastrophe model must incorporate "best available scientific information on risk mitigation at the property, community, and landscape scales including, but not limited to forest management, prescribed fire, nature-based flood risk reduction, and risk mitigation initiated by local and regional utility companies."<sup>4</sup> Based upon confidential information Cotality provided in response to the Wildfire Catastrophe Model Checklist and the Model Advisor's questions, the Model Advisor has determined that at the time of review, there is no set of required model information that can be specified for this version of Cotality's model. If Cotality creates a new version of the model or a new model in the future that it believes will comply with the regulation, it is encouraged to petition for a new PRID procedure as appropriate.

This declination is, and shall be deemed, a termination of this PRID procedure within the meaning of the Protective Order entered on April 8, 2025. The Model Advisor reminds the parties of their continuing obligations under the Protective Order.

Sincerely,

/s/ Kara Voss

Kara Voss, Ph.D.  
Model Advisor  
Climate & Sustainability Branch  
California Department of Insurance

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<sup>3</sup> Section 2648.5, subdivision (b).

<sup>4</sup> Section 2644.4.5, subdivision (f)(4).