



KAREN CLARK
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*The Innovation and Technology Leader in
Weather, Climate, and Catastrophe Risk Modeling*

January 15, 2025

Kara Voss – Model Advisor
California Department of Insurance
300 Capital Mall, 16th Floor
Sacramento, CA 95814

Re: Petition for Initiation and Participation in PRID for KCC US Wildfire Reference Model

Dear Model Advisor Voss,

Karen Clark & Company (“KCC”) hereby petitions to initiate a Pre-application Required Information Determination (“PRID”) proceeding for the KCC US Wildfire Reference Model Version 3.0 (“KCC US Wildfire Model”) and respectfully requests approval to participate in this PRID procedure.

KCC is the innovation and technology leader in weather, climate, and catastrophe risk modeling with headquarters in Boston, MA. The KCC US Wildfire Model is actively relied upon by insurers and reinsurers to evaluate wildfire risk across the United States. The model explicitly accounts for physical factors that influence the ignition and spread of wildfires at high resolution including vegetation, topography, and wind speeds, and estimates the damage to structures by considering fire suppression efforts, community and property-level factors including defensible space, and individual structure mitigation features such as roof materials. The KCC US Wildfire Model has been effectively used by insurers in ratemaking and estimating mitigation credits in other states, and the Commissioner would benefit from the PRID as it will allow leading insurers that rely on the model to improve the availability and affordability of insurance in California.

In accordance with the California Department of Insurance Regulation, *Section 2644.4.5. Use of Catastrophe Models*, the KCC US Wildfire Model conforms to the standards of practice set forth by the Actuarial Standards Board. The KCC US Wildfire Model also complies with *Section 2648.5(h)(3)*, as there is currently no valid PRID, and the model has not previously been subject to public review in any other forum in California, including without limitation as part of a complete rate application, within the prior four years.

KCC confirms its ability to attend and actively participate in the PRID proceeding without causing unreasonable delays to this or other proceedings before the Insurance Commissioner.



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KCC appreciates the consideration, and respectfully requests initiation of the PRID proceeding and approval for KCC to participate.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Glen Daraskevich', with a long horizontal flourish extending to the right.

Glen Daraskevich
Senior Vice President
gdaraskevich@karenclarkandco.com