



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

February 13, 2025

**VIA ELECTRONIC MAIL**

Pamela Pressley  
Attorney  
Consumer Watchdog  
pam@consumerwatchdog.org  
6330 San Vicente Boulevard, Suite 250  
Los Angeles, CA 90048

**SUBJECT:** Consumer Watchdog's Petition to Participate and Notice of Intent to Seek Compensation in PRID Procedure for the Moody's North America Wildfire Model Version 2.0  
(File No. PRID-2025-00002)

Dear Ms. Pressley:

We are in receipt of Consumer Watchdog's (CW) Petition to Participate and Notice of Intent to Seek Compensation (Petition). I have reviewed your Petition and have determined it is appropriate to grant it. Having granted the Petition, however, I must briefly address some of the issues it raises.

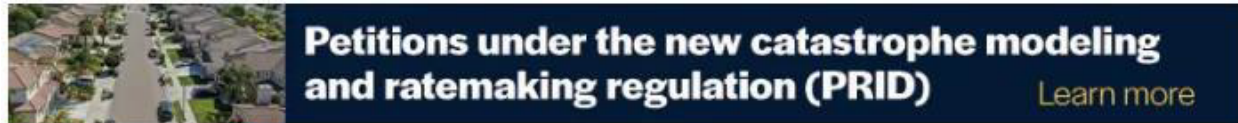
Your Petition raises issues related to compensation, but this procedure does not confer a right or guarantee of compensation. Rather, as specified in 10 CCR Section 2648.5(h)(6), consumer representative participants to a PRID procedure who intend to request an award of compensation may do so only after resolution of a complete rate application relying upon the PRID.<sup>1</sup> Any questions related to intervenor compensation should be addressed to the Public Advisor (PublicAdvisor@insurance.ca.gov).

Your Petition identifies the subject matter expertise, hourly rate, and expected number of hours for an expert witness, but does not disclose the identity of the expert or the tasks to be performed by this expert. CW shall disclose this information no later than the deadline for the statement required by 10 CCR section 2648.5(j)(1).

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<sup>1</sup> The Petition claims CW has made a substantial contribution in every proceeding that has resulted in a final decision and in which CW sought and was awarded compensation. A recent publicly issued order determined this claim to be false, finding: "In the past few years, the Commissioner has found on two occasions that [CW] failed to make a substantial contribution because [CW] failed to provide the Commissioner with any information beyond what he already possessed." (Order Granting Consumer Watchdog's Petition to Participate in the Proposed Regulatory Action Regarding Catastrophe Modeling and Ratemaking, File No. REG-2023-00010.)

Your Petition raises issues related to the manner of the Department’s conduct, so it is helpful to begin by providing some background. After our catastrophe modeling and ratemaking regulation became law, we issued a press release dated December 13, 2024, in which we announced: “The Department will accept PRID petitions starting January 2, 2025 and expects the process to be complete within months.”<sup>2</sup> We created a PRID petition web portal and prominently linked it on the Department of Insurance’s website homepage ([www.insurance.ca.gov](http://www.insurance.ca.gov)). A reproduction has been included below for your reference.<sup>3</sup>



As you are aware, on January 3, 2025, Moody’s submitted a [petition to initiate a PRID procedure](#). We publicly posted it to the Department’s public website the same day – almost exactly one month before the due date for your petition. We then issued the [ruling granting the Moody’s petition](#). The ruling, which we also posted to our public PRID petition web portal, invited members of the public to participate. CW submitted its Petition on January 30, 2025.

The Commissioner has given the Model Advisor broad authority to “oversee” and “control the course” of a PRID procedure.<sup>4</sup> To this end, the regulations specify *what* the Model Advisor must do – such as “provide public notice”<sup>5</sup> or “grant or deny” petitions to participate<sup>6</sup> – but give the Model Advisor discretion to determine *how* to do these things. Participation in the PRID procedure is governed by section 2648.5 and subject to the Model Advisor’s discretion. Likewise, the Model Advisor has discretion on how to provide public notice and did so appropriately here.

Lastly, your Petition identifies almost twenty issues related to data, model operation, and testing that are of interest to you. As this matter progresses, the Model Advisor will expect CW to explain how this information is necessary to the PRID.

I look forward to working with you in the coming months.

Best regards,

*Kara Voss*

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

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<sup>2</sup> [In a California “first,” Commissioner Lara announces enforcement of regulation to expand insurance coverage across state](#), Dec. 13, 2024 (last accessed February 11, 2025).

<sup>3</sup> This reproduction was accessed on February 11, 2025, but has been on our website since we started accepting PRID-related submissions on January 2, 2025.

<sup>4</sup> 10 CCR section 2648.5(f), (k).

<sup>5</sup> 10 CCR section 2648.5(h)(1), (i).

<sup>6</sup> 10 CCR section 2648.5(k).