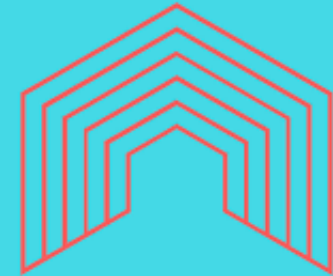


Wildfire Industry Response, Risk Prevention and Group Discussion



Property Insurance
and Restoration
Conference



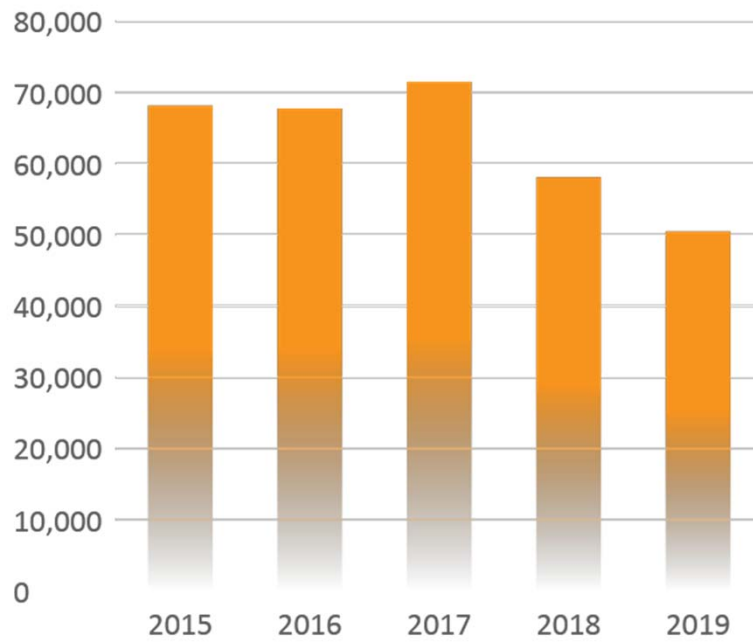
2020 Wildfires

Dr. Tom Jeffery
Senior Hazard Scientist
CoreLogic

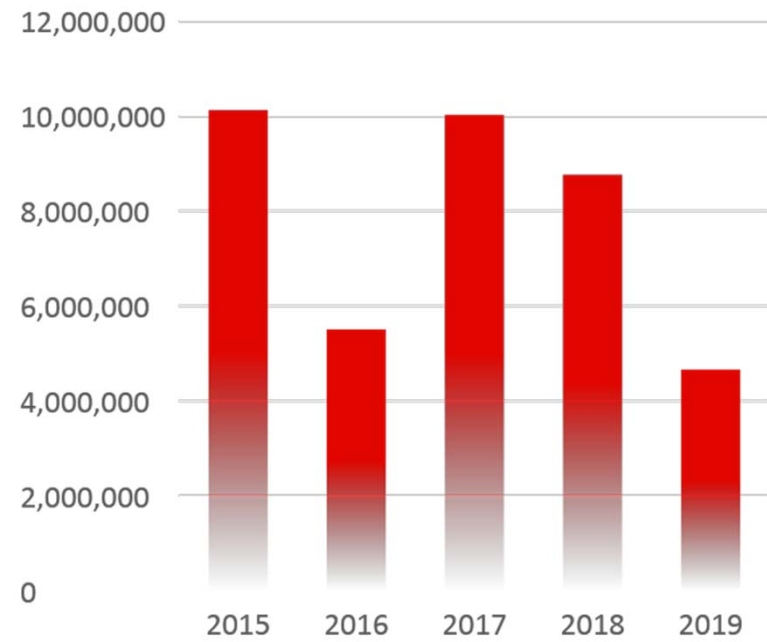


Recent Wildfire Years

Number of U.S. Wildfires



U.S. Wildfire Acreage





Wildfire 2020

- In mid August, 2020 appeared to be a below normal year

Wildfires	As of 8/16/2020	As of 9/16/2020	As of 10/16/2020
US # of Fires 2020	35,878	42,363	45,939
10 year avg. # of Fires	39,463	45,190	50,193
US Acres 2020	2,388,384	6,896,438	8,323,583
10 year avg. – Acres	4,720,572	5,922,547	6,315,095

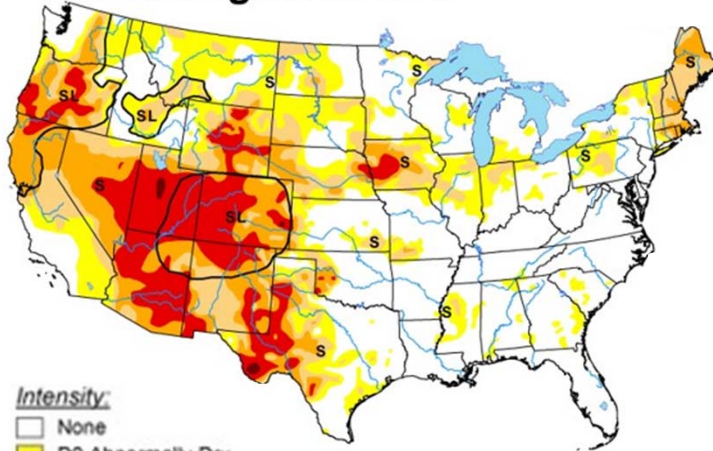
Why Now?

- Persistent and extensive drought
- High daily temperatures
- Low humidity
- Wind
- *Lightning (80/20 rule)
 - 10,800 lightning strikes in 72 hour period beginning on August 16th/17th
 - Ignited 367 fires in California alone
 - Firefighting resources spread thin

Drought

U.S. Drought Monitor

September 8, 2020

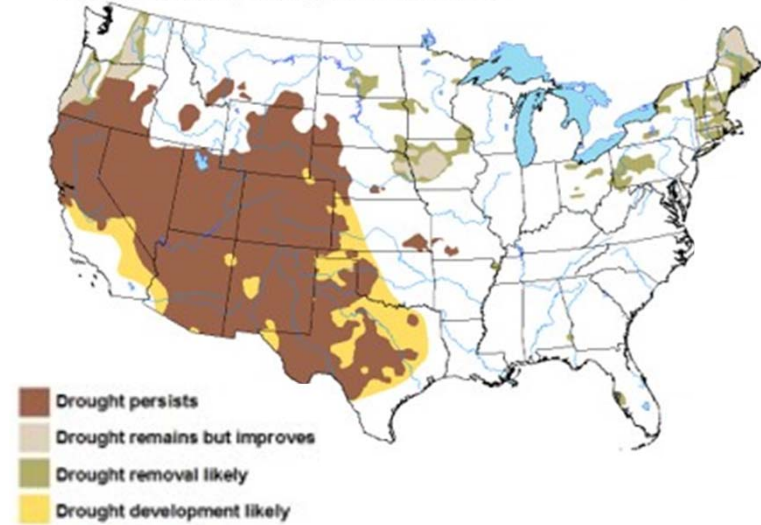


- Intensity:**
- None
 - D0 Abnormally Dry
 - D1 Moderate Drought
 - D2 Severe Drought
 - D3 Extreme Drought
 - D4 Exceptional Drought

Source: The National Drought Mitigation Center, 2020.

U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for August 20 - November 30, 2020



- Drought persists
- Drought remains but improves
- Drought removal likely
- Drought development likely

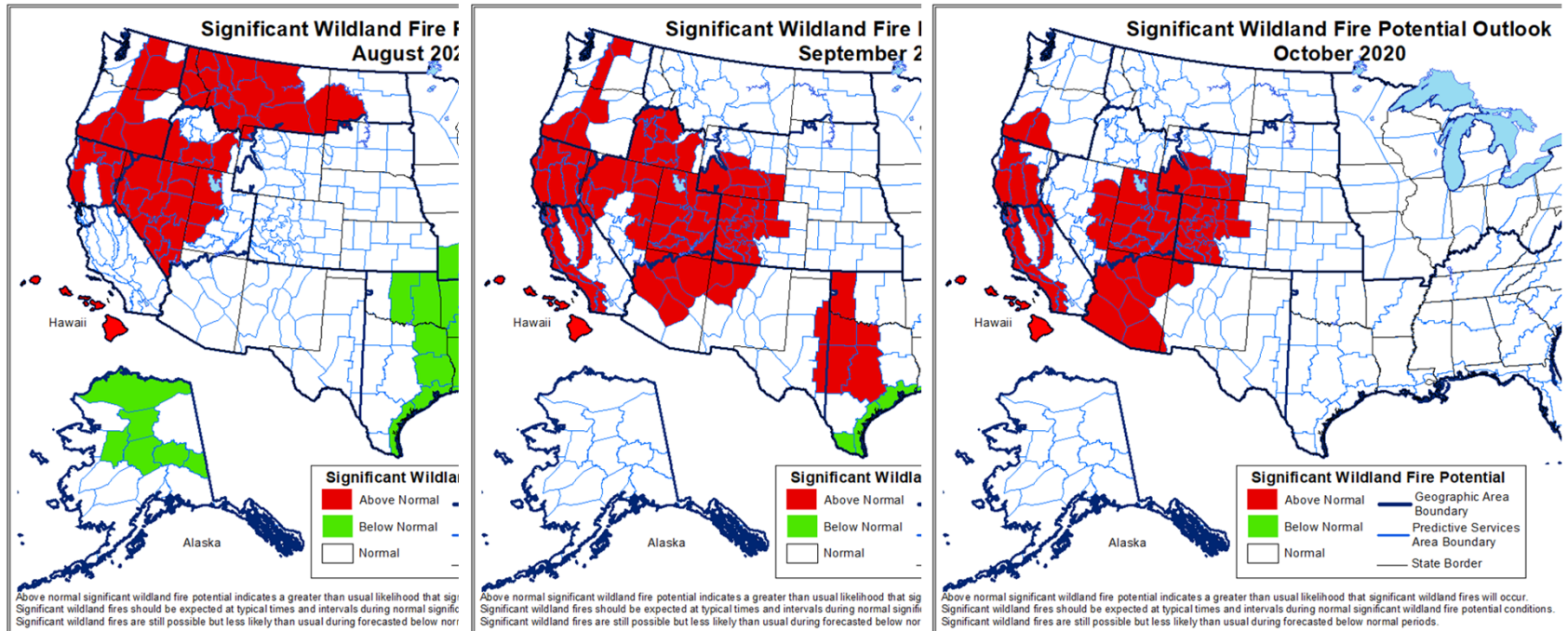
Source: NOAA/NWS/NCEP/Climate Prediction Center, 2020.

Wildfire Potential Outlook

August

September

October



Source: Predictive Services, National Interagency Fire Center, 2020.

California 2020

- **4.1 million acres burned**
 - Previous high of 1.8 million in 2018
 - Only 4 times in recent history has the state totaled more than 1 million acres
- **First single fire event with over 1 million acres (August Complex Fire)**
 - More area burned in this one fire than in 14 of the last 18 years for entire state
- 5 of the top 6 largest fires in state history
- 6 of the top 20 most destructive fires in state history
- 8,800+ fires and over 9,200+ structures destroyed to date
 - 5 year average is 5,289 fires and 412,792 acres by October 25th

OR – WA – CO in 2020

- Oregon
 - 1,000,000+ acres (only 3rd time over 1M acres since 2000)
 - 3,000+ structures destroyed
- Washington
 - 700,000+ acres burned (2015 only year with more acreage burned)
- Colorado
 - 1st 2nd and 3rd largest fires in state history
 - Cameron Peak Fire (208,913 ac)
 - East Troublesome (193,804 ac)
 - Pine Gulch Fire (139,007 ac)



CoreLogic Analysis of Wildfire Risk

- Fire activity and loss disproportionately located in 15 states
- All western states have significant levels of risk but population varies
 - Idaho and Arizona have more than 80,000 SFR at elevated risk

Rank	State	Number of homes at elevated risk	RCV in Billions
1	California	760,961	\$338.58
2	Texas	460,672	\$96.28
3	Colorado	237,462	\$71.85
4	Oregon	97,876	\$24.79
5	New Mexico	91,987	\$22.89

Beyond 2020

- No reason to believe conditions will reverse in the next 5-10-20 years
- Fuels, weather patterns and ignition sources the same as today
- Periodic droughts have always occurred, but due to climate change would be longer lasting and more severe
- Firefighting suppression costs rising: \$1B in 2000, \$2B in 2015, \$3B in 2018

Mitigation

- Increased mitigation the most effective “solution”
 - Public land fuel management
 - Prescribed burns/selective cutting
 - **Private property/community mitigation**

