DANTE'S INFERNO REVISITED

ON THE PATH TO PARADISE, DON'T GET BURNED BY WILDFIRE-RELATED CLAIMS

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In *Inferno*, the first part of his famous *Divine Comedy*, Poet Dante Alighieri writes that the path to paradise begins in hell, a place to which today's property insurers can relate as they struggle to cope with mounting and historically large wildfires and their associated claims. To safely make their way through these modern-day circles of hell, claims professionals must review the extent and severity of these wildfire losses, taking care in their claims handling in order to avoid getting burned.

YEAR IN REVIEW

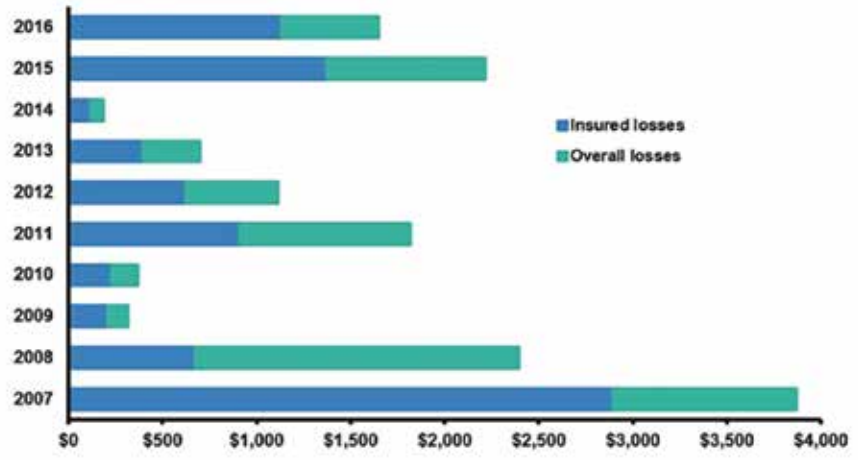
Last year will be remembered for the fury of ferocious catastrophic wildfires uprooting thousands and causing billions of dollars of property and related damages across the world, including Africa (Cape Storm), British Columbia (Hanceville, Ashcroft, and Nazko), Europe (Portugal, Iberia, and France's Mediterranean Coast) and Oceania (Australian bushfires and Port Hills in New Zealand).

Closer to home, the effects were felt more acutely. Wildfires ravaged California (Northern California'sNapa, Lake, Sonoma, Mendocino, and Butte counties and Southern California's Los Angeles, San Bernardino, San Diego, Santa Barbara, and Ventura counties); Florida (Okefenokee National Wildlife Refuge); Idaho (Bearskin and Highline fires); Montana (Lodgepole Complex and Rice Ridge fires); Oregon (Chetco Bar and Eagle Creek fires); Texas (Panhandle fires), Washington (Leavenworth, Spartan, and Monument Hill fires); and other areas.

Historical artifacts and research suggest wildfires have been around for 420 million years. Our environment presents an abundance of rich fuel sources (vegetation) coupled with dry climates, with more than adequate oxygen levels and numerous, ever-increasing potential ignition sources.

While these combustible materials were often found in more rural areas, extensive building has altered landscapes and topography, increasing the available fuel load and the potential for severe weather. The result has been greater danger posed by wildfires to urban areas. Some experts also point to climate change and variable weather conditions, as well as federal and state policies

FIGURE ONE: MUNICH RE'S 2007 TO 2016 WILDFIRE STATISTICS REVEAL ENORMOUS LOSSES



(1) Adjusted for inflation by Munich Re based on the Consumer Price Index

Source: © 2017 Munich Re, Geo Risks Research, NatCatSERVICE

on fire prevention as factors that are contributing to a rise in extreme wildfires. Whatever the cause, it's clear that increasing wildfire losses are here to stay, as illustrated in Figure One.

WILDFIRE CLAIMS HANDLING

Wildfire losses present unique challenges to claims professionals. While many have extensive and useful experience handling single-family home or commercial building fire losses, there are significant differences between single-building fire losses and wildfire losses. For instance, ignition and spread of the fire will be dramatically different in a wildfire loss.

Fuel condition analysis in a wildfire also differs from a structure fire. That is due to differences in the flammable materials involved. Ground fuels such as duff, dead leaves, grass, twigs, branches, logs, shrubs, branches, and moss are likely to be present, and these materials have distinctive burn characteristics.

Aerial fuels, which are flammable materials located from six feet above ground up to the crown of the forest canopy, need to be assessed, too. These materials also include all live and dead vegetation, including tree branches, twigs and cones, snags, moss, and high brush. Experience has revealed that this fuel will not catch fire first, though, due to the amount of heat needed to ignite it.

Once fuel is classified, topographic and weather conditions need to be evaluated related to rate of spread and behavior of the fuels present.

Weather is a substantial factor that needs correct assessment. In the right case, a qualified meteorologist with wildfire experience will be needed. Stability of the atmosphere, humidity, temperature, cloud cover, wind velocity, and precipitation all need assessment.

Slope of the terrain—or the change in elevation over a given distance—also needs proper evaluation. Slope permits preheating uphill fuel, which allows a fire to burn with more intensity and speed. Wind can drive fire uphill during the day. Spot fires can be caused by burning debris downhill and need to be noted for the investigation.

Fire indicators used to assess potential ignition sources and spread differ. In building fires, one indicator assessed among others is a "V" pattern. In a building, a vertical V pattern in an area of fire origin may help establish a point of origin. But wildfire V patterns show ground surface burn damage that is influenced by wind direction, fuel, slope, and other factors. That V pattern normally widens as the fire goes up the slope or spreads in the wind direction. Near the base of a wildfire V, an ignition source might be identified. Therefore, horizontal V-shaped patterns are useful in determining a general fire origin location.

Fire indicators on fuel in the area need assessment to include angle of char. Char is assessed on pole-type fuels, such as fence posts, utility poles, and tree trunks. Foliage crowns of brush or timber also need assessment. Pole-type fuel may reveal flame angle and height when the fire passes through. An advancing fire upslope or with the wind may show a char pattern steeper than the slope. Angle of char of a foliage crown from a flaming front will char or consume fuels at an angle consistent with the fire's direction.

Additionally, a careful evaluation of experts to engage while assessing wildfire losses needs to be done. Based on our experience of more than 20 years of handling wildfire losses (having tried the Guejito fire case in the mid-1990s involving the San Diego Wild Animal Park that burned 3,500 acres), we saw traditional structure fire experts regularly used on wildfire claims investigations. Care must be taken to ensure that fire experts qualified in wildland fires are consulted.

As in other fire losses, wildfire investigations require the obtainment and preservation of evidence for where, why, and how the fire spread. Damage evidence may also have to be preserved depending on the nature and type of wildfire claim. Coordinating with local authorities and interested third parties is more complicated than a single-building fire. The complexity exists due to the overlapping jurisdiction over the loss site by the various implicated local authorities (county fire, city fire, state fire, and federal authorities) and law enforcement agencies (state, federal, city, county, and sheriff). Appropriate contacts and coordination with those agencies are critical in order to get access to and properly determine the actual cause of the wildfire. Retention of counsel to work with those authorities is recommended.

The initial area of investigation normally comes from eyewitnesses or first arriving emergency personnel.

They should be asked to provide the location and size of fire upon their arrival because their accounts can help narrow the search area. These witnesses may have the first available photographs or videos of the fire at its incipient stage. Preserving/obtaining that material will be critical for the claim. Similarly, observations by the first governmental fire and police responders in the form of photographs and videos will be needed. From those individuals, other witnesses will be identified and should be interviewed. Airborne personnel should be sought out, too, as they have a different perspective due to their location in planes/helicopters. Photographs and videos from those personnel also need to be sought and preserved.

Investigators and other needed experts collaboratively should seek to first determine a general origin area for the wildfire. That includes assessing fire indicators, witness statements, and fire behavior. The initial objective is to determine a limited area where the fire started, but, in a wildfire, that can be several acres.

Next, within the general area of origin, a smaller area called the specific origin area is identified. That smaller area is determined based on impacts of its slope, fuel, and wind effects. It may be a five feet by five feet or larger, depending on other fire factors.

Once the specific area of origin is identified, the next task is to try to determine a point of origin. That is an area within the specific origin area where the ignition source came into contact with material and first ignited, resulting in combustion. Critical physical evidence should be located at or within close proximity to this point of origin.

Wildland fire investigators walk the general area of origin twice due to terrain, shadows, and effects of light, doing so once counterclockwise and again clockwise while examining unburned and burned areas. Directional burn patterns are marked and examined in the general origin area using markers or colored flags. Physical evidence needs to be protected and marked in place for further examination. Photographing and diagramming are part of the origin area work. During the scene investigation, grid lanes are set up once a specific area of origin perimeter is set. Those grids are 12-18 inches in width and run perpendicular to the first fire run. Each lane is numbered and photographed prior to being searched. Metal detection, GPS, and sifting screens may be employed as well as other search equipment and techniques.

The objectives of any wildfire investigation are to determine an area of fire origin and the cause, if possible. If the cause can be determined, then properly preserving that heat source or device is needed for potential litigation needs. Investigators should consider if the fire was naturally caused as part of any wildfire investigation. Was it caused by lightning? Did a human cause the fire (accidentally or intentionally) via campfire, smoking, debris burning, incendiary use, equipment use, railroad, fire play, fireworks, utilities, electricity, oil and gas drilling, spontaneous heating, sunlight refraction and reflection, firearms, or some other miscellaneous cause? These questions should all be considered.

RECOMMENDATIONS FOR WILDFIRE CLAIMS HANDLING

Specific claims handling steps include the immediate retention of qualified experts to investigate the unique circumstances presented by a wildfire. Documentation and evidence preservation needs to begin as soon as possible and should include the fire scene, general area of origin, specific area of origin, and the point of origin. Surveyors, flyovers, approved drone use, video, LiDAR (an optical remote sensing technology that measures properties of scattered light to find range or other information of a distant target), and other technologies should be employed.

Additionally, notification and access demands to fire authorities and owners/utilities of the area of origin/equipment in the area need to occur. Witness interviews should include recorded or video statements as necessary, since memories fade. Damage documentation must be sought and preserved.

Lastly, claims professionals, experts, and chosen counsel should work as a team to pursue recovery against third parties who caused the loss. Dante and Virgil passed through nine circles of hell in order to successfully return to Earth; so, too, can any potential wildfire loss be managed to a successful outcome. ■

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