

There is a growing concern about the fire insurability of structures on Decatur Island. Unfortunately, this is not a unique issue – it is in fact an issue that plagues nearly the entire West Coast. At the heart of insurability issues are the risks that DEB acknowledges and acts to positively influence. Let us take a moment to reflect on DEB's Mission and Goals:

Our mission is to: Enhance Wildland Fire Readiness for Decatur Island and associated public safety.

Our actions are prioritized by the following goals:

- Propagating community awareness, education, and individual responsibility.*
- Preparation – with cultivation of resources that include trained volunteer responders, interagency partnerships, and maintenance of dedicated equipment.*
- Protection – of our first responders, those involved in incidents, the island wildland environment, and community health.*

As to the general concern about insurability, I would like to consider how we can continue to build our community and meet our above goals. We, as property owners, need to understand the insurability issues, the risks that we have all accepted with a remote island lifestyle, and how we can act together pragmatically to continue to make positive changes.

To provide further insight into this issue, I have included some links below that I would like you to review. These links offer valuable information that could help everyone better understand the fire insurability of structures on the island and explains how insurance companies are responding to the increased fire risk across the West Coast.

How Fire Insurance Rates are Determined:

The Washington Surveying and Rating Bureau (WSRB) evaluates communities and structures to determine a Protection Class (PC) from 1 -10 (ten being the worst) for both the communities and the individual buildings.

Below is a link to an excellent overview of the WSRB process and an excerpt of how PC are assigned:

<https://www1.wsrb.com/resources/public-protection>

We use the community PC as a foundation to determine the PC for each building within that community. The two most important things to know about this process are:

- A community's PC is the best PC an individual property within that community can have. If a property is in a community with a PC of 5, for example, the property could have a PC of 5 or worse (PC 6 to 10).*
- A property's PC is just one input insurance companies use to price fire coverage; other factors unrelated to a PC influence fire coverage pricing. Many inputs are used to determine the premium for an entire policy that covers losses unrelated to fire, such as theft, weather damage, and more.*

The three specific factors we use in determining an individual property's PC are:

- The community PC.***
- The distance to a recognized responding fire station.***

- ***The distance to a standard fire hydrant.***

To get the same PC as the community it is in, a building must be within a certain distance of a responding station and a standard hydrant. For buildings not meeting the distance-related criteria, the PC will be higher than the community's. In some cases, a building's PC may be very different than the community's.

It is important to understand the continuum of the PC rating. In Seattle, for instance, where no structure is located further than 2 miles from a manned fire station with a four-minute response time, the community rating is no higher than 2. Within the city, it is typical to have standard (1,000 gallons per minute +) fire hydrants spaced 250-400 feet apart, which is a significant contributing factor to community and building PC ratings often being a 1a or 1b.

For context, Lopez Island, with a full-time population of over 2,100 residents, four fire stations, and decades of robust volunteer firefighter participation, only historically reduces the community PC rating to an 8a in the areas with standard hydrants that are proximate to the Fisherman's Bay fire station. Most of the rest of the island has had a community rating of 8b, with many structures rated even lower due to construction, sitting/exposure, access, and other factors. This past year, after incredible investments and efforts of over a decade, the WRSB notified Lopez "A PC 7 rating will apply to dwelling and commercial properties located in the community within five road miles of a responding fire station and having standard fire hydrant distribution and water supply. Properties in the community not meeting the above requirements will receive a different PC rating."

How are Insurers Responding to Increased Fire Risk?:

There is a growing body of articles explaining how insurers, in general, are believed to be reacting to increased wildfire risk on the West Coast. In Washington State, officials have been receiving more complaints from people in wildfire-prone areas about insurance companies, according to Mike Kreidler, the state's insurance commissioner. "Some companies are starting to re-evaluate their position in certain geographic areas, largely driven by eastern Washington right now, or at least we think so," Mr. Kreidler said. In response to that concern, his office sent a request to insurers in July, asking for information about whether and how those companies have reduced their coverage in fire-prone areas. He gave companies until early September to report back. "Are they continuing to insure at the same levels?" Mr. Kreidler asked. "Are they backing off on the number of policies they'll write?"

<https://www.nytimes.com/2019/08/20/climate/fire-insurance-renewal.html?smid=url-share>

The New York Times article that I reference is from 2019, prior to the unprecedented fire seasons of 2020, 2021, and 2022 up and down the entire West Coast. A much more in-depth and current analysis of the situation in California (and extrapolations for Oregon and Washington) can be found here for those curious:

<https://www.rff.org/publications/issue-briefs/insurance-availability-and-affordability-under-increasing-wildfire-risk-in-california/>

So, What Do We Do?:

This is a complex situation of governance, private insurance markets, and climatic conditions, that is not unique to Decatur Island or even our neighboring islands. It impacts all rural areas in the increasingly parched West Coast. While we cannot expect to compare our community Protection Classification to metropolitan areas and, therefore, our individual potential PC ratings, we can influence our actual risk through individual responsibility and community efforts.