Call for Contributions (Abstracts, Essays, White Papers, and Study Recommendations) in Support of Study on New Models and Approaches to Complement or Replace the Wildfire Fund

September 30, 2025

Background and Purpose

On September 19, 2025, California Governor Gavin Newsom signed Senate Bill 254 (SB 254) into law. Section 32 of this sweeping energy, natural catastrophe, and climate change focused legislation adds a new Section 719 to the Public Utilities Code, directing the California Earthquake Authority (CEA), in its capacity as Administrator of the California Wildfire Fund, to oversee the preparation and delivery to the Governor and the Legislature, of a report (Study)[1] that evaluates and sets forth recommendations on new models or approaches to compliment or replace the Wildfire Fund.

As expressed by the Legislature in SB 254, climate change is driving an increase in the frequency and severity of extreme weather events globally and in California, including heatwaves, droughts, flooding, and a significant increase in the incidence and severity of catastrophic wildfires. These extreme weather events impose profound risks to public health, natural resources, infrastructure, and California's economy. (PUC § 917(a))

To address this emerging climate-fueled economic crisis, California must evaluate new models to equitably socialize risk that balance the state's goals of providing Californians with safe, affordable, and reliable energy, maintaining progress toward the state's climate goals, stabilizing the insurance markets to protect both insurance access and affordability, mitigating the incidence of and harm from wildfires and other disasters, and providing swift and fair compensation to those harmed. (PUC § 917(p))

SB 254 requires the prompt preparation of a comprehensive assessment to analyze and develop long-term reforms that protect access to insurance, reduce litigation costs, provide fair and expeditious compensation to claimants, support wildfire and natural catastrophe mitigation, safety, and community resilience, and ensure large electrical corporations are accountable for safety and also have the financial health to attract low-cost capital on behalf of ratepayers. (PUC § 917(q))

Call for Contributions to the Study

CEA is calling for stakeholders with an interest in California's natural catastrophe resiliency, as well as the stability and efficient functioning of California's energy utility and insurance markets, to contribute to the Study.

This call for contributions seeks to gather opinions and recommendations from the stakeholder community including, but not limited to, ratepayer advocates, insurance

[1] SB 254 enacts California Public Utilities Code § 917, which sets for the requirements for the Study. Section 917 is set forth in full in Appendix A.

policyholder advocates, electrical corporations, insurance companies, claimant attorneys, other legal and regulatory advocates.

We welcome candid assessments of how California's natural catastrophe risks are currently managed and new ideas to address the risk including approaches that mitigate damage, accelerate recovery, and responsibly and equitably allocate the burdens from natural catastrophes.

Topics of Interest to the Study

This call has been intentionally framed in broad terms to encourage a wide range of perspectives and approaches consistent with the topics set forth in Section 32 of SB 254. Contributors may address one or more of the topics listed below or propose alternative specific subjects that fall within the overall theme and scope. The topics provided are illustrative, neither comprehensive nor exhaustive.

Specifically, topics noted by the Legislature for evaluation in the Study include:

- Accessibility and affordability of property insurance in California in light of the accelerating costs of climate change-induced and other natural catastrophes. [PUC § 917(c)(1)]
- Alternative structures to socialize risk that efficiently and expeditiously compensate those harmed while maintaining accessibility to property insurance and access to safe, affordable and reliable energy. [PUC § 917(c)(2)]
- Additional mitigation measures and technology solutions to reduce the risk of ignition of wildfires and limit the spread of damage from wildfires, including ideas for new programs, improved state and local catastrophic event response capability, home fire risk reduction standards, vegetation management practices, and communitywide wildfire hardening requirements. [PUC § 917(c)(3)&(8)]
- Financing, insurance and other mechanisms to expedite recovery for communities impacted by natural catastrophes and to expedite compensation for property loss. [PUC § 917(c)(8)]
- Additional measures to benefit ratepayers through reducing costs caused by fiscal uncertainty while holding electrical corporations accountable for improving safety and reducing the risk of catastrophic wildfires. [PUC § 917(c)(5)]
- Ideas and options for enacting streamlined low-cost mechanisms to provide injured parties full compensation for damages resulting from wildfires. [PUC § 917(c)(6)]
- Commentary on the benefits and potential negative impacts on homeowners related to reasonable limitations on changes to recoveries in wildfire litigation arising from ignitions caused by electrical or gas utility infrastructure, including, but not limited to, restrictions on the recovery of attorneys' fees, limitations on economic and noneconomic damages, including claims by insurers, limitations on public entity

claims, limitations on claims by those outside the fire perimeter, and aggregate limitations on liability per event. [PUC § 917(c)(7)]

- Ideas and options for reducing the economic damage resulting from wildfires and potentially other catastrophic natural disasters, including minimum insurance requirements, mechanisms to ensure insurance rates appropriately account for home and community hardening measures taken, special assessments to support infrastructure investments and emergency response, and improved land use planning. [PUC § 917(c)(9)]
- Ideas and options for new models to complement or replace the California Wildfire Fund, such as state-supported property insurance, or reinsurance, or both insurance and reinsurance, for wildfires and potential catastrophic natural disasters; a mutual wildfire insurance fund; a publicly supported financial safety net to enhance long-term resilience and utility and insurance rate affordability; and improvements to the fund to enhance its durability. [PUC § 917(c)(10)]

Guidelines for Submission

Timeline

As noted in SB 254, the Study report must be submitted no later than April 1, 2026. Accordingly, CEA requests materials be submitted as early as feasible to permit evaluation and analysis for the benefit of the Study and the recommendations that will be set forth to the Governor and the Legislature.

CEA requests that abstracts of proposed recommendations be submitted **not later than Monday, November 3, 2025**. The deadline for full submissions that the author(s) desire to be included in the Appendix to the Study is **Friday, December 12, 2025.** Submissions will be posted online on the SB 254 page of the website of the California Wildfire Fund (https://www.cawildfirefund.com/sb-254-natural-catastrophe-resilience-study) as they are received and the collection of materials will be included as an appendix to the final Study report.

Length and Instructions for Submission

Materials must be submitted in English and be of a reasonable length (final white papers or essays should not exceed 1,500 words if possible to adequately cover the topic). Materials that contain any overt political statements, commercial content, inflammatory tone, and other inappropriate material, as determined by CEA in its sole discretion, will not be accepted for publication with the Study report.

At the beginning of the submission, please provide the following information about the author: name, any credentials or designations, email address, phone number, and, if applicable, title, company/organization name, and company/organization address. Materials accepted for publication will show the author's name and company (if applicable) but no further contact information.

Please submit your materials via email to SB254Input@calquake.com with the subject line "*Responding to Natural Catastrophes – New Models and Approaches*."

Rights Granted

By submitting materials in response to this opportunity, the author(s) are deemed to grant CEA an unlimited license to print or republish their materials, with proper attribution given to the author(s).

Questions

Please direct any questions to SB254Questions@calquake.com with the subject line "*Questions regarding Responding to Natural Catastrophes – New Models and Approaches*."

Appendix A

California Public Utilities Code § 917

SB 254 - SEC. 32. Section 719 is added to the Public Utilities Code, to read:
719. (a) For purposes of this section, terms used in this section shall have the same meaning as those terms are defined in Section 3280.

(b) On or before April 1, 2026, the administrator, in consultation with the commission, the Office of Energy Infrastructure Safety, the Department of Insurance, the Office of Emergency Services, and the Department of Forestry and Fire Protection, and with feedback solicited from stakeholders, including, but not limited to, ratepayer advocates, insurance policyholder advocates, electrical corporations, insurance companies, and claimant attorneys, shall prepare and submit to the Legislature, and to the Governor, a report that evaluates and sets forth recommendations on new models or approaches that mitigate damage, accelerate recovery, and responsibly and equitably allocate the burdens from natural catastrophes, including catastrophic wildfires, earthquakes, and other natural disasters, across stakeholders, including insurers, communities, homeowners, landowners, governments, electrical corporations, and local publicly owned electric utilities, to complement or replace the fund.

(c) The report shall include specific recommendations, including, but not limited to, on all of the following:

(1) Accessibility and affordability of property insurance in California in light of the accelerating costs of climate change-induced and other natural catastrophes.

(2) An evaluation of alternative structures to socialize risk of damage from natural catastrophes, including catastrophic wildfires, that most efficiently and expeditiously compensate those harmed while maintaining accessibility to property insurance and access to safe, affordable, and reliable energy for Californians.

(3) Additional mitigation measures and technology solutions to reduce the risk of ignition of wildfires and limit the spread of and damage from wildfires.

(4) Financing, insurance, and other mechanisms to expedite recovery for communities impacted by natural catastrophes, including wildfires, and to expedite compensation for property loss.

(5) Additional measures to benefit ratepayers through reducing costs caused by fiscal uncertainty while holding electrical corporations accountable for improving safety and reducing the risk of catastrophic wildfires.

(6) Options for enactment of a streamlined, low-cost mechanism to provide injured parties full compensation for damages resulting from wildfires.

(7) An analysis of the potential benefits and potential negative impacts on homeowners related to reasonable limitations on changes to recoveries in wildfire litigation arising from ignitions caused by electrical or gas utility infrastructure, including, but not limited to, restrictions on the recovery of attorney’s fees, limitations on economic and noneconomic damages, including claims by insurers, limitations on public entity claims, limitations on claims by those outside the fire perimeter, and aggregate limitations on liability per event.

(8) Options for enactment of programs to reduce the risk of wildfires spreading and becoming high-severity catastrophes, including improved state and local catastrophic event

response capability, home fire risk reduction standards, vegetation management practices, and communitywide wildfire hardening requirements.

(9) Options for reducing the economic damage resulting from wildfires and potentially other catastrophic natural disasters, including minimum insurance requirements, mechanisms to ensure insurance rates appropriately account for home and community hardening measures taken, special assessments to support infrastructure investments and emergency response, and improved land use planning.

(10) Options for new models to complement or replace the fund, such as state-supported property insurance, or reinsurance, or both insurance and reinsurance, for wildfires and potential catastrophic natural disasters; a mutual wildfire insurance fund; a publicly supported financial safety net to enhance long-term resilience and utility and insurance rate affordability; and improvements to the fund to enhance its durability.

(d) The administrator may retain consultants, academic experts, and other professionals as may be necessary for the efficient preparation of the report pursuant to this section and may compensate those retained consultants, academic experts, and other professionals using the Wildfire Fund assets or account assets.

(e) (1) The report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

(2) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2030.