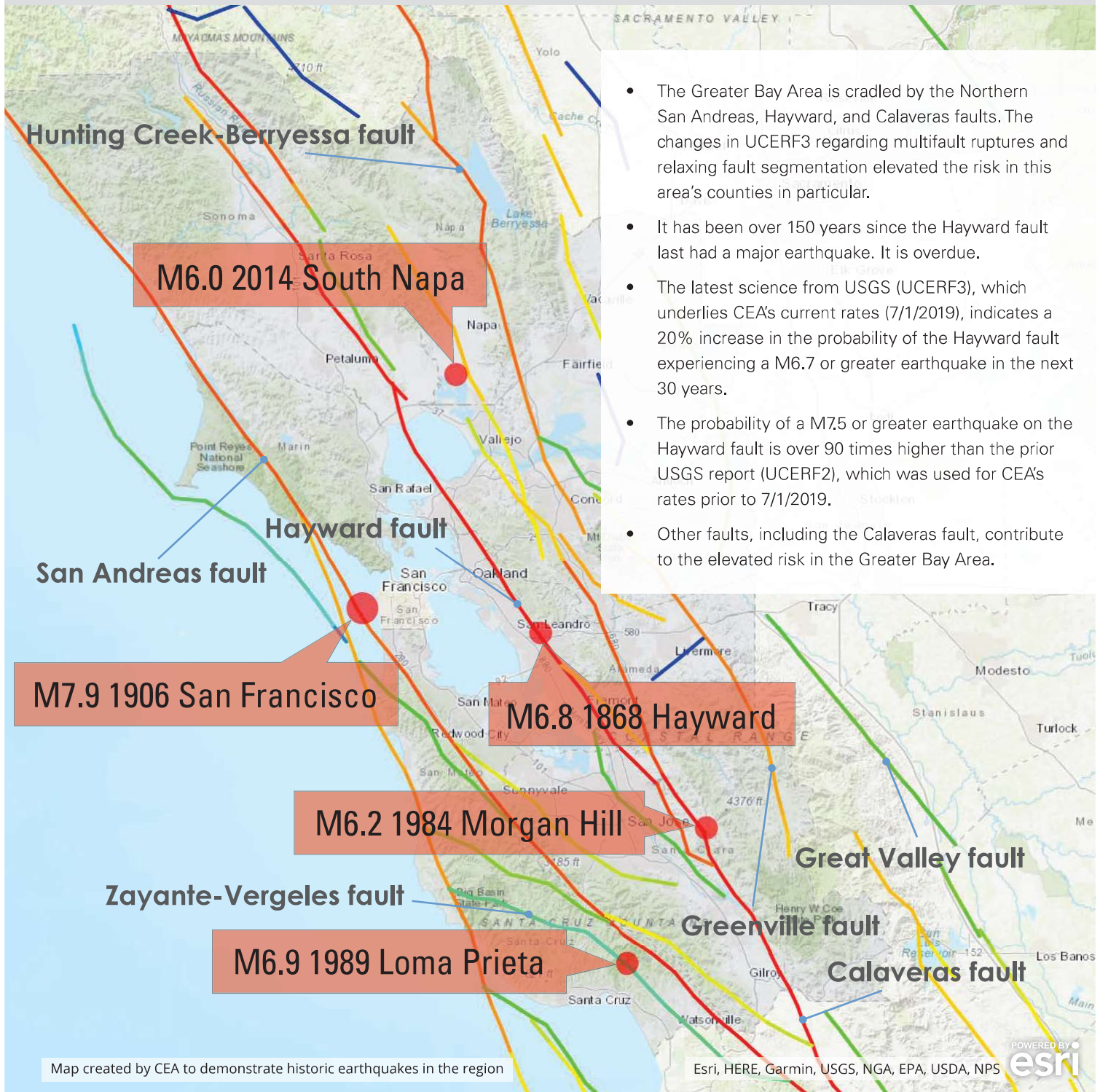


# Explaining the Science

Behind CEA Rate Changes

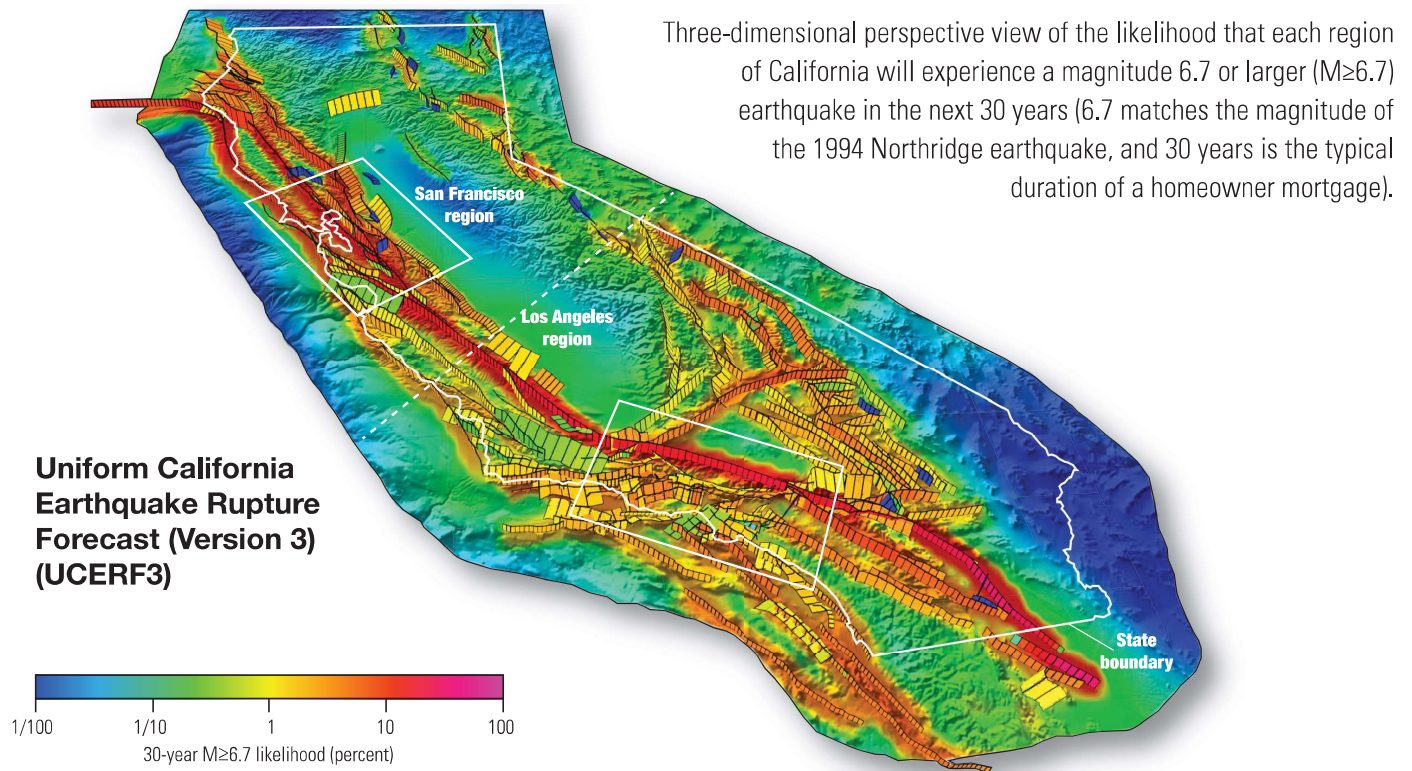
## Greater Bay Area



# Explaining the Science

## Behind CEA Rate Changes

### California



UCERF3 (Uniform California Earthquake Rupture Forecast), a new earthquake fault zone and risk study, was released by the U.S. Geological Survey (USGS) in 2015. It changed previous earthquake risk models.

- Key features of UCERF3 include a larger inventory of faults, and a higher likelihood of multifault ruptures due to a vast, interconnected fault system.
- The research also reports that scientists now can consider more than 250,000 different fault-based earthquakes in assessing risk, whereas previous research and models considered far fewer.

CEA is required to use the best available science to set our rates. Therefore, CEA had to change our rating factors to reflect the latest science from UCERF3.

- 2018: The California Department of Insurance approved CEA's rate and form filing.
- 2019: Rate and form filing effective for new and renewal policies, to be implemented over three consecutive years:
  - July 1, 2019
  - July 1, 2020
  - July 1, 2021