



Texas Weather Losses — The Predictably Unpredictable

Texas has the most severe weather in the country and in recent years has led the nation in catastrophic losses by a wide margin. With exposure to nine different types of natural disasters - the most among any state in the country - Texas insurers continue to prepare for unpredictable weather losses. Because of the loss risk in Texas, it is critical to provide a regulatory structure that encourages companies to do business here. Just a few of the recent weather headlines...

Dallas-Fort Worth Storm Damage Estimated at \$25 Million, Plus the Trees

Insurance carriers are being loaded up with claims of damage to homes, personal property and businesses by snow that caused roofs to collapse and by falling trees.

February 16, 2010, Fort Worth Star-Telegram

Ike's Insured Losses in Texas Total Almost \$12 Billion

Tropical Storm Allison, which struck the Houston area in June 2001, held the previous mark for the state's costliest weather catastrophe, with \$3.5 billion in insured losses.

January 29, 2010, Dallas Morning News

Researchers: Climate Change Expected to Increase Storm Activity in Texas

Climate change will likely increase the frequency and severity of storm activity in Texas, an area that is especially vulnerable to the "triple threat" of hurricanes, hail storms and tornadoes.

January 22, 2010, Insurance Journal

Cold Triggers \$70 Million in Texas Home Damages

10,000 Texas homes suffered water damage as a result of frozen water pipes, causing estimated millions in new insurance claims. Average Texas homeowner loss was \$9,000 and about \$5,000 in Central Texas.

January 13, 2010, Austin Business Journal

Hailstorm Pounds El Paso

Estimated 10,000 homes and 20,000 automobiles were damaged. Storm believed to be costliest hailstorm in El Paso history. Surpassed 2007 hailstorm that was reported to have \$50 million in insured losses.

September 22, 2009, Insurance Council of Texas

Gov. Perry Calls on FEMA to Assist the State in Fighting Wildfires

*49 major fires across Texas resulted in more than 100,000 acres burned. Since Jan. 1, 2009, wildfires in Texas have burned approximately 240,000 acres, destroying 161 homes and damaging 20. *Worst season in recent years started in late 2005 and carried into 2006, when wildfires from the Panhandle to northern Texas left 19 people dead and burned more than 2 million acres, according to data from the Texas Forest Service. About 330 homes were burned in 2005 and 400 in 2006, according to the agency. In 2008 more than 1.6 million acres and 250 homes burned.*

April 10, 2009, Governor's Office Press Release and *February 6, 2010, San Antonio Express-News

Central Texas Hail Storm Racks up \$160M in Losses

This is the second time in less than a year that parts of Austin have been pounded by a catastrophic hailstorm. On May 14, 2008, 20,000 claims came from a storm producing 65 mile per hour wind gusts and large hail. The May 14 storm caused \$50 million in insured losses.

March 30, 2009, Insurance Journal

Texas Led Nation in Catastrophic Losses in 2008

A combination of hurricanes and severe thunderstorms pushed claims to exceed \$10 billion for Texas property and casualty insurers in 2008. Texas led all other states in property losses by a wide margin. Louisiana, which was hit by Hurricane Gustav, had the next highest dollar losses with \$2.2 billion.

January 21, 2009, Insurance Journal