

## SMOKE TAINT- AS A COVERED CAUSE OF LOSS

A recent study conducted by scientists from the University of California, the US Forest Service and the Jet Propulsion Laboratory indicates that California has two distinct wildfire seasons. The first being the well-known Santa Ana season that starts each year in autumn and is characterized by hot, dry winds blowing in from the coast of California and the second being an earlier summer season during which dry, sun warmed vegetation and wilderness areas are prone to catching fire.

Wildfire has always been a concern for our California growers and while wildfire is an established, and easily substantiated cause of loss under a Federal Crop Insurance policy, the coverage application for grapes tainted by smoke is a much grayer coverage area.

Below you will find some of the Frequently Asked Questions regarding coverage for Smoke Tainted grapes under a Federal Crop Insurance policy. It is important to note that each claim is adjusted individually and the information below is provided only for reference and does not provide any guarantee of indemnity.

### ❏ Is Loss of Quality due to exposure to smoke a covered cause of loss under an MPCl policy?

Assuming, the grower has met all of the policy and claim reporting requirements, a grower whose crop suffers a loss of quality due to smoke can under certain circumstances qualify for an indemnity payment.

### ❏ Aside from the timely reporting of a claim or potential for a claim, what is required in order for an indemnity payment under a MPCl policy?

The policyholder must prove that their grapes are affected by smoke. In order to prove the crop has been affected by smoke, the grower must enlist the services of an independent and contracted laboratory to conduct a test of their crop before the crop is harvested.

### ❏ What tests need to be performed by the independent and certified laboratory?

The laboratory will need to conduct a test for the two most commonly associated chemical markers of smoke - Guaiacol (G) and 4-Methylguaiacol (4MG). The crop must exhibit an elevated level of both chemicals.

### ❏ What is considered an elevated level of Guaiacol (G) and 4-Methylguaiacol (4MG)?

The crop industry has an established that smoke damage is indicated in crops that exhibit elevated Guaiacol and 4-Methylguaiacol levels of at least 24.8 micrograms per liter with a minimum sample of 200 berries.

### ❏ When should the crops be tested?

It is imperative that laboratory tests be conducted on crops where damage from smoke is suspected prior to harvest. Tests performed after harvest will likely result in a denial of coverage.

### ❏ Are there any other factors aside from the laboratory tests that are considered?

Yes. When adjusting a quality adjustment claim for smoke tainted grapes, a grower will need to prove that the lower revenue derived from the harvest is due to the quality of grapes produced being compromised by their exposure to smoke and not any other condition. (Example: current market conditions /oversupply) In addition, it is important that any harvested fruit or juice not be comingled with any other growers.

**\*\*\* ALL CLAIMS OR POTENTIAL FOR CLAIMS SHOULD BE REPORTED IMMEDIATELY. THE LATEST POSSIBLE DATE TO REPORT A POTENTIAL LOSS IS 60 DAYS AFTER THE LAST DATE OF HARVEST. DAMAGE REPORTED BEYOND THIS DEADLINE WILL BE DENIED BY THE CARRIER. \*\*\***