

**FLORIDA COMMISSION ON HURRICANE LOSS  
PROJECTION METHODOLOGY**

**Meeting Summary<sup>1</sup>  
MAY 9 – 12, 2000**

**May 9, 2000**

1. Review of AIR – Model HURR-US48-USD-2000.04.19-55555.7777-PS
  - A. The Commission began their review with the two standards having significant changes. For Standard 5.2.4, AIR submitted an alternative storm set that does not include storms through 1998, but does not include storms through 1997. AIR felt that changes from adding 1 year's worth of data is not statistically significant. AIR did use the 1998 storm set in the modules which runs historical storms against AIR to generate comparisons, but they did not reparameterize the underlying distributions of the model based on refitting the data to the historical data.
  - B. The Commission voted to suspend consideration of the AIR model until later in the week.
2. Review of E. W. Blanch – Catalyst 3.0.86C
  - A. The Commission began their review with the two standards having significant changes. Standards 5.2.4 and 5.2.8 were found acceptable by the Commission. The Commission found acceptable those standards with no changes, with the exception of 5.4.15, as listed on page 130 of the Report of Activities (5.2.1, 5.2.2, 5.2.3, 5.2.9, 5.3.2, 5.3.3, 5.4.2, 5.4.3, 5.4.4, 5.4.12, 5.4.16, and 5.5.1). The Commission found 5.4.15 acceptable. The Commission found all remaining standards acceptable.
  - B. The Catalyst model was found acceptable by the Commission.
3. Review of RMS – Risk Link Version 4.1SP1A
  - A. The Commission began their review with the two standards having significant changes. Standards 5.2.4 and 5.2.8 were found acceptable. The Commission found acceptable those standards with no changes (5.2.1, 5.2.2, 5.2.3, 5.2.9, 5.3.2, 5.3.3, 5.4.2, 5.4.3, 5.4.4, 5.4.12, 5.4.15, 5.4.16, and 5.5.1). The Commission found all remaining standards acceptable (voting by section).

---

<sup>1</sup> This document is a summary of the official minutes for the Florida Commission on Hurricane Loss Projection Methodology. The official minutes consist of the complete recorded transcript. The content of this summary has not been taken from the official transcript and should not be relied upon for any official purpose.

**Commission members present:** David Nye, Shahid Hamid, Mark Homan, Larry Johnson, Jay Newman, Jack Nicholson, Ken Ritzenthaler

**Professional Team members present:** Marty Simons, Paul Fishwick, Ron Iman, John Pepper, Peter Ray, Tom Schroeder, Fred Stolaski

## **MAY 10, 2000**

1. Review of EQE – US Wind Version 5.3
  - A. The Commission began their review with the two standards having significant changes. Standards 5.2.4 and 5.2.8 were found acceptable. The Commission found acceptable these standards with no changes (5.2.1, 5.2.2, 5.2.3, 5.2.9, 5.3.2, 5.3.3, 5.4.2, 5.4.3, 5.4.4, 5.4.12, 5.4.15, 5.4.16, and 5.5.1). The Commission found the remaining standards acceptable (voting by section).
  - B. The EQE model was found acceptable by the Commission.
2. Review of Risk Engineering, Inc. – All Risk Version 2.3
  - A. Risk Engineering gave a presentation on the background of their company and an overview of their model. The Commission proceeded with a review of Module 3, by section.

**Commission members present:** David Nye, Mark Homan, Shahid Hamid, Larry Johnson, Jay Newman, Jack Nicholson, Ken Ritzenthaler

**Professional Team members present:** Marty Simons, Paul Fishwick, Ron Iman, John Pepper, Peter Ray, Fred Stolaski, Tom Schroeder

## **MAY 11, 2000**

1. Review of Risk Engineering – Continued
  - A. The Commission reviewed each standard individually. The following standards were accepted: 5.1.1, 5.1.3, 5.1.4, 5.2.1, 5.2.2, 5.2.3, 5.2.4, 5.2.5, 5.2.6, 5.2.7, 5.2.8, 5.2.9, 5.2.10, 5.3.1, 5.3.2, 5.3.3, 5.3.4, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7, 5.4.8, 5.4.9, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.5.1, 5.5.2, 5.5.3, 5.5.4, 5.1.2, and 5.4.1.
  - B. The following standards failed: 5.4.1, and 5.4.10.
2. The Commission voted to suspend consideration of the Risk Engineering model. Further consideration of the All Risk model will await a request from the company to be reviewed again.

**Commission members present:** David Nye, Shahid Hamid, Mark Homan, Larry Johnson, Jay Newman, Jack Nicholson, Ken Ritzenthaler

**Professional Team members present:** Marty Simons, Paul Fishwick, Ron Iman, John Pepper, Peter Ray, Tom Schroeder, Fred Stolaski

**MAY 12, 2000**

Review of AIR, Continued

- A. In order to update their storm set, AIR requested and the Commission approved postponement of consideration of the current model under the 1999 standards to a date no earlier than September 1, 2000.
- B. The Commission voted to recommend to the SBA that David Nye be appointed as Chair of the Florida Commission on Hurricane Loss Projection Methodology.

**Commission members present:** David Nye, Shahid Hamid (by phone), Mark Homan, Larry Johnson, Jay Newman (by phone), Jack Nicholson, Ken Ritzenthaler

**Professional Team members present:** Marty Simons, Paul Fishwick, Ron Iman, Peter Ray, Tom Schroeder, Fred Stolaski