



November 21, 2016

Lori Medders, Chair
Florida Commission on Hurricane Loss Projection Methodology
c/o Donna Sirmons
Florida State Board of Administration
1801 Hermitage Boulevard, Suite 100
Tallahassee, Florida 32308

Re: AIR Atlantic Tropical Cyclone Model Version 15.0.2 as Implemented in Touchstone Version 4.2.0

Dear Dr. Medders:

AIR has recently released a software update to Touchstone, which does not change the underlying Atlantic Tropical Cyclone Wind Model or result in any changes to Florida wind loss costs or probable maximum loss levels. AIR would like to submit Atlantic Tropical Cyclone Version 15.0.2 as Implemented in Touchstone Version 4.2.0 under Report of Activities, Section VI.G. as an interim software update.

Touchstone version 4.2.0 contains updates to software features that do not impact the Florida hurricane modeled loss costs including:

- Updates to map layers that are utilized by the additional analytical tools known as the Geospatial and Hazard Analytics. These map layers are separate and distinct from the technical data used by the models to estimate catastrophe loss costs and PMLs.
- Updates to the Industry Exposure Database for offshore assets (e.g. oil drilling platforms)

In accordance with the Report of Activities, Section VI.G., we have prepared the following forms with results from the currently acceptable version, 3.0.0, and the updated version, 4.2.0, as well as a percentage change that demonstrates no change for the Commission's review:

- Form A-1 (Zero Deductible Personal Residential Loss Costs by ZIP Code)
- Form A-4B (Output Ranges, 2012 FHCF Exposure Data)
- Form A-8 (Probable Maximum Loss for Florida)
- Form S-5 Part B (Average Annual Statewide Loss Costs – Historical versus Model, 2012 FHCF Exposure Data)

AIR would like to request that the same consideration be given to Touchstone 4.2.0 as has been given to other past interim software releases. We ask that the Commission confirm that the Atlantic Tropical Cyclone model v15.0.2 as implemented in Touchstone 4.2.0 is considered as equivalent to the Atlantic Tropical Cyclone model v15.0.1 as implemented in Touchstone 3.0.0 and accepted under the 2013 Standards.

Dr. Lori Medders

11/21/2016

Page 2

Best regards,

A handwritten signature in blue ink that reads "Brandie Andrews". The signature is written in a cursive style with a long horizontal flourish at the end.

Brandie Andrews, CCM

Vice President, Regulation and Rating Agency