

1 **Public Utilities Board PUB-FA-5:** *Please provide a detailed explanation as to how the writing and*
2 *processing of Taxis through the Facility Association Residual Market varies significantly from the*
3 *writing regular market Private Passenger Vehicles by each Servicing Carrier.*

4 **FA Response to PUB-FA-5:**

5 It is our understanding that each Servicing Carrier has its own business processes and support systems to
6 fulfill their individual requirements. Facility Association does not have control, nor any specific detail
7 on those processes, nor detail on how the Servicing Carriers processes in relation to their own book
8 (private passenger or otherwise) differ from the requirements the Facility Association imposes on the
9 Servicing Carriers in providing underwriting, rating, policy management, fleet management, broker
10 management, reporting, and associated oversight services on behalf of Facility Association.

11 Having said that, we would postulate that Private Passenger Vehicles in the regular market are simpler
12 to underwrite and rate, are less likely to be part of a fleet, tend to have relatively fewer policy changes in
13 general compared to the underwriting, rating, processing, policy management and fleet management of
14 taxi business. For instance, taxis are generally subject to more mid-term adjustments for vehicle and or
15 driver changes (sometimes several times in a month). In addition, filings must be prepared for the
16 applicable municipal Taxi Commission, who also must be notified within 10 days if a policy is
17 cancelled, which adds additional burdens not present for Private Passenger Vehicles.