



# INSURANCE SERVICES OFFICE, INC.

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August 1, 2017

Suzette Williams, City Administrator  
City of Idalou  
P.O. Box 1277  
Idalou, TX 79329

RE: Public Protection Classification Results, City of Idalou/Idalou OPA, Lubbock County, TX

Dear Ms. Williams,

We wish to thank you, Fire Chief Russ Perkins, Water Superintendent Troy Herd and others for the cooperation given to our representative during our recent survey. ISO has completed its preliminary analysis of your fire insurance classification. Based upon the initial information collected and verified during the field survey, it is our preliminary finding that Public Protection Class 4/4Y is appropriate.

The classification is a direct result of the information gathered and is dependent on the resource levels devoted to fire protection in existence at the time of the survey. Material changes in those resources that occur after the survey is completed may affect the classification. Although ISO maintains a pro-active process to keep baseline information as current as possible, in the event of changes please contact us by telephone at 1-800-444-4554, option 2, or by email at [Austin@iso.com](mailto:Austin@iso.com) to expedite the updated activity.

Included with this letter are the following draft documents: 1.) PPC Summary Report, 2.) Texas State Exceptions, 3.) Class 9/10 Evaluation, 4.) Class 8B Eligibility, 5.) Hydrant Flow Data Summary.

If ISO does not hear from you or a representative of your community by August 31, 2017, we will proceed to recommend to the Texas Department of Insurance/State Fire Marshal's Office that Public Protection Class 4/4Y is appropriate.

This PPC classification will not become effective until you receive notification from the State Fire Marshal's Office as to the effective date. This will be mailed to you upon his approval.

ISO's Public Protection Classification Program (PPC) plays an important role in the underwriting process at insurance companies. In fact, most U.S. insurers – including the largest ones – use PPC information as part of their decision making when deciding what business to write, coverages to offer or prices to charge for personal or commercial property insurance.

PPC is important to fire departments as well. Communities whose PPC improves may get lower insurance rates. PPC also provides fire departments with a valuable benchmark and is used by many departments as a valuable tool when planning, budgeting and justifying fire protection improvements.

Our goal is to accurately reflect your community's fire suppression and control resources through the Public Protection Classification (PPC) system.

Through ongoing research and loss experience analysis, we identified additional differentiation in fire loss experience within our PPC program, which resulted in revised classifications. We based the differing fire loss experience on the fire suppression capabilities of each community. The new classifications will improve the predictive value for insurers while benefiting both commercial and residential property owners. We've published the new classifications as "X" and "Y" – formerly the "9" and "8B" portion of the split classification, respectively. For example:

- A community currently graded as a split 6/9 classification will now be a split 6/6X classification, with the "6X" denoting what was formerly classified as "9."

- Similarly, a community currently graded as a split 6/8B classification will now be a split 6/6Y classification, the “6Y” denoting what was formerly classified as “8B.”
- Communities graded with single “9” or “8B” classifications will remain intact.

ISO is the leading supplier of data and analytics for the property/casualty insurance industry. Most insurers use PPC classification for underwriting and calculating premiums for residential, commercial and industrial properties. The PPC program is not intended to analyze all aspects of a comprehensive structural fire suppression delivery system program. It is not for purposes of determining compliance with any state or local law, nor is it for making loss prevention or life safety recommendations.

The purpose of our visit was to gather information needed to determine a public protection classification which may be used to develop property insurance premium calculations. This survey was not conducted for property loss prevention or life safety purposes and no life safety or property loss prevention recommendations will be made.

Please review the enclosed documents and if you determine that additional or modified information should be considered in the classification analysis please contact us by telephone at 1-800-444-4554, option 2, or by email at [Austin@iso.com](mailto:Austin@iso.com).

If you have any questions concerning this process or the calculations, please contact us.

Sincerely,

*Public Protection Department*

Insurance Services Office, Inc.  
Community Mitigation Services

Encl.

cc w/encl: Russ Perkins, Fire Chief  
Troy Herd, Water Superintendent  
Wendy Kraus, Communications Supervisor