What Makes a Good Rate Filing?
A Modeler's Perspective

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GUIDEWIRE

What makes a good rate filing?

Well, from a modeler's perspective…

- **It gets approved.**
- **It gets approved efficiently, quickly.**
- **It is actually correct.**

How do you make a good rate filing?

First and foremost, know your own work.

How do you make a good rate filing?

In your own work, you should have already had to convince all sorts of audiences.

First of all, convince yourself that you are the best because the rest of your life is going to go proving this to others.

Wasim Akram

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Convince Yourself
- How did you validate the model?

How do you make a good rate filing?

In your own work, you should have already had to convince all sorts of audiences.

Convince Yourself
- How did you validate the model?

Convince Your Peers and/or Supervisor
- What did you need to show them to have them understand and agree?

How do you make a good rate filing?

In your own work, you should have already had to convince all sorts of audiences.

Convince me....

Convince Your Internal Executives
- What level of information was necessary and effective for them?

Convince Your Peers and/or Supervisor
- What did you need to show them to have them understand and agree?

Convince Yourself
- How did you validate the model?

How do you make a good rate filing?

**In your own work, you should have already had to convince all sorts of audiences.**

Convince Your Regulators
- Not really all that different.
- At this point, you should already have everything you need.

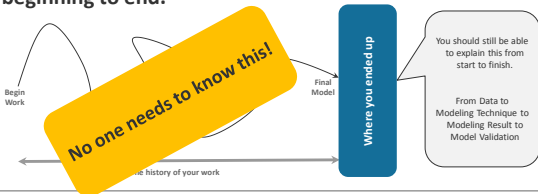### How do you make a good rate filing?

When asked to file something, check your gut.

- "The work is solid. No reason it shouldn't be approved. I'll defend it all day long."
- "The work is solid, but reasonable people could disagree on this. I'm willing to defend this and make the case."
- "If it goes throu~~...~~ ~~...~~ are questions, I'm no~~...~~ ~~...~~ding this."

DO NOT FILE!
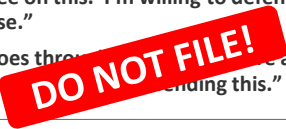
How do you make a good rate filing?

In creating the filing, provide enough information for an qualified professional to follow your work from beginning to end.

Begin Work

Final Model

Where you ended up

You should still be able to explain this from start to finish.

From Data to Modeling Technique to Modeling Result to Model Validation

No one needs to know this!

the history of your work

How do you make a good rate filing?

Filings should have a logical flow...

- **What data was used?**
- **What modeling techniques were used?**
- **What were the results?**
- **How did they validate?**
- **Why are you filing something different than the model results?**

This kind of thing is key.

Make the connection.

If you did something reasonable, just describe it.

Use narratives to give the whole thing some structure!

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How do you make a good rate filing?

A couple of final comments:

- **Don't tell people things they don't need to know.**

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How do you make a good rate filing?

A couple of final comments:

- **Don't tell people things they don't need to know.**
- **Don't use internal terms that outsiders won't know.**

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How do you make a good rate filing?

- **Peer review and checking are different, but both necessary.**
  - Peer review is having a peer evaluate your work.
  - Checking is making sure the numbers in the filing match your internal output.

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Summary

- **Make sure you know your own work – what, why and how.**
- **Convince yourself and others of your work before convincing regulators.**
- **Be ready, willing and able to defend your work, or don't file it.**
- **Organize your work into a logical flow, and provide enough information for someone to follow it.**
- **Know that the filing is correct through peer review and checking.**

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Questions?

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