

# Risk Rating 2.0 and Elevation Certificates – Using Section C or E for First Floor Height

Elevation is still the most important rating element in Risk Rating 2.0 (RR 2.0). In the legacy pricing methodology (RR 1.0), elevation considered for rating was the difference between the Lowest Floor Elevation (LFE) and the Base Flood Elevation (BFE). However, under the new pricing methodology (RR 2.0), there are now three types of elevation variables:

- **Elevation relative to the flooding source** – Determined by comparing the building’s Lowest Adjacent Grade (LAG) elevation to the average water surface elevation of the nearest flooding source;
- **Local Relative Elevation** – Determines the pluvial risk to the building by comparing its LAG to the surrounding grade elevation (a square about 500 meters per side) to see if it is higher or lower; and
- **First Floor Height (FFH)** – Height of the lowest floor above the structure’s LAG.

## RR 2.0 Determined FFH

The most precise determination of the FFH height can be made from licensed professional-certified entries in Section C [Elevation Certificate \(EC\)](#); however, to help reduce the time and cost to obtain an EC, the rating engine has two other ways of determining the FFH. It will first use a proprietary CoreLogic FFH tool, and if no data is available, the FFH will then be determined by the rating engine using conservative assumptions based on the foundation type. However, if an EC is provided, the rating engine will compare that information to either of the two previously described methods and use the highest FFH (i.e., if the CoreLogic tool provides a higher FFH than the EC, it will use that for rating).

**Table 15. Completing the Application Form Using Section C of the Elevation Certificate (EC)**

STEP	GUIDANCE	
1.	Enter the EC date	
2.	Enter the Building Diagram Number (section A7. of the EC)	
3.	Enter the LAG (section C2f. of the EC)	
4.	Enter the LFE. See below for guidance.	
<b>Determine the Lowest Floor Elevation (LFE) Using Section C of the EC</b>		
	<b>EC Diagram Number and Scenario</b>	<b>Elevation to Report as the LFE</b>
	<b>EC Diagram Number: 1A, 1B, 3 or 5</b> Scenario: Non-elevated building on slab or elevated without an enclosure.	C2a. = LFE <i>If C2a. is not provided C2c. can be used:</i> Add 1 foot to C2c. (for both residential and non-residential buildings) C2c. + 1 = LFE
	<b>EC Diagram Number: 2, 2B, or 4</b> Scenario: Non-elevated building with basement.	C2b. = LFE <i>If C2b is not provided 8 feet can be added to C2a.: Add 8 feet to C2a</i> C2a. + 8 = LFE
	<b>EC Diagram Number: 6, 7, 8 or 9</b> Scenario: Elevated building with an enclosure or building with a crawlspace (elevated or non-elevated subgrade crawlspace) and <ul style="list-style-type: none"> <li>• Is Pre-FIRM (in any zone); or</li> <li>• In a Non-Special Flood Hazard Area; or</li> <li>• In Zone Unnumbered A, A99, AO, AR/AO or Unnumbered V.</li> </ul>	C2a. = LFE <i>If C2a. is not provided C2c. can be used:</i> Add 1 foot to C2c. (for both residential and non-residential buildings) C2c. + 1 = LFE

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## Elevation Certificate Determined FFH

If a properly completed and certified EC is provided, then **Section C** can be used to determine the FFH, which is the difference between the LAG and the LFE (see Table 15 in Section III of the [Flood Insurance Manual \(FIM\)](#) for more details, including how to determine LFE).



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In addition, the EC data will then be used to determine the elevation relative to the flooding source and local relative elevation mentioned above.

**Section E** may also be used, in the absence of surveyed elevations, for insurance rating in all zones, even though the EC specifies this section is only used for *Zone AO and Zone A (without BFE)*. The beauty of this option is that it can be completed by the property owner, the insurance agent, a community official, or whomever, and it does not require a licensed professional to sign it. The only requirement is that the same person completing Section E should complete Section F. Depending upon the building diagram, FFH will be what is in E1b or E2 (see Table 16 in Section III of the FIM for details).

If Section E FFH is used for insurance rating, then the LAG obtained from FFH tool will be used to determine the elevation relative to the flooding source and the local relative elevation.

### **Elevation Certificate Expiration – RR 2.0 Update**

While using Section E of the EC may help reduce cost and time, the ASFPM Insurance Committee has heard many concerns raised about using Section E for insurance rating only and how it could cause confusion and potential headaches for floodplain managers (e.g., CRS requirements, potential incorrect usage of the EC). With the EC expiring November 2022, ASFPM recently pulled together the same group that provided comments on the last EC revision and worked with FEMA in providing suggested revisions, corrections, and input about ways to help clarify how Section E is to be used (or create a new section specific for rating-only). FEMA is still finalizing what they will submit to the Office of Management and Budget.

Note: An Elevation Certificate can be used to determine FFH in ANY flood zone. Photographs will be needed, whether Section C or E is used.

So, while ECs are NOT required in RR 2.0, policyholders have the option of providing elevation information from an EC *for any zone*, and the property owner does NOT need a licensed surveyor for completing Section E.

## **Risk Rating 2.0 Resources**

Be sure to bookmark these helpful links to stay current on Risk Rating 2.0.

- [ASFPM Risk Rating 2.0 Resource Page with Interactive Dashboards on Projected Premium Changes](#)
- [FEMA Risk Rating 2.0 Home Page](#)
- [FEMA Risk Rating 2.0 Fact Sheet](#)
- [Risk Rating 2.0 Underwriting Forms and Flood Insurance Manual](#)
- [FEMA Quick Start Guide](#)
- [Elevation Certificate and Instructions](#)
- [ASFPM Flood Insurance Committee](#)