



**Petition to Washington Utilities and Transportation Commission**

In reference to application docket TE-220583, Zum Services, Inc. (“Zum”) hereby petitions the Washington Utilities and Transportation Commission (“WUTC”) for an exemption from Washington Ann. Code 480-30-191(1)(a) and 480-30-191(2), and, in support therefore, states as follows:

1. Zum is a leading school bus transportation provider that recently was awarded a contract to provide school bus transportation to the Seattle Public School system commencing in September 2022. Some of the transportation services to be provided to the Seattle Public Schools will be charter transportation for school-related activities such as field trips and sporting events using the school buses provided by Zum. Such charter transportation activities are regulated by the WUTC and require Zum to obtain a Passenger Charter and Excursion Carrier Services Permit (the “Charter Permit”).
2. WAC 480-30-191 specifies that Zum must obtain bodily injury and property damage liability insurance in the minimum amount of \$5,000,000 combined single limit coverage with “an insurance company authorized to write insurance in the State of Washington.”
3. As is common in the industry, Zum has secured the minimum amount of insurance required by this statute in two layers. The first \$2,000,000 of combined single limit coverage is underwritten by Ace American Insurance Company which is an authorized and admitted insurer in the State of Washington. The second \$3,000,000 of combined single limit coverage is underwritten by General Star Indemnity Company, which is a surplus lines insurer that is not admitted with the Washington Department of Insurance.
4. Despite the diligent efforts by Zum and its insurance broker, Heffernan Insurance Brokers – a broker licensed by the Washington Office of Insurance Commissioners, Zum was unable to find insurance coverage in the open primary insurance market at the \$2,000,000 to \$5,000,000 layer of required coverage with any insurers admitted in Washington, requiring the company to obtain such coverage through a surplus lines insurer.



5. General Star Indemnity Company is registered with the Surplus Lines Association of Washington and currently has an AM Best rating of A++.
6. In the past, the WUTC has granted an exemption from WAC 480-30-191(1)(a) to allow companies to obtain a Charter Permit with an insurer not admitted in the State of Washington. (see In the Matter of the Petition of Alaska Amphibious Tours, LLC, Docket TE-210118, Order 01) under similar circumstances as those here.
7. In addition, Zum seeks an exemption from WAC 480-30-191(2) to allow it to fulfill the \$5,000,000 of required insurance through two layers of coverage obtained as described herein, which is a \$2,000,000 primary policy issued by Ace American Insurance Company and a \$3,000,000 surplus lines excess policy issued by General Star Indemnity Company.

In light of the above, Zum respectfully petitions the WUTC for an exemption from WAC 480-30-191(1)(a) and 480-30-191(2) with respect to the insurance coverage layer obtained through General Star Indemnity Company.

A handwritten signature in black ink that reads 'Vivek Garg'.

---

Vivek Garg  
Chief Operating Officer  
Zum Services, Inc.

22 August 2022