

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. A.I. 17(2017)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22, (the
3 “*Act*”), as amended and regulations
4 thereunder; and
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6 **IN THE MATTER OF** an application by
7 The Dominion of Canada General Insurance
8 Company for approval to implement revised
9 rates for its Private Passenger Automobiles class
10 of business.
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13 **WHEREAS** on June 13, 2017 The Dominion of Canada General Insurance Company
14 (“Dominion”) applied to the Board for approval of a revised automobile insurance rating program
15 for its Private Passenger Automobiles class of business; and
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17 **WHEREAS** the revised rating program proposes rates that are higher than those currently
18 approved by the Board for certain coverages; and
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20 **WHEREAS** on August 23, 2017 the Board’s actuarial consultants, Oliver Wyman Limited, filed
21 a report of findings with the Board which identified key areas of the filing for the Board’s
22 consideration; and
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24 **WHEREAS** the Oliver Wyman Limited report was forwarded to Dominion for comment on
25 August 28, 2017; and
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27 **WHEREAS** on September 1, 2017 Dominion filed a revised rate proposal and additional
28 supporting documentation; and
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30 **WHEREAS** on September 8, 2017 the Board extended the 90-day review timeline; and
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32 **WHEREAS** on September 14, 2017 Oliver Wyman Limited filed a supplemental report; and
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34 **WHEREAS** the Board finds that Dominion failed to justify its proposals related to: i) the selection
35 of premium trends, ii) the health levy, iii) the expense provision, and iv) the prior carrier rating
36 variable; and

1 **WHEREAS** Dominion may file a revised rate proposal for its Private Passenger Automobiles
2 class of business reflecting the findings of the Board as set out in the Reasons for Decision to be
3 issued separately.
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6 **IT IS THEREFORE ORDERED THAT:**

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8 1. The application is denied.

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10 2. The Dominion of Canada General Insurance Company will be required to pay the costs of the
11 Board associated with this filing, including the costs of the actuarial review.

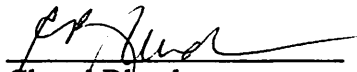
DATED at St. John's, Newfoundland and Labrador, this 11th day of October, 2017.



Darlene Whalen, P. Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



Cheryl Blundon
Board Secretary