

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

AN ORDER OF THE BOARD

NO. A.I. 20(2018)

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
5

6 **IN THE MATTER OF** an application
7 by Intact Insurance Company for
8 approval to implement a revised
9 rating program for its Private
10 Passenger Automobiles class
11 of business.
12
13

14 **WHEREAS** on March 12, 2018 Intact Insurance Company applied to the Board for approval of a
15 revised rating program for its Private Passenger Automobiles class of business; and
16

17 **WHEREAS** on April 17, 2018 the Board’s consulting actuaries, Oliver Wyman Limited (“Oliver
18 Wyman”), filed a report (“Oliver Wyman Report”) of findings with the Board; and
19

20 **WHEREAS** on May 9, 2018 Intact Insurance Company filed comments and an amended rating
21 program in response to the Oliver Wyman Report; and
22

23 **WHEREAS** on May 16, 2018 Oliver Wyman filed a supplemental report in relation to Intact
24 Insurance Company’s comments and amended rating program; and
25

26 **WHEREAS** on May 24, 2018 Intact Insurance Company filed comments and an amended rating
27 program in response to Oliver Wyman’s supplemental report; and
28

29 **WHEREAS** based on the record the Board finds that some proposals used by Intact Insurance
30 Company in calculating its rate level indications have not been fully justified; and
31

32 **WHEREAS** substituting alternative assumptions will not reduce the rate indications below the
33 proposed rates; and
34

35 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.

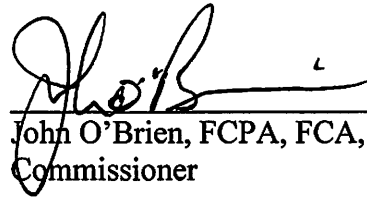
1 **IT IS THEREFORE ORDERED THAT:**
2

- 3 1. The revised rating program received March 12, 2018, as amended on May 24, 2018, from
4 Intact Insurance Company is approved to be effective no sooner than July 17, 2018 for new
5 business and August 17, 2018 for renewals.
6
7 2. Intact Insurance Company will be required to pay the costs of the Board associated with this
8 filing, including the costs of the actuarial review.

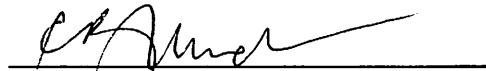
DATED at St. John's, Newfoundland and Labrador, this 7th day of June, 2018.



Darlene Whalen, P. Eng.
Chair & CEO



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blandon
Board Secretary