

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

AN ORDER OF THE BOARD

NO. A.I. 24(2019)

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 by
7 Dominion of Canada General Insurance
8 Company for approval to implement a
9 revised rating program for its
10 Commercial Vehicles and Interurban
11 Trucks classes of business.
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14 **WHEREAS** effective January 1, 2020 changes to the *Act* and regulations thereunder come into
15 effect which include mandatory reforms of the automobile insurance product; and
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17 **WHEREAS** the mandatory reforms include the introduction of Direct Compensation Property
18 Damage (“DCPD”) coverage for all vehicles and an increase in the deductible applicable to all
19 pain and suffering awards from \$2,500 to \$5,000; and
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21 **WHEREAS** on November 5, 2019 the Board implemented a simplified “Reform” filing option
22 and Reform Filing Guidelines to expedite the approval of the mandatory reform changes; and
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24 **WHEREAS** the Reform Filing Guidelines provide step-by-step procedures for splitting existing
25 Board approved Third Party Liability rates into rates for Bodily Injury, Property Damage-Tort and
26 DCPD sub-coverages as well as for reflecting the deductible increase into Bodily Injury rates; and
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28 **WHEREAS** on November 18, 2019 Dominion of Canada General Insurance Company
29 (“Dominion”) applied to the Board for approval of a revised rating program under the Reform
30 filing option for its Commercial Vehicles and Interurban Trucks classes of business; and
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32 **WHEREAS** on November 29, 2019 the Board’s actuarial consultants, Oliver Wyman Limited,
33 reported that the revised rating program is consistent with the Reform Filing Guidelines and is
34 supported; and
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36 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.

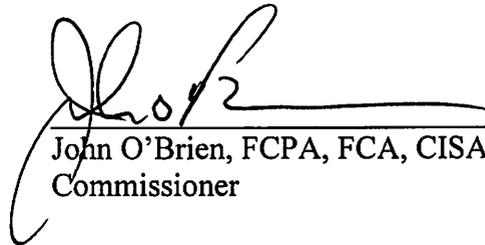
1 **IT IS THEREFORE ORDERED THAT:**

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- 3 1. The revised rating program received November 18, 2019 from Dominion for its Commercial
- 4 Vehicles and Interurban Trucks classes of business is approved to be effective no sooner than
- 5 January 20, 2020 for new business and March 1, 2020 for renewals.

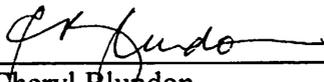
DATED at St. John's, Newfoundland and Labrador, this 16th day of December, 2019.



Darlene Whalen, P.Eng., FEC
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blundon
Board Secretary