

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

AN ORDER OF THE BOARD

NO. A.I. 27(2019)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22,
3 (the “*Act*”), as amended and regulations
4 thereunder; and
5

6 **IN THE MATTER OF** an application
7 by Facility Association for approval to
8 implement a revised rating program for
9 its Private Passenger Automobiles class
10 of business.
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13 **WHEREAS** on September 13, 2019 Facility Association (“Facility”) applied to the Board for
14 approval of a revised rating program for its Private Passenger Automobiles class of business; and
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16 **WHEREAS** the revised rating program proposes rates that are higher than those currently
17 approved by the Board for certain coverages; and
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19 **WHEREAS** on December 3, 2019 the Board’s actuarial consultants, Oliver Wyman Limited
20 (“Oliver Wyman”), filed a report (“Oliver Wyman Report”) of findings with the Board which
21 identified key areas of the filing for the Board’s consideration; and
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23 **WHEREAS** on December 4, 2019 the Oliver Wyman Report was forwarded to Facility for
24 comment; and
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26 **WHEREAS** on December 12, 2019 Facility filed an amended rate application; and
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28 **WHEREAS** on December 13, 2019 Oliver Wyman reported that the amended rate application
29 received from Facility on December 12, 2019 was consistent with prior Board decisions for
30 Facility rate applications for its Private Passenger Automobiles class of business; and
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32 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.

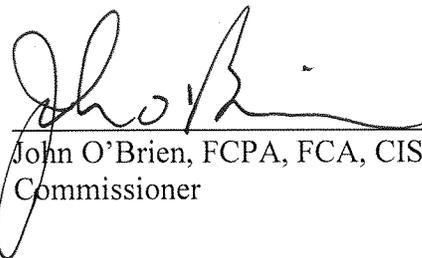
1 **IT IS THEREFORE ORDERED THAT:**

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- 3 1. The revised rating program received December 12, 2019 from Facility Association for its
- 4 Private Passenger Automobiles class of business is approved to be effective no sooner
- 5 than April 1, 2020 for new business and renewals.
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- 7 2. Facility Association 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 19th 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