

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

AN ORDER OF THE BOARD

NO. A.I. 44(2020)

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

5 **IN THE MATTER OF** an application by
6 Royal & Sun Alliance Insurance
7 Company of Canada for approval to
8 implement a revised rating program for
9 its Public Vehicles category of
10 automobile insurance.
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13 **WHEREAS** effective January 1, 2020 changes to the *Automobile Insurance Act* and regulations
14 thereunder came into effect which included mandatory reforms of the automobile insurance
15 product; and
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17 **WHEREAS** the mandatory reforms included 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 #
22 **WHEREAS** on June 2, 2020 Royal & Sun Alliance Insurance Company of Canada applied to the
23 Board for approval of a revised rating program under the Reform Filing option for its Public
24 Vehicles category of automobile insurance, including Public Service Vehicles (Ambulances),
25 Taxis, Public Buses, School Buses, Private Buses, Driving School Automobiles and Van Pools;
26 and

27 **WHEREAS** on June 18, 2020 Royal & Sun Alliance Insurance Company of Canada submitted
28 revised exhibits for Public Service Vehicles; and
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30 **WHEREAS** the proposal is made in accordance with the Board’s Reform Filing Guidelines; and
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32 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the
33 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
34 financial circumstances of the insurer, and do not violate the *Automobile Insurance Act* or the
35 *Insurance Companies Act* or the respective regulations thereunder.

1 **IT IS THEREFORE ORDERED THAT:**

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- 3 1. The revised rating program received June 2, 2020 from Royal & Sun Alliance Insurance
4 Company of Canada for its Public Vehicles category of automobile insurance is approved to
5 be effective no sooner than November 16, 2020 for new business and for renewals.

DATED at St. John's, Newfoundland and Labrador, this 2nd day of July, 2020.

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

John O'Brien, FCPA, FCA, CISA
Commissioner

Sara Kean
Assistant Board Secretary