

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

AN ORDER OF THE BOARD

NO. A.I. 26(2020)

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
7 by Royal & Sun Alliance Insurance
8 Company of Canada for approval to
9 implement a revised rating program for
10 its Miscellaneous Vehicles category of
11 automobile insurance.
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14 **WHEREAS** effective January 1, 2020 changes to the Automobile Insurance Act and regulations
15 thereunder came into effect which included mandatory reforms of the automobile insurance
16 product; and
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18 **WHEREAS** the mandatory reforms included the introduction of Direct Compensation Property
19 Damage (“DCPD”) coverage for all vehicles and an increase in the deductible applicable to all
20 pain and suffering awards from \$2,500 to \$5,000; and
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22 **WHEREAS** on November 5, 2019 the Board implemented a simplified “Reform” filing option
23 and Reform Filing Guidelines to expedite the approval of the mandatory reform changes; and
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25 **WHEREAS** the Reform Filing Guidelines provide step-by-step procedures for splitting existing
26 Board approved Third Party Liability rates into rates for Bodily Injury, Property Damage-Tort and
27 DCPD sub-coverages as well as for reflecting the deductible increase into Bodily Injury rates; and
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29 **WHEREAS** on June 1, 2020 Royal & Sun Alliance Insurance Company of Canada applied to the
30 Board for approval of a revised rating program under the Reform filing option for the following
31 types of Miscellaneous Vehicles: (i) All-Terrain Vehicles; (ii) Campers; (iii) Motorcycles; and (iv)
32 Snow Vehicles; and
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34 **WHEREAS** the revised rating program is consistent with the Reform Filing Guidelines and is
35 supported; and

1 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the
2 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
3 financial circumstances of the insurer, and do not violate the Automobile Insurance Act or the
4 Insurance Companies Act or the respective regulations thereunder.

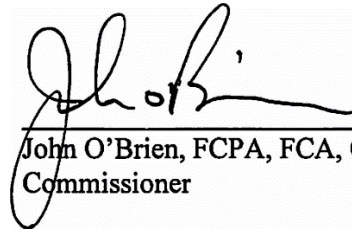
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7 **IT IS THEREFORE ORDERED THAT:**

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9 1. The revised rating program received June 1, 2020 from Royal & Sun Alliance Insurance
10 Company of Canada for its Miscellaneous Vehicles category of automobile insurance is
11 approved to be effective no sooner than November 16, 2020 for new business and renewals.

DATED at St. John's, Newfoundland and Labrador, this 15th day of June, 2020.



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



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blundon
Board Secretary