

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

**AN ORDER OF THE BOARD**

**NO. A.I. 4(2020)**

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

6 **IN THE MATTER OF** an application  
7 by S&Y Insurance Company for  
8 approval to implement a revised rating  
9 program for its Miscellaneous Vehicles  
10 category of automobile insurance.  
11  
12

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  
16

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  
20

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  
23

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  
27

28 **WHEREAS** on February 5, 2020 S&Y Insurance Company applied to the Board for approval of  
29 a revised rating program under the Reform filing option for its Miscellaneous Vehicles category  
30 of automobile insurance; and  
31

32 **WHEREAS** the rate filing proposed changes to the following types of Miscellaneous Vehicles:  
33 (i) All-Terrain Vehicles, (ii) Motorcycles and Mopeds, (iii) Snow Vehicles, (iv) Trailers and (v)  
34 Motorhomes; and

1 **WHEREAS** on February 18, 2020 the Board’s actuarial consultants, Oliver Wyman Limited,  
2 reported that the revised rating program is consistent with the Reform Filing Guidelines and is  
3 supported; and  
4

5 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the  
6 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the  
7 financial circumstances of the insurer, and do not violate the *Automobile Insurance Act* or the  
8 *Insurance Companies Act* or the respective regulations thereunder.  
9

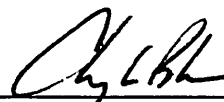
10  
11 **IT IS THEREFORE ORDERED THAT:**  
12

- 13 1. The revised rating program received February 5, 2020 from S&Y Insurance Company for its  
14 Miscellaneous Vehicles category of automobile insurance is approved to be effective no sooner  
15 than July 1, 2020 for new business and for renewals.

**DATED** at St. John’s, Newfoundland and Labrador, this 3<sup>rd</sup> day of March, 2020.



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



\_\_\_\_\_  
Christopher Pike, LL.B., FCIP  
Commissioner



\_\_\_\_\_  
Cheryl Blurdon  
Board Secretary