

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

AN ORDER OF THE BOARD

NO. A.I. 10 (2010)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22, as
3 amended (the “*Act*”);
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5 **AND**
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7 **IN THE MATTER OF** an application by
8 Primmum Insurance Company (“Primmum”)
9 to implement revised rates for its private
10 passenger vehicles classes of business.
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13 **WHEREAS** on June 23, 2010 Primmum applied to the Board for approval of a revised private
14 passenger vehicles insurance rating program which will result in rates that are higher than those
15 previously approved by the Board; and
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17 **WHEREAS** on September 23, 2010 the Board sent written notice to Primmum advising that the
18 90-day review period was extended an additional 90 days due to Primmum’s delay in responding
19 to information requests; and
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21 **WHEREAS** on October 20, 2010 the Board’s actuarial consultants, Oliver Wyman, filed a
22 report with the Board that identified issues with the rate proposals; and
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24 **WHEREAS** on November 30, 2010 Primmum submitted revised rate proposals to address the
25 issues raised in Oliver Wyman’s October 20, 2010 report; and
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27 **WHEREAS** on December 2, 2010 Oliver Wyman filed a report that concludes the November
28 30, 2010 rate proposals are based on factors and parameters determined by the Board to be
29 reasonable and are supported by information submitted in connection with the filing; and
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31 **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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1. The proposed rates and rating program for the private passenger vehicles class of business of Primmum Insurance Company is approved with effect no sooner than June 30, 2011 for new business and renewal business.

Dated at St. John's, Newfoundland and Labrador, this 8th day of December 2010.

Darlene Whalen, P.Eng.
Vice-Chair

James Oxford
Commissioner

Cheryl Blundon
Board Secretary