

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

**AN ORDER OF THE BOARD**

**NO. A.I. 2(2010)**

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

4  
5 **AND**

6  
7 **IN THE MATTER OF** an application by  
8 Metro General Insurance Corporation (“Metro”)  
9 for approval to implement revised rates for its  
10 Private Passenger class of business.

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12 **WHEREAS** on April 14, 2010 Metro applied to the Board for approval of a revised Private  
13 Passenger automobile insurance rating program; and

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15 **WHEREAS** on April 16, 2010 the Board received a report of findings from its actuarial  
16 consultants, Oliver Wyman, addressing concerns with the filed rate proposal; and

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18 **WHEREAS** Metro has applied for rates which are less than the indicated rate levels for Third  
19 Party Liability, Collision, Comprehensive and Uninsured Motorist coverages; and

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21 **WHEREAS** the Board, after due examination and analysis, has determined that the proposed  
22 rates for Third Party Liability, Collision, Comprehensive and Uninsured Motorist coverages are  
23 reasonable; and

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25 **WHEREAS** Metro has applied for rates which are higher than the indicated rate levels for  
26 Accident Benefits coverage and Underinsured Motorist coverage; and

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28 **WHEREAS** the Board, after due examination and analysis, has determined that the proposed  
29 rates for Accident Benefits and Underinsured Motorist coverages are too high in the  
30 circumstances.

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32 **IT IS THEREFORE ORDERED THAT:**

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34 1. Metro shall submit for the approval of the Board a revised rate proposal which, for each  
35 coverage, shall be no more than the rate level indications filed with the Board on April  
36 14, 2010.  
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38 2. Metro shall pay the expenses of the Board arising from this filing.

**DATED** at St. John's, Newfoundland and Labrador, this 26th day of May 2010.

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Darlene Whalen, P.Eng.  
Vice-Chair

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James Oxford  
Commissioner

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Cheryl Blundon  
Board Secretary