

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

**AN ORDER OF THE BOARD**

**NO. A.I. 13(2012)**

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 The Portage la Prairie Mutual Insurance  
9 Company for approval to implement revised rates  
10 for its Private Passengers Automobiles class of business.

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12  
13 **WHEREAS** on June 12, 2012 The Portage la Prairie Mutual Insurance Company applied to the  
14 Board for approval of a revised automobile insurance rating program for its Private Passenger  
15 Automobiles class of business (the “Application”); and

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17 **WHEREAS** the rating program proposes rates that are higher than those currently approved by  
18 the Board; and

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20 **WHEREAS** on July 10, 2012 the Board’s consulting actuaries, Oliver Wyman, filed a report of  
21 findings with the Board which identified key areas of the filing for the Board’s consideration;  
22 and

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24 **WHEREAS** based on the record the Board finds that several proposed changes have not been  
25 fully justified; and

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27 **WHEREAS** the Board accepts the proposals set out in the Application with the exception of: i)  
28 the Health Levy; ii) the finance fee revenues; iii) the profit provision; and iv) the Underinsured  
29 Motorist claims experience; and

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31 **WHEREAS** the Board will require The Portage la Prairie Insurance Company to file a revised  
32 rate proposal for its Private Passenger Automobiles class of business incorporating the findings  
33 of the Board as set out in the Reasons for Decision to be issued separately.

1 **IT IS THEREFORE ORDERED THAT:**

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- 3 1. The Application is denied.
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- 5 2. The Portage la Prairie Mutual Insurance Company shall submit for the approval of the Board,  
6 within 30 days of receipt of the Reasons for Decision, a revised rate proposal for its Private  
7 Passenger Automobiles class of business that reflects the findings of the Board as set out in  
8 the Reasons for Decision.
- 9
- 10 3. Pursuant to section 57 of the *Automobile Insurance Act* and section 90 of the *Public Utilities*  
11 *Act*, Portage la Prairie Mutual Insurance Company will be required to pay the costs of the  
12 Board associated with this filing, including the costs of the actuarial review.

**Dated** at St. John's, Newfoundland and Labrador, this 30<sup>th</sup> day of July, 2012.

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James Oxford  
Commissioner

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Dwanda Newman, LL.B.  
Commissioner

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Barbara Thistle  
Assistant Board Secretary