

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

AN ORDER OF THE BOARD

NO. A.I. 15 (2013)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22 (the “*Act*”),
3 as amended, and regulations thereunder; and
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5 **IN THE MATTER OF** an application by
6 Scottish & York Insurance Co. Limited for
7 approval to implement revised rates for its
8 Private Passenger Automobiles class of business.
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11 **WHEREAS** on June 28, 2013 Scottish & York Insurance Co. Limited applied to the Board for
12 approval of a revised automobile insurance rating program for its Private Passenger Automobiles
13 class of business; and
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15 **WHEREAS** the rating program proposes rates that are higher than those currently approved by
16 the Board; and
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18 **WHEREAS** on August 7, 2013 the Board’s actuarial consultants, Oliver Wyman Limited, filed a
19 report of findings with the Board which identified key areas of the filing for the Board’s
20 consideration; and
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22 **WHEREAS** based on the record the Board finds that several proposed changes have not been
23 fully justified; and
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25 **WHEREAS** the Board accepts the proposals to the Private Passenger Automobiles rating
26 program with the exception of: (1) the complement of credibility; (2) the profit provision; and,
27 (3) the driving record 6 and 9 qualification restrictions; and
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29 **WHEREAS** Scottish & York Insurance Co. Limited may file a revised rate proposal for its
30 Private Passenger Automobiles class of business reflecting the findings of the Board as set out in
31 the Reasons for Decision to be issued separately.
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1 **IT IS THEREFORE ORDERED THAT:**

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3 1. The application is denied.

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5 2. Scottish & York Insurance Co. Limited will be required to pay the costs of the Board
6 associated with this filing, including costs of the actuarial review.

DATED at St. John's, Newfoundland and Labrador, this 25th day of September 2013.

Darlene Whalen, P.Eng.
Vice-Chair

James Oxford
Commissioner

Cheryl Blundon
Board Secretary