

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

AN ORDER OF THE BOARD

NO. A.I. 12(2016)

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

6 **IN THE MATTER OF** an application by Elite
7 Insurance Company for approval to implement a
8 revised rating program for its Private Passenger
9 Automobiles class of business.
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12 **WHEREAS** on January 4, 2016 Elite Insurance Company applied to the Board for approval of a
13 revised rating program for its Private Passenger Automobiles class of business; and
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15 **WHEREAS** the application proposed rates for certain coverages that are higher than those
16 currently approved by the Board; and
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18 **WHEREAS** on March 17, 2016 the Board's consulting actuaries, Oliver Wyman Limited, filed a
19 report of findings with the Board which identified a number of issues with the rate proposal; and
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21 **WHEREAS** on March 17, 2016 the Oliver Wyman Limited report was provided to Elite
22 Insurance Company for comments; and
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24 **WHEREAS** on March 22, 2016 Elite Insurance Company advised the Board that it planned to
25 file a revised rate proposal; and
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27 **WHEREAS** on March 28, 2016 the Board advised Elite Insurance Company that the 90-day
28 timeline for the review of the filing had been extended to allow for adequate time to review the
29 revised rate proposal; and
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31 **WHEREAS** on April 20, 2016 Elite Insurance Company filed a revised rating program with the
32 Board; and
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34 **WHEREAS** on May 13, 2016 Oliver Wyman Limited filed an addendum to its report of findings
35 providing the opinion that the changes proposed in the revised rating program are reasonable and
36 supported based on information supplied in connection with the application; and

1 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.
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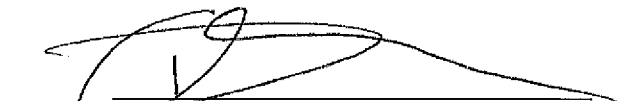
3 **IT IS THEREFORE ORDERED THAT:**
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- 5 1. The revised rating program received April 20, 2016 from Elite Insurance Company is
6 approved to be effective no sooner than September 1, 2016 for new business and renewals.
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8 2. Elite Insurance Company will be required to pay the costs of the Board associated with this
9 filing, including the costs of the actuarial review.

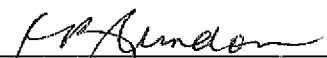
DATED at St. John's, Newfoundland and Labrador, this 10th day of June, 2016.



Darlene Whalen, P.Eng.
Vice-Chairperson



Dwanda Newman, LL.B.
Commissioner



Cheryl Blundon
Board Secretary