

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

AN ORDER OF THE BOARD

NO. A.I. 45(2020)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22, as
3 amended, and regulations thereunder; and
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5 **IN THE MATTER OF** an application by
6 Facility Association for approval to
7 implement a revised rating program for
8 all categories of automobile insurance.
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11 **WHEREAS** effective January 1, 2020 changes to the *Automobile Insurance Act* and regulations
12 thereunder came into effect which included mandatory reforms of the automobile insurance
13 product; and
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15 **WHEREAS** the mandatory reforms included the introduction of Direct Compensation Property
16 Damage (“DCPD”) coverage for all vehicles and an increase in the deductible applicable to all
17 pain and suffering awards from \$2,500 to \$5,000; and
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19 #
20 **WHEREAS** on June 23, 2020 Facility Association applied to the Board for approval of a revised
21 rating program under the Reform Filing option for all of its categories of automobile insurance,
22 including Private Passenger Automobiles, Commercial Vehicles, Interurban Vehicles, Public
23 Buses, Private Buses, Hotel and Country Club Buses, School Buses, Taxis, Ambulances, Funeral
24 Vehicles, Motorcycles, ATVs, Snow Vehicles, Motorhomes, Trailers, Camper Units, Antique and
25 Classic Vehicles, and Garage Automobiles; and

26 **WHEREAS** the proposal is made in accordance with the Board’s Reform Filing Guidelines; and
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28 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the
29 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
30 financial circumstances of the insurer, and do not violate the *Automobile Insurance Act* or the
31 *Insurance Companies Act* or the respective regulations thereunder.
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34 **IT IS THEREFORE ORDERED THAT:**
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- 36 1. The revised rating program received June 23, 2020 from Facility Association for all of its
37 categories of automobile insurance is approved to be effective no sooner than January 1, 2021
38 for new business and for renewals.

DATED at St. John's, Newfoundland and Labrador, this 2nd day of July, 2020.

Darlene Whalen, P. Eng., FEC
Chair and Chief Executive Officer

John O'Brien, FCPA, FCA, CISA
Commissioner

Sara Kean
Assistant Board Secretary