



NEWFOUNDLAND AND LABRADOR  
**BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**  
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

**Information Bulletin A.I. 2023-01**

**ISSUED: January 20, 2023**

**TO: All insurers, including Facility Association, transacting the business of automobile insurance in the province of Newfoundland and Labrador**

**SUBJECT: 2023 CLEAR Rate Group Table**

The Board advises that the 2023 CLEAR rate group table has been accepted for use by insurers writing automobile insurance business in the province. The Board encourages companies using CLEAR to adopt the 2023 CLEAR rate groups as soon as possible.

Insurers proposing to adopt the 2023 CLEAR table may do so by submitting a rate filing to the Board in accordance with the CLEAR Filing Guidelines. The following requirements must be considered prior to the preparation of a CLEAR filing:

- (1) The 2023 CLEAR table may be adopted with no adjustments to base rates if an insurer received Board approval of a filing with rate group drift reflected with a renewal effective date within nine months prior to the acceptance date of the 2023 CLEAR table (i.e., renewal effective date after April 20, 2022). Insurers who adopted IAO rates effective for renewal business on a date that falls within the nine-month window can also use this approach.
- (2) Insurers that are currently using the 2022 CLEAR table but have not received approval for a filing in accordance with (1) above may adopt the 2023 CLEAR table by applying the Board's benchmark CLEAR base rate adjustment factors. An insurer may also forego use of the Board's benchmark factors and propose to use its own factors by providing detailed calculations of all applicable steps in the filing.

For reference, the Board's benchmark CLEAR base rate adjustment factors for the 2023 CLEAR rate group table are provided below:

<b>Coverage</b>	<b>Rate Group Drift</b>	<b>Loss Trend*</b>	<b>2023 Base Rate Adjustment</b>
<b>Collision</b>	4.18%	6.5%	1.9%
<b>Comprehensive/Specified Perils</b>	4.76%	7.5%	2.3%
<b>All Perils</b>	4.35%	7.0%	2.7%
<b>Accident Benefits</b>	-1.06%	0.0%	1.1%

\*Selected loss trends are Board approved guidelines based on data through Dec.31, 2021.

Includes +4% adjustment for inflation based on an approximate expected range of +3% to +5%.

- (3) Insurers that are using an earlier version of the CLEAR table (e.g., 2021), or are proposing to adopt CLEAR for the first time, should contact Board staff to determine how to proceed. In such cases, direct contact with the Board's actuarial consultants may be recommended to determine the appropriate base rate adjustment factors to be used.

Please note that any CLEAR base rate adjustments which result in rate decreases are mandatory and must be applied in accordance with the above requirements. CLEAR base rate adjustments resulting in rate increases are optional and may be applied at the insurer's discretion.

Insurers wanting to adopt the 2023 CLEAR table may do so under the CLEAR, Mandatory, Mandatory Simplified or Supplemental filing categories. Please see the applicable filing guidelines for further details.

Should you have any questions regarding this matter please contact Mr. Ryan Oake, Manager of Insurance, at [roake@pub.nl.ca](mailto:roake@pub.nl.ca) .

Yours truly,



Cheryl Blundon  
Board Secretary