

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

**AN ORDER OF THE BOARD**

**NO. A.I. 28(2021)**

1 **IN THE MATTER OF** the *Automobile*  
2 *Insurance Act*, RSNL 1990, c. A-22,  
3 as amended, and regulations  
4 thereunder; and  
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6 **IN THE MATTER OF** an application  
7 by Co-operators General Insurance  
8 Company for approval of rating program  
9 changes for its Private Passenger  
10 Automobiles category of automobile  
11 insurance.  
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14 **WHEREAS** on June 4, 2021 Co-operators General Insurance Company (“CGIC”) applied to the  
15 Board under the Supplemental filing option for approval of rating program changes for its Private  
16 Passenger Automobiles category of automobile insurance; and  
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18 **WHEREAS** on July 8, 2021 the Board received an amendment from CGIC to correct a problem  
19 discovered in its original submission; and  
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21 **WHEREAS** CGIC proposed the following changes to its rating program:

- 22 a) various rating differential changes;
- 23 b) replacement of CLEAR rate group table with an internally developed rate group model;
- 24 c) by-value vehicle rate group table update;
- 25 d) introduction of a Part-Time Commute use variable;
- 26 e) introduction of a new capping methodology;
- 27 f) various changes to discounts and convictions; and
- 28 g) various changes to rating rules and definitions in the manual; and  
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30 **WHEREAS** CGIC proposed to off-balance its rating program changes to be revenue neutral and  
31 estimated the proposed rate level impact to be 0.0% overall on both a capped and uncapped basis;  
32 and  
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34 **WHEREAS** on July 20, 2021 the Board's actuarial consultants, Oliver Wyman Limited (“Oliver  
35 Wyman”), filed a report of findings with the Board which identified key areas of the filing for the  
36 Board's consideration; and

1 **WHEREAS** Oliver Wyman reported that it found the proposed rating program changes to be  
2 reasonable and supported based on the analysis and judgements made by CGIC; and  
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4 **WHEREAS** the Board is satisfied that the proposed changes are just and reasonable in the  
5 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the  
6 financial circumstances of the insurer, and do not violate the *Automobile Insurance Act* or the  
7 *Insurance Companies Act* or the respective regulations thereunder.  
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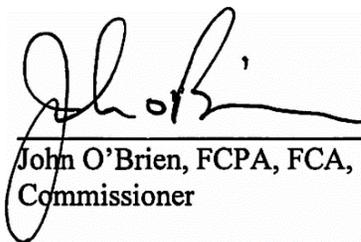
10 **IT IS THEREFORE ORDERED THAT:**  
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- 12 1. The revised rating program received July 8, 2021 from Co-operators General Insurance  
13 Company for its Private Passenger Automobiles category of automobile insurance is  
14 approved to be effective no sooner than October 13, 2021 for new business and November  
15 12, 2021 for renewals.

**DATED** at St. John's, Newfoundland and Labrador, this 17<sup>th</sup> day of August, 2021.



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



John O'Brien, FCPA, FCA, CISA  
Commissioner



Cheryl Blundon  
Board Secretary