

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

AN ORDER OF THE BOARD

NO. A.I. 16(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 S&Y Insurance Company for approval to
7 implement revised rates for its Private
8 Passenger Automobiles class of business.
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11 **WHEREAS** on June 27, 2013 S&Y Insurance Company applied to the Board for approval of a
12 revised automobile insurance rating program for its Private Passenger Automobiles class of
13 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** S&Y Insurance Company may file a revised rate proposal for its Private Passenger
30 Automobiles class of business reflecting the findings of the Board as set out in the Reasons for
31 Decision to be issued separately.

1 **IT IS THEREFORE ORDERED THAT:**

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3 1. The application is denied.

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5 2. S&Y Insurance Company will be required to pay the costs of the Board associated with this
6 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