

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

AN ORDER OF THE BOARD

NO. A.I. 9(2016)

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

5 **IN THE MATTER OF** an application by
6 Royal and Sun Alliance Insurance Company
7 of Canada for approval to implement a
8 revised rating program for its Private
9 Passenger Automobiles class of business.
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12 **WHEREAS** on January 13, 2016 Royal and Sun Alliance Insurance Company of Canada
13 applied to the Board for approval of a revised rating program for its Private Passenger
14 Automobiles class of business; and
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16 **WHEREAS** on February 5, 2016 Royal and Sun Alliance Insurance Company of Canada filed
17 amendments to its rating program based on information exchanges with the Board's consulting
18 actuaries, Oliver Wyman Limited; and
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20 **WHEREAS** on March 1, 2016 Oliver Wyman Limited filed a report of findings with the Board
21 which identified key areas of the filing for the Board's consideration; and
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23 **WHEREAS** on March 1, 2016 the Oliver Wyman Limited report was forwarded to Royal and
24 Sun Alliance Insurance Company of Canada for review and comment; and
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26 **WHEREAS** on March 7, 2016 Royal and Sun Alliance Insurance Company of Canada filed
27 comments and a revised rating program; and
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29 **WHEREAS** on March 8, 2016 Oliver Wyman Limited filed an updated report in response to
30 Royal and Sun Alliance Insurance Company of Canada's comments; and
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32 **WHEREAS** on March 9, 2016 Oliver Wyman Limited's updated report was forwarded to Royal
33 and Sun Alliance Insurance Company of Canada for review and comment; and
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35 **WHEREAS** on March 11, 2016 Royal and Sun Alliance Insurance Company of Canada filed
36 comments and a revised rating program based on alternative assumptions identified in Oliver
37 Wyman Limited's report; and

1 **WHEREAS** on March 11, 2016 Oliver Wyman Limited found the revised rating program to be
2 in-line with its findings based on the Board's Filing Guidelines; and
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4 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.
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7 **IT IS THEREFORE ORDERED THAT:**
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- 9 1. The revised rating program received March 11, 2016 from Royal and Sun Alliance Insurance
10 Company of Canada is approved to be effective no sooner than April 1, 2016 for new
11 business and May 22, 2016 for renewals.
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13 2. Royal and Sun Alliance Insurance Company of Canada shall pay the costs of the Board
14 associated with this filing, including the costs of the actuarial review.
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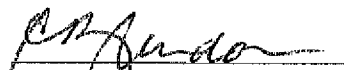
17 **Dated** at St. John's, Newfoundland and Labrador, this 30th day of March, 2016.



Darlene Whalen, P.Eng.
Vice-Chair



Dwanda Newman, LL.B.
Commissioner



Cheryl Blundon
Board Secretary