

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

**AN ORDER OF THE BOARD**

**NO. A.I. 23(2019)**

1 **IN THE MATTER OF** the *Automobile*  
2 *Insurance Act*, RSNL 1990, c. A-22 (the  
3 “*Act*”), as amended and regulations  
4 thereunder; and  
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6 **IN THE MATTER OF** an application by  
7 Dominion of Canada General Insurance  
8 Company for approval to implement a  
9 revised rating program for its Private  
10 Passenger Automobiles class of business.  
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13 **WHEREAS** effective January 1, 2020 changes to the *Act* and regulations thereunder come into  
14 effect which include mandatory reforms of the automobile insurance product; and  
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16 **WHEREAS** the mandatory reforms include the introduction of Direct Compensation Property  
17 Damage (“DCPD”) coverage for all vehicles and an increase in the deductible applicable to all  
18 pain and suffering awards from \$2,500 to \$5,000; and  
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20 **WHEREAS** on November 5, 2019 the Board implemented a simplified “Reform” filing option  
21 and Reform Filing Guidelines to expedite the approval of the mandatory reform changes; and  
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23 **WHEREAS** the Reform Filing Guidelines provide step-by-step procedures for splitting existing  
24 Board approved Third Party Liability rates into rates for Bodily Injury, Property Damage-Tort and  
25 DCPD sub-coverages as well as for reflecting the deductible increase into Bodily Injury rates; and  
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27 **WHEREAS** on November 19, 2019 Dominion of Canada General Insurance Company  
28 (“Dominion”) applied to the Board for approval of a revised rating program under the Reform  
29 filing option for its Private Passenger Automobiles class of business; and  
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31 **WHEREAS** on November 22, 2019 the Board advised Dominion that a number of their proposals  
32 were not in accordance with the requirements outlined in Directive A.I. 2019-06 and the Reform  
33 Filing Guidelines, and requested a resubmission; and  
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35 **WHEREAS** Dominion resubmitted the application on November 26, 2019; and

1 **WHEREAS** on November 28, 2019 the Board's actuarial consultants, Oliver Wyman Limited,  
2 reported that the revised rating program is consistent with the Reform Filing Guidelines and is  
3 supported; and

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5 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.  
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8 **IT IS THEREFORE ORDERED THAT:**  
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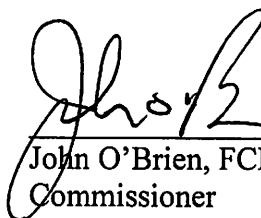
- 10 1. The revised rating program received November 26, 2019 from Dominion for its Private  
11 Passenger Automobiles class of business is approved to be effective no sooner than January  
12 20, 2020 for new business and March 1, 2020 for renewals.

**DATED** at St. John's, Newfoundland and Labrador, this 16<sup>th</sup> day of December, 2019.



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



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John O'Brien, FCPA, FCA, CISA  
Commissioner



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Cheryl Blundon  
Board Secretary