

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

AN ORDER OF THE BOARD

NO. A.I. 6(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
7 by The Dominion of Canada General
8 Insurance Company for approval to
9 implement a revised rating program
10 for its Commercial Automobiles and
11 Interurban Trucks class of business.
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14 **WHEREAS** on November 13, 2018 The Dominion of Canada General Insurance Company
15 (“Dominion”) applied to the Board for approval of a revised rating program for its Commercial
16 Automobiles and Interurban Trucks class of business; and
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18 **WHEREAS** the revised rating program proposes rates that are higher than those currently
19 approved by the Board for certain coverages; and
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21 **WHEREAS** on February 8, 2019 the Board extended the 90-day review timeline; and
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23 **WHEREAS** on February 15, 2019 the Board’s actuarial consultants, Oliver Wyman Limited
24 (“Oliver Wyman”), filed a report (“Oliver Wyman Report”) of findings with the Board which
25 identified key areas of the filing for the Board’s consideration; and
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27 **WHEREAS** the Oliver Wyman Report was forwarded to Dominion for comment on February 18,
28 2019; and
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30 **WHEREAS** on February 25, 2019 Dominion filed commentary in relation to the Oliver Wyman
31 Report; and
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33 **WHEREAS** on March 1, 2019 Oliver Wyman advised it had no further follow-up; and
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35 **WHEREAS** the Board finds that Dominion failed to justify its proposals related to: i) the loss
36 trend rates, ii) the premium trends adjustment for mix of business, iii) the complement of
37 credibility, and iv) the expense provision; and

1 **WHEREAS** Dominion may file a revised rate proposal for its Commercial Automobiles and
2 Interurban Trucks class of business reflecting the findings of the Board as set out in the Reasons
3 for Decision to be issued separately.
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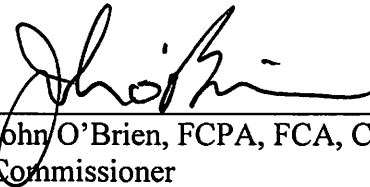
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6 **IT IS THEREFORE ORDERED THAT:**
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- 8 1. The application is denied.
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10 2. The Dominion of Canada General Insurance Company will be required to pay the costs of the
11 Board associated with this filing, including the costs of the actuarial review.


DATED at St. John's, Newfoundland and Labrador, this 29th day of March, 2019.



Darlene Whalen, P. Eng., FEC
Chair & CEO



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blundon
Board Secretary