

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

AN ORDER OF THE BOARD

NO. A.I. 28(2019)

1 **IN THE MATTER OF** the *Automobile*
2 *Insurance Act*, RSNL 1990, c. A-22,
3 (the “*Act*”), as amended and regulations
4 thereunder; and
5

6 **IN THE MATTER OF** an application
7 by Facility Association for approval to
8 implement a revised rating program for
9 its Taxis class of business.
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11
12 **WHEREAS** on September 16, 2019 Facility Association (“Facility”) applied to the Board for
13 approval of a revised rating program for its Taxis class of business; and
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15 **WHEREAS** the rating program received on September 16, 2019 proposed an overall rate change
16 of +3.9% and to expand the maximum available driving record from Driving Record 3 to Driving
17 Record 5; and
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19 **WHEREAS** on November 27, 2019 the Board’s actuarial consultants, Oliver Wyman Limited
20 (“Oliver Wyman”), filed a report (“Oliver Wyman Report”) of findings with the Board which
21 identified key areas of the filing for the Board’s consideration; and
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23 **WHEREAS** on November 27, 2019 the Oliver Wyman Report was forwarded to Facility for
24 comment; and
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26 **WHEREAS** on December 5, 2019 Facility provided commentary in relation to the Oliver
27 Wyman Report; and
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29 **WHEREAS** on December 12, 2019 Facility filed an amended rate proposal to included alternate
30 assumptions consistent with prior Board decisions; and
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32 **WHEREAS** the amended rate proposal proposes an overall rate change of +0.3% and to expand
33 the maximum available driving record from Driving Record 3 to Driving Record 5; and
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35 **WHEREAS** on December 13, 2019 Oliver Wyman reported that the amended rate proposal
36 received from Facility on December 12, 2019 was consistent with prior Board decisions for
37 Facility rate applications for its Taxis class of business; and

1 **WHEREAS** the Board is satisfied that the proposed rates are not too high in the circumstances.
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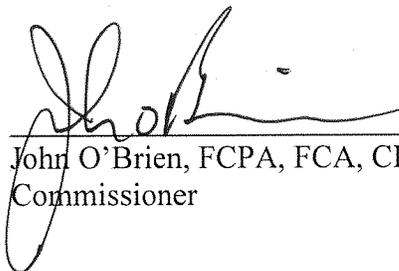
4 **IT IS THEREFORE ORDERED THAT:**
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- 6 1. The revised rating program received December 12, 2019 from Facility Association for its
7 Taxis class of business is approved to be effective no sooner than April 1, 2020 for new
8 business and renewals.
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10 2. Facility Association will be required to pay the costs of the Board associated with this filing,
11 including the costs of the actuarial review.

DATED at St. John's, Newfoundland and Labrador, this 19th day of December, 2019.



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



John O'Brien, FCPA, FCA, CISA
Commissioner



Cheryl Blundon
Board Secretary