

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

**AN ORDER OF THE BOARD**

**NO. A.I. 52(2021)**

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

6 **IN THE MATTER OF** an application  
7 by Facility Association for approval of  
8 a revised rating program for its Private  
9 Passenger Automobiles category of  
10 automobile insurance.  
11  
12

13 **WHEREAS** on November 17, 2021 Facility Association (“Facility”) applied to the Board for  
14 approval of a revised rating program for its Private Passenger Automobiles category of automobile  
15 insurance in response to Order No. A.I. 48(2021); and  
16

17 **WHEREAS** Facility proposed an overall rate level change of +6.9% based on a profit provision  
18 as a percentage of premium of 6.0% and a return on investment rate of 2.8%; and  
19

20 **WHEREAS** on November 23, 2021 the Board’s actuarial consultants, Oliver Wyman Limited,  
21 reported that the proposed rate level change was consistent with the parameters specified by the  
22 Board in Order No. A.I. 48(2021); and  
23

24 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the  
25 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the  
26 financial circumstances of the insurer, and do not violate the *Automobile Insurance Act* or the  
27 *Insurance Companies Act* or the respective regulations thereunder.  
28  
29

30 **IT IS THEREFORE ORDERED THAT:**  
31

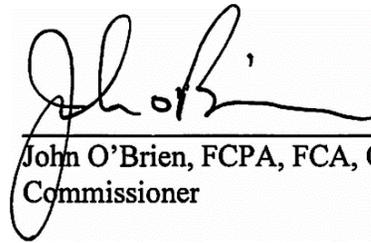
- 32 1. The revised rating program received November 17, 2021 from Facility Association for its  
33 Private Passenger Automobiles category of automobile insurance is approved to be  
34 effective no sooner than April 1, 2022 for new business and renewals.

**DATED** at St. John's, Newfoundland and Labrador, this 3<sup>rd</sup> day of December 2021.



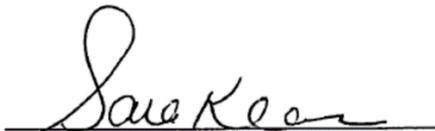
---

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



---

John O'Brien, FCPA, FCA, CISA  
Commissioner



---

Sara Kean  
Assistant Board Secretary