

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

**AN ORDER OF THE BOARD**

**NO. A.I. 54(2023)**

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 by  
7 Northbridge General Insurance  
8 Corporation for approval to implement  
9 a revised rating program for its  
10 Commercial Vehicles category of  
11 automobile insurance.  
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14 **WHEREAS** on August 17, 2023 Northbridge General Insurance Corporation (“Northbridge”) applied to the Board for approval of a revised rating program under the Mandatory filing option for its Commercial Vehicles category of automobile insurance; and  
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18 **WHEREAS** Northbridge filed an overall rate level indication of -5.14% and proposed an overall rate level change of -7.10%; and  
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21 **WHEREAS** Northbridge proposed various rating program changes including base rate changes, rate group changes, class changes, the introduction of transportation and logistic vehicles, the introduction of a new optional endorsement and various rule changes; and  
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25 **WHEREAS** on October 31, 2023 Northbridge amended its filing by withdrawing the proposed introduction of transportation and logistic vehicles; and  
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28 **WHEREAS** the rate filing was forwarded to the Board’s actuarial consultants, Oliver Wyman Limited (“Oliver Wyman”), for review and report; and  
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31 **WHEREAS** on November 7, 2023 Oliver Wyman filed a report of findings in which it found Northbridge’s proposed rating program changes to be reasonable, with the exception of the new endorsement offering for which Oliver Wyman did not offer an actuarial opinion due to a lack of available loss data; and  
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36 **WHEREAS** the Board notes that Northbridge provided detailed justification to support the new endorsement in its filing documentation and acknowledged that there was limited available data to calibrate the proposed premium at the onset of the endorsement offering; and  
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1 **WHEREAS** the Board is satisfied that Northbridge has demonstrated a benefit to consumers in  
2 offering the new optional endorsement and is satisfied that the proposed endorsement and  
3 associated premium is reasonable in the circumstances; and

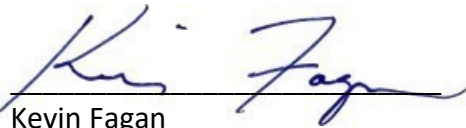
4  
5 **WHEREAS** the Board accepts Northbridge’s other proposed rating program changes including the  
6 rate group changes, class changes and rule changes; and

7  
8 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the  
9 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the  
10 financial circumstances of the insurer, and do not violate the **Automobile Insurance Act** or the  
11 **Insurance Companies Act** or the respective regulations thereunder.

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13  
14 **IT IS THEREFORE ORDERED THAT:**

- 15  
16 1. The revised rating program amended October 31, 2023 from Northbridge General Insurance  
17 Corporation for its Commercial Vehicles category of automobile insurance is approved to be  
18 effective no sooner than February 19, 2024 for new business and April 5, 2024 for renewals.

**DATED** at St. John’s, Newfoundland and Labrador, this 1<sup>st</sup> day of December, 2023.



Kevin Fagan  
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA  
Commissioner



Christopher Pike, LL.B., FCIP  
Commissioner



Jo-Anne Galarneau  
Executive Director and Board Secretary