

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

AN ORDER OF THE BOARD

NO. A.I. 23(2026)

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 Belair Insurance Company Inc. for
8 approval to implement a revised rating
9 program for its Private Passenger
10 Automobiles category of automobile
11 insurance.
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14 **WHEREAS** on December 23, 2025 Belair Insurance Company Inc. (“Belair”) applied to the Board
15 for approval of a revised rating program under the Mandatory filing option for its Private
16 Passenger Automobiles category of automobile insurance; and
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18 **WHEREAS** Belair filed an overall rate level indication of +12.6% and proposed an overall rate level
19 change of +7.0%; and
20

21 **WHEREAS** Belair proposed the following rating program changes:

- 22 • Base rate changes by coverage;
- 23 • Adoption of the 2025 CLEAR rate group tables; and
- 24 • Introduction of rating variables; and
25

26 **WHEREAS** the filing was sent to the Board’s actuarial consultants, Oliver Wyman Limited (“Oliver
27 Wyman”) for review and report; and
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29 **WHEREAS** on April 2, 2026 Oliver Wyman filed a report of findings which identified issues with
30 certain assumptions used by Belair to estimate its overall rate level indication; and
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32 **WHEREAS** Oliver Wyman found that substituting alternative assumptions it found to be more
33 reasonable for loss trends resulted in an overall rate level indication of +4.2%, lower than that
34 proposed by Belair; and

1 **WHEREAS** Oliver Wyman found Belair’s adoption of the 2025 CLEAR rate group tables and
2 introduction of new rating variables to be reasonable; and
3
4 **WHEREAS** on April 10, 2026 Belair submitted a response to the Oliver Wyman report, deeming
5 its +7.0% proposed overall rate level change to be supported due to volatility and emerging
6 experience patterns; and
7
8 **WHEREAS** on April 23, 2026 Risk Consulting Services¹ filed a rebuttal to Belair’s April 10
9 submission which affirmed agreement with the Oliver Wyman report and expressed concerns
10 with Belair’s treatment of the experience period data and its consideration of updated
11 experience data; and
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13 **WHEREAS** on May 15, 2026 Belair submitted further support for its proposal, referencing the
14 deteriorating experience suggested by updated loss trends; and
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16 **WHEREAS** on June 1, 2026 Risk Consulting Services submitted a further rebuttal reiterating its
17 concerns with Belair’s treatment of the experience data and consideration of emerging trends;
18 and
19
20 **WHEREAS** the Board acknowledges that a wide range of outcomes are possible in any prospective
21 ratemaking exercise and that the variance in the overall rate level indications produced by Belair
22 and Oliver Wyman result primarily from differing actuarial judgements on loss trends; and
23
24 **WHEREAS** the Board is satisfied that Belair has provided adequate support for its proposed
25 overall rate level change of +7.0% and that it falls within the range of reasonable outcomes in the
26 prospective ratemaking exercise; and
27
28 **WHEREAS** the Board does not accept Belair’s overall rate level indication of +12.6% for
29 consideration as residual rate level inadequacy in future filings due to the uncertainty of a
30 number of the underlying loss trend assumptions used to calculate the indication; and
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32 **WHEREAS** the Board accepts Belair’s proposed rating program changes, including the adoption
33 of the 2025 CLEAR rate group tables and introduction of new rating variables; and
34
35 **WHEREAS** the Board is satisfied that the proposed rates are just and reasonable in the
36 circumstances, do not impair the solvency of the insurer, are not excessive in relation to the
37 financial circumstances of the insurer, and do not violate the **Automobile Insurance Act** or the
38 **Insurance Companies Act** or the respective regulations thereunder.

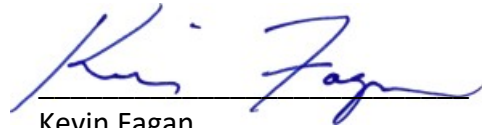
¹ Risk Consulting Services replaced Oliver Wyman Ltd. as the Board’s consulting actuaries on April 1, 2026.

1 **IT IS THEREFORE ORDERED THAT:**

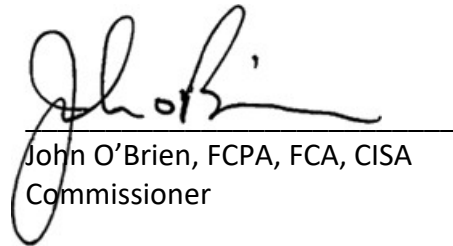
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- 3 1. The revised rating program received December 23, 2025 from Belair Insurance Company Inc.
4 for its Private Passenger Automobiles category of automobile insurance is approved to be
5 effective no sooner than July 12, 2026 and September 10, 2026 for new business and
6 renewals, respectively.

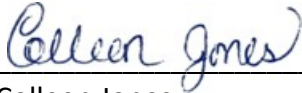
DATED at St. John's, Newfoundland and Labrador, this 5th day of June, 2026.



Kevin Fagan
Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
Commissioner



Colleen Jones
Assistant Board Secretary