



NOVA SCOTIA UTILITY AND REVIEW BOARD

Information Bulletin: INS-24-01

November 15, 2024

This publication is not a legal document. It contains general information and is provided for convenience and guidance in applying the *Insurance Act*, R.S.N.S. 1989, c. 231, (*Act*), as amended, and *Regulations*. In all circumstances, reference should be made to the legislation.

Approval of 2025 CLEAR Tables

The Nova Scotia Utility and Review Board approved the 2025 CLEAR tables (AB Alberta & Atlantic version) published by the Insurance Bureau of Canada (IBC) for use in Nova Scotia, effective **December 1, 2024**. The 2025 CLEAR rate groups for physical damage coverages (Direct Compensation Property Damage (DCPD), Collision, Comprehensive, Specified Perils and All Perils) and for Accident Benefits can now be used in Nova Scotia.

The Board encourages companies using a CLEAR table to adopt the 2025 CLEAR (AB Alberta & Atlantic) version, preferably by **April 1, 2025**.

Filing Requirements

Companies adopting the rate groups from the 2025 tables may file an application using “*Rate Filing Requirements for Automobile Insurance – Section 155G CLEAR*” to meet this requirement.

The first step requires the company to determine the change in premiums resulting from the implementation of the new table. Any impact on Accident Benefits because of the change must be off-balanced through the base rates.

For companies who have received the Board’s approval of a rate application which included complete actuarial indications with rate group drift reflected, with an effective date for renewal business after **March 1, 2024** (i.e., nine months prior to the approved effective date of the 2025 tables), no further adjustments are required to base rates. A company who adopted IAO rates effective for renewal business on a date that falls within the nine-month window can also use this approach.

Companies who do not meet the criteria above are required to adjust the base rates for Collision, Comprehensive, DCPD, All Perils, and Specified Perils uniformly across all territories using the 2025 CLEAR Benchmark Base Rate Adjustments as outlined later in this Bulletin.

Companies wanting to adopt the 2025 CLEAR tables may also apply under Section 155G using the Board’s published “*Rate Filing Requirements for Automobile Insurance – Section 155G Prior Approval*”. Priority will be given, however, to those companies using the simplified approach.

Companies adopting the CLEAR rate groups for Accident Benefits for the first time must off-balance the impact of the adoption of these rate groups through the Accident Benefits base rate. Details of this calculation must be included in the application.

CLEAR Benchmark Base Rate Adjustments

The Board used the following rate group drift (estimated by the IBC) and loss trends to develop and approve the CLEAR Benchmark Base Rate Adjustments to move to the 2025 table:

Coverages	Rate Group Drift	Benchmark Loss Trend	Benchmark Base Rate Adjustment to move from the 2024 to the 2025 CLEAR table
Collision	+3.82%	+14.40%	+7.80%
Comprehensive	+7.42%	+7.30%	-1.30%
DCPD	+4.75%	+6.20%	+0.40%
All Perils	+4.90%	+6.90%	+0.80%
Specified Perils	+7.42%	+7.30%	-1.30%
Accident Benefits	+2.16%	+1.90%	-0.60%

The Board anticipates, given mandatory filing requires a private passenger filing once every two years, that at most one year of premium trend and loss trend may not be reflected in rates for those companies who have not had a rate filing approved with an effective date within nine months of the Board's approval of the 2025 table. Therefore, only one-year trends are used in the Benchmark Rate Adjustments.

These factors **CANNOT** be used, if the company qualifies to implement the table without further adjustments (i.e., had rates approved in an application reflecting premium drift with renewal effective date after **March 1, 2024**, or has such an application currently before the Board).

Please note, CLEAR Benchmark Base Rate Adjustments resulting in rate decreases are mandatory and must be applied in accordance with the above requirements. Those adjustments resulting in rate increases are optional and may be applied at the company's discretion.

Those companies using an earlier version of the CLEAR table (e.g., 2023) or Manufacturer's Suggested Retail Price (MSRP) table should contact Board staff to determine how to proceed.

Questions

Any questions or concerns relating to approval of the 2025 CLEAR table, or the filing requirements can be directed to the following Board staff:

Barry Cotnam, Managing Director, Advisory Services (Barry.Cotnam@novascotia.ca); or
Pamela McGarrigle, Clerk (Pamela.McGarrigle@novascotia.ca)

Stephen M. McGrath, LL.B., Chair
Nova Scotia Utility and Review Board