

DECISION

**2024 NSUARB 182
M11905**

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE INSURANCE ACT

- and -

IN THE MATTER OF AN APPLICATION by **THE DOMINION OF CANADA GENERAL INSURANCE COMPANY** for approval to maintain its rates and risk-classification system for funeral vehicles

BEFORE: Jennifer L. Nicholson, CPA, CA, Member

APPLICANT: **THE DOMINION OF CANADA GENERAL INSURANCE COMPANY**

FINAL SUBMISSIONS: October 15, 2024

DECISION DATE: **November 1, 2024**

DECISION: **Application is approved**

I INTRODUCTION

[1] The Dominion of Canada General Insurance Company applied to the Nova Scotia Utility and Review Board to maintain its rates and risk-classification system for funeral vehicles.

[2] The Board must consider whether the proposed rates and risk-classification system are just and reasonable and in compliance with the *Insurance Act (Act)* and its *Regulations*. The Board is satisfied that Dominion's application meets these requirements and approves the company's proposed rates and risk-classification system.

II ANALYSIS

[3] Dominion applied under the Board's *Rate Filing Requirements for Automobile Insurance – Section 155H Expedited Approval (Rate Filing Requirements)*. Board staff prepared a report to the Board with recommendations on the application (Staff Report). Before providing the Staff Report to the Board, Board staff shared it with Dominion. The company reviewed the report and informed Board staff that it had no further comments.

[4] Board staff examined all aspects of the ratemaking procedure to make the recommendations in the Staff Report and suggested that the Board further review certain issues. Board staff consider that Dominion satisfactorily addressed all other aspects of the ratemaking procedure in its application.

[5] Dominion insures very few funeral vehicles for a small total annual premium. Given this small volume, an actuarial analysis would not produce meaningful results. Dominion proposed to keep its rates or premium formula for these vehicles unchanged.

[6] The company filed under the Board's Section 155H Expedited Approval filing requirements. Because no change is proposed, the application qualifies to be filed under these requirements. Normally, this type of filing requires evidence to support the proposal. Dominion provided no evidence except for the limited size of the portfolio of vehicles insured.

[7] Dominion could also have filed using the Board's Section 155G – Prior Approval – Minor rate filing requirements for these vehicles. Those filing requirements do not require support for a proposal to leave rates unchanged. Based on this observation and given the very small book of business and the problems it poses for meaningful analysis, Board staff recommended the Board approve the Dominion proposal to leave the rates unchanged for these vehicles. The Board agrees.

III SUMMARY

[8] The Board finds that the application follows the *Act* and *Regulations*, as well as the *Rate Filing Requirements*.

[9] The Board finds the proposed rates are just and reasonable, and approves the updates effective February 15, 2025, for new business and March 15, 2025, for renewal business.

[10] Board staff recommends the Board approved the proposed effective dates. The Board agrees.

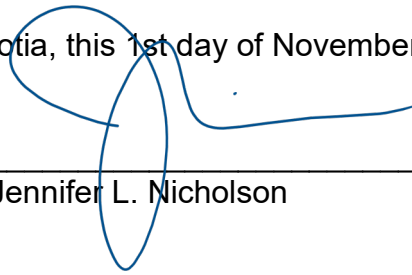
[11] The financial information supplied by Dominion satisfies the Board, under Section 155I(1)(c) of the *Act*, that the proposed changes are unlikely to impair the solvency of the company.

[12] The application qualifies to set a new mandatory filing date under the *Mandatory Filing of Automobile Insurance Rates Regulations*. The new mandatory filing date for Dominion for funeral vehicles is October 1, 2027.

[13] Board staff reviewed Dominion's Automobile Insurance Manual filed with the Board and did not find any instances where the Manual contravened the *Act* or *Regulations*. Because Dominion proposed no changes, the Board does not require Dominion to provide an updated manual.

[14] An order will issue accordingly.

DATED at Halifax, Nova Scotia, this 1st day of November, 2024.



Jennifer L. Nicholson