

**Notice 01-2015**  
**February 4, 2015**

**Notice to all Stakeholders:**  
**Semi-annual Review of Industry Experience as of June 2014 for Private Passenger Vehicles**

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders that the AIRB is commencing its 2015 semi-annual review. This review analyzes industry loss experience as of June 2014 for private passenger vehicles to establish Industry Benchmarks which will be used in its review of insurers' rate filings for basic and additional coverage effective April 1, 2015.

**Background:**

On July 1, 2014, Section 9 of the new *Automobile Insurance Premiums Regulations* came into effect requiring the AIRB to conduct an annual review. The format of this review is as follows:

**Annual Review** - Each August/September an annual review will be held for the Board to consult with interested stakeholders through an open meeting. Prior to the meeting, the Board will issue a Notice to all Stakeholders that the Board's consulting actuary has completed their draft Review of Industry Experience (as of December 31<sup>st</sup>) for Private Passenger Vehicles. This draft report will be posted to the AIRB website (<https://airb.alberta.ca/industry-information/annual-review/>). Stakeholders will be invited to provide input by presentation at an open meeting, written submission to the Board or through the Consumer Representative. The consulting actuary will then update their draft report based on any new information provided by stakeholders and submit a final report to the Board. The Board will then issue a Bulletin to all Stakeholders providing the industry benchmarks which will be used in its review of insurers' rate filings effective October 1<sup>st</sup> of that year.

In addition to the annual review the Board believes that it should be using the most current available data in its review of rate filings and as such has introduced a semi-annual review. The format of this review is as follows:

**Semi-annual Review** - Each February/March a semi-annual review will take place whereby the Board will consult with interested stakeholders in written format. The Board will initiate this process via a Notice to all Stakeholders that the Board's consulting actuary has completed their draft Review of Industry Experience (as of June 30<sup>th</sup>) for Private Passenger Vehicles. This draft report will be posted to the AIRB website (<https://airb.alberta.ca/industry-information/annual-review/>). A notice will provide Stakeholders with approximately three weeks to provide input by written submission to the AIRB. The consulting actuary will then update their report based on any new information provided by stakeholders and submit a final report to the Board. The Board will then issue a Bulletin to all Stakeholders providing industry benchmarks which will be used in its review of insurers' rate filings effective April 1<sup>st</sup> of that year.

**Important Dates:**

1. February 3, 2015 Board Draft Review of Industry Experience posted to AIRB website [www.airb.alberta.ca](http://www.airb.alberta.ca)
2. February 23, 2015 Deadline for written submissions
3. March 30, 2015 Board's final semi-annual report along with rate filing benchmarks posted to website

The Boards consulting actuary's (Oliver Wyman) draft report on industry experience has been posted to the AIRB's website [www.airb.alberta.ca](http://www.airb.alberta.ca). Stakeholders are invited to comment on the report by sending written submissions by:

**Email to** [AIRB@gov.ab.ca](mailto:AIRB@gov.ab.ca)

**Or by**

**Mail or Courier to**

Automobile Insurance Rate Board  
2440 Canadian Western Bank Place  
10303 Jasper Avenue  
Edmonton, AB T5J 3N6

**Public disclosure of all written submissions:**

Subject to section 816 of the *Insurance Act*, any information (including personal or business information) that is submitted to the Board for consideration in the semi-annual review process will be made available to the public upon request to the Board.

Should you have any questions relating to this Notice, please contact our office at 780-427-5428 or Alberta toll free at 310-0000 or by email [del.dyck@gov.ab.ca](mailto:del.dyck@gov.ab.ca) or [vivian.cao@gov.ab.ca](mailto:vivian.cao@gov.ab.ca)

The AIRB appreciates any and all input into this important review.

Del Dyck, CMA, CLGM  
Executive Director,  
Automobile Insurance Rate Board