

Notice to Interested Parties

Annual Review of Industry Experience as of December 31, 2024 for Private Passenger Vehicles

Purpose

The Automobile Insurance Rate Board (AIRB) is issuing this notice to advise all stakeholders the AIRB has commenced its 2025 annual review for private passenger vehicles (PPV). This review analyzes industry loss experience as of December 31, 2024, for PPV to establish Industry Benchmarks used in the review of insurers' rate filings and opining on the reasonableness of assumptions for submission on or after October 1, 2025.

Background

Section 9 of the Automobile Insurance Premiums Regulation requires the AIRB to conduct an annual review of automobile insurance trends and premiums for PPV. The AIRB believes it should use the most current available data in its review of rate filings and as such also conducts a semi-annual review for PPV and an annual review for commercial vehicles.

Process

Annually, the AIRB requests its consulting actuary, Oliver, Wyman Limited, (Oliver Wyman) to complete a draft Review of Industry Experience (report), as of December 31 once the data is available. The AIRB reviews the draft report and seeks feedback from interested parties. This Notice initiates this feedback process and provides a timeline of important dates and ways to participate and provide input to the AIRB.

The draft report is available on the AIRB website. Oliver Wyman will review all comments received, update their report based on any new information provided and submit a final report to the AIRB. The AIRB will review and approve the final report and issue a Bulletin providing the Industry Benchmarks used as a reference when reviewing individual insurer rate filings and opining on the reasonableness of assumptions for submissions made on or after October 1.

In addition, the Consumer Representative's draft report on her findings on consumer perspectives for 2025 has been posted to the AIRB website. She welcomes comments during the annual review, ways to participate are noted below.

Important Dates

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| 1 June 17, 2025 | Preliminary Review of Industry Experience posted to AIRB website |
| 2 July 4, 2025 | Deadline for letter of intent to present at open meeting |
| 3 July 17, 2025 | Deadline for written submissions |
| 4 August 14, 2025 | Open Meeting |
| 5 August 14, 2025 | Submissions and presentation materials posted to AIRB website |
| 6 September 30, 2025 | Final Review of Industry Experience and Industry Benchmarks posted to website |

Participate in Annual Review

There are four ways for interested parties to participate in the Annual Review:

1 Present at the Open Meeting

Submit a letter of intent to present to the AIRB during the Open Meeting by Friday July 4. The purpose of a submission process is to ensure presentations are within the scope of the Annual Review and relate to industry-wide experience.

The Annual Review Open Meeting is held only to receive comments about automobile insurance loss cost trends and other related industry benchmarks. Any submissions including discussion of long-term product reform, the Good Driver Rate Cap, the Grid Rating System or other topics outside the scope of this review will **not** be accepted.

Presenters will be notified of their scheduled time to present at the Open Meeting. Presenters must file their written submission and copy of their presentation with the AIRB by **2:00 PM MDT Thursday, July 17**. Your presentation should contain accurate information, based on current circumstances and relevant to the Alberta insurance market. The presenters' submissions and presentation materials introduced at the Open Meeting will be posted to the AIRB website Thursday, August 14 following the meeting.

2 Share your Comments



As an alternative to making a presentation, the AIRB will accept written submissions on issues related to the Annual Review. Written submissions must be received by **2:00 PM MDT Thursday, July 17**. Submissions will be posted to the AIRB website Thursday, August 14, following the Open Meeting. As outlined above, any written submission containing content outside the scope of the review will **not** be accepted.

3 Contact the Consumer Representative


The AIRB will accept comments on the Consumer Perspective on Automobile Insurance Report on behalf of the Consumer Representative, Ms. Catherine Manten. Written comments must be received by **2:00 PM MDT Thursday, July 17**. During the Open Meeting, the Consumer Representative will present a report to the AIRB on the input she has received. Her preliminary report was posted on the AIRB website on June 17, 2025.

4 Attend as an Observer

The Annual Review is a public process, conducted over video conferencing to ensure access to all interested parties, however:

-  Only those parties whose letter of intent to participate are approved by the AIRB will be permitted to present and address the AIRB during the meeting.
-  The AIRB reserves the right to go into in-camera sessions if necessary to protect proprietary data during the Open Meeting.

Action Required



The AIRB invites all interested parties to review Oliver Wyman's Preliminary Review of Industry Experience posted to the AIRB's website, and those wishing to comment either the actuarial or the Consumer Representative's report should advise of intent to present and send written submissions by Email to airb@gov.ab.ca no later than the dates and times outlined above.

The AIRB will **only** hear information related to the AIRB's consulting actuary's Preliminary Review of Industry Experience, and AIRB Benchmarks. Presentations straying from these two topics will not be accepted as noted above.

Public disclosure of all written submissions

Subject to section 816 of the Insurance Act, any information (including personal or business information) submitted to the AIRB for consideration in the annual review process will be made available on our website.

Should you have any questions relating to this Notice, please contact our office at (780) 427-5428 or by email: airb@gov.ab.ca.

The AIRB appreciates all input into this important review.

Laurie Balfour, MBA, CPA, CMA
Executive Director