

FILED
NOV 23 2021
Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

ELECTRIC INSURANCE COMPANY
Idaho Certificate of Authority No. 1006
NAIC ID No. 21261

Docket No. 18-4016-21

**ORDER AUTHORIZING BLOCK
NONRENEWAL**

On or about September 23, 2021, the Idaho Department of Insurance (“Department”) received a request from ELECTRIC INSURANCE COMPANY (“ELECTRIC”) for authorization to block nonrenew personal auto insurance policies in Idaho. ELECTRIC represents that it transitioned to a new policy administration system and that the cost of implementation necessitated the withdrawal from the personal auto insurance market in 13 states, including Idaho. On or about November 9, 2021, ELECTRIC provided additional information to the Department detailing the outcome of its efforts to offer affected Idaho policyholders coverage through an affiliated insurer.

ELECTRIC seeks an exception to Idaho Code § 41-2507’s general prohibition against block nonrenewal of personal auto insurance policies. In support of its request, ELECTRIC cites Idaho Code § 41-2509(2) and states that the cost of attempting to transition its Idaho policies to the new system or maintain the policies outside the system would cause it significant financial stress and potential risk to its policyholders. *See* Idaho Code § 41-2509(2) (stating, in summary, that the block nonrenewal prohibition will not apply if the Director consents to nonrenewal upon

the insurer's showing that continuing the insurance likely would create a condition in the insurer hazardous to its policyholders). ELECTRIC'S proposed block nonrenewal would affect approximately 9 Idaho policyholders.

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-1841(1) and 41-2509(2), and acting pursuant to the authority set forth in Idaho Code § 41-210(2), hereby finds that the effective date of the contemplated block nonrenewal must comply with the 120-day notice requirement to the Director set forth in Idaho Code § 41-1841(1), and further finds that it is in the best interest of affected policyholders, as well as ELECTRIC, to allow the nonrenewal described above, in accordance with the Director's discretionary authority as set forth in Idaho Code § 41-2509(2). Based on these findings, and good cause appearing;

IT IS HEREBY ORDERED that ELECTRIC may block nonrenew its personal auto insurance policies delivered or issued for delivery in Idaho. Such nonrenewals shall begin at policy renewal dates on and after January 21, 2022, which is 120 days from ELECTRIC's notice to the Department. ELECTRIC shall properly notify affected policyholders in accordance with Idaho law and with any applicable notice terms in the subject policies.

This Order is a final order of the Director and is effective immediately.

DATED this 23rd day of November, 2021.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 23rd day of November, 2021, I caused a true and correct copy of the foregoing ORDER AUTHORIZING BLOCK NONRENEWAL to be served upon the following by the designated means:

Electric Insurance Company
75 Sam Fonzo Drive
Beverly, MA 01915-1000
martha.driscoll@electricinsurance.com

- first class mail
- certified mail
- hand delivery
- via facsimile
- via email

Karl T. Klein
Lead Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile
- via email



Pamela Murray