



ORDER NUMBER
G-146-17

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

the *Insurance Corporation Act*, R.S.B.C. 1996, Chapter 228, as amended

and

Insurance Corporation of British Columbia
Revenue Requirements Application for Universal Compulsory Automobile Insurance
Effective November 1, 2017

BEFORE:

B. A. Magnan, Panel Chair/Commissioner
R. D. Revel, Commissioner
D. J. Enns, Commissioner

on September 22, 2017

ORDER

WHEREAS:

- A. On September 15, 2017, the Insurance Corporation of British Columbia (ICBC) filed an application with the British Columbia Utilities Commission (Commission) for its 2017 Revenue Requirements for Universal Compulsory Automobile Insurance (Basic insurance), seeking a Basic insurance rate increase of 6.4 percent for the policy year commencing November 1, 2017, among other requests (Application);
- B. In accordance with Special Direction IC2 to the British Columbia Utilities Commission, BC Regulation 307/2004 (Special Direction IC2), as amended by Order in Council (OIC) No. 310/2017, the Commission must require ICBC to apply by September 15, 2017, for a general rate change order for rates to be effective November 1 of that year;
- C. In the Application, ICBC seeks approval of a 6.4 percent increase in Basic insurance rates to apply as follows:
 - (i) Pursuant to section 89 of the *Utilities Commission Act*, and section 15 of the *Administrative Tribunal Act*, the rate increase to apply on an interim basis for all policies with an effective date on or after November 1, 2017;
 - (ii) The Basic insurance rate increase to be made permanent on or after the first day of the first month that is at least 60 days following the Commission's final decision on the Application;
- D. The jurisdiction of the Commission with respect to the regulation of ICBC's revenue requirements and rate is restricted by legislation to Basic insurance. The Commission has no jurisdiction over ICBC's Optional insurance business; and

- E. The Commission has commenced review of the Application and finds that establishing an interim rate is warranted.

NOW THEREFORE the Commission orders as follows:

1. Pursuant to section 89 of the *Utilities Commission Act*, the requested 6.4 percent increase to Basic insurance rates on an interim basis is approved for implementation for all new or renewal policies following the issuance of this interim rate order with an effective date on or after November 1, 2017. Any variance from the interim rate is subject to refund with interest calculated for the interim period at an average prime rate of the principal bank with which ICBC conducts its business. The Commission will determine the manner by which any variance between the approved interim rate and the approved permanent rate will be refunded or collected at the time the Commission renders its decision on the Application.
2. ICBC is to provide notice to all Basic insurance policyholders affected by the interim rate increase and the conditions under which it is subject to refund or additional billing. The notice will be given with the Renewal Reminder or other similar form issued by ICBC to Basic insurance policyholders in the ordinary course of business for renewal policies and at the time of purchase for new policies.
3. The Commission will accept, subject to a timely filing, the amended Basic insurance rate schedule in accordance with the terms of this order.
4. A regulatory timetable for review of the Application, as set out in Appendix A to this order, is hereby established.
5. ICBC must publish in display-ad format, in a timely manner, the Public Notice attached as Appendix B to this order, in the appropriate local news publications, so as to properly provide adequate notice to the public.
6. Interveners are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website at <http://www.bcuc.com/Documents/Participant-Info/Request-to-intervene.pdf>, by the end of day, Thursday, October 26, 2017, in accordance with the Commission's Rules of Practice and Procedures.
7. ICBC must provide a copy of this order, electronically where possible, to all parties who participated in the ICBC 2016 Revenue Requirements Application proceeding.
8. The Application will be made available to the public for inspection at the Head Office of ICBC at 151 West Esplanade, North Vancouver, BC V7M 3H9 and on ICBC's website.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of September 2017.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner

Attachments

Insurance Corporation of British Columbia
Revenue Requirements Application for Universal Compulsory Automobile Insurance
Effective November 1, 2017

REGULATORY TIMETABLE

Action	Date
Intervener and Interested Party Registration	Thursday, October 26, 2017
Further process	To be determined

PUBLIC NOTICE

Insurance Corporation of British Columbia 2017 Revenue Requirements Application

On September 15, 2017, the Insurance Corporation of British Columbia (ICBC) filed an application with the British Columbia Utilities Commission (Commission) seeking approval of a 6.4 percent rate increase to Basic automobile insurance as of November 1, 2017 (Application).

HOW TO PARTICIPATE

There are a number of ways to participate in a matter before the Commission:

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervener status**

For more information, or to find the forms for any of the options above, please visit our website or contact us at the information below.

www.bcuc.com/RegisterIndex.aspx

All submissions received, including letters of comment, are placed on the public record, posted on the Commission's website and provided to the Panel and all participants in the proceeding.

NEXT STEPS

Intervener registration - Persons who are directly or sufficiently affected by the Commission's decision or have relevant information or expertise and that wish to actively participate in the proceeding can request intervener status by submitting a completed Request to Intervene Form by Thursday, October 26, 2017.

GET MORE INFORMATION

All documents filed on the public record are available on the "Current Proceedings" page of the Commission's website at www.bcuc.com.

If you would like to review the material in hard copy, or if you have any other inquiries, please contact Patrick Wruck, Commission Secretary, at the following contact information.

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