



**ORDER NUMBER
G-203-19**

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

and

the *Insurance Corporation Act*, RSBC 1996, Chapter 228, as amended

and

Insurance Corporation of British Columbia
August 2019 Basic Insurance Rate Design Update Tariff Amendments Application

BEFORE:

B. A. Magnan, Commissioner

on August 30, 2019

ORDER

WHEREAS:

- A. On August 21, 2019, the Lieutenant Governor in Council approved Order in Council (OIC) No. 467/19 directing the Insurance Corporation of British Columbia (ICBC) to apply to the British Columbia Utilities Commission (BCUC), by August 23, 2019, for approval of rate design amendments as set out in OIC 467/19 (the August 2019 Rate Design Directive);
- B. On July 8, 2019, the Lieutenant Governor in Council approved OIC 468/19, amending *Special Direction IC2 to the British Columbia Utilities Commission, B.C. Reg. 307/2004* (Special Direction IC2) such that, within 10 days of ICBC applying for changes to its rate design in accordance with the August 2019 Rate Design Directive, the BCUC must approve and set the changes to rates;
- C. On August 21, 2019, in accordance with OIC 467/19, ICBC filed its August 2019 Basic Insurance Rate Design Update Tariff Amendments Application (Application) to the BCUC. In the Application, ICBC submits that the Basic insurance Tariff (Tariff) rate design amendments set out in the Application are prescribed by the Government and are consistent with the legislative and regulatory framework in which ICBC and the BCUC operate, including government directives;
- D. ICBC seeks approval of the amended Tariff pages in the August 2019 Rate Design Directive, as provided in Appendix A of the Application, to be effective September 1, 2019. These Tariff amendments relate to matters arising since the ICBC 2018 Basic Insurance Rate Design Application and 2019 Basic Insurance Rate Design Update Tariff Amendments Application, reviewed and approved in accordance with OICs 458/18, 459/18, 222/19 and 226/19 by BCUC Orders G-188-18, G-244-18 and G-109-19;

- E. In the Application, ICBC explains that these Tariff amendments make changes that exclude chargeable claim payments made in respect of at-fault crashes of an emergency vehicle from the personal claim payment record of the drivers of emergency vehicles, and allow further time for fleet operators to understand and manage the impacts of the new rate design for their organization;
- F. Order G-188-18 directed ICBC, among other things, to file on an annual basis a report on the results and impact of the new rate design starting December 31, 2021; and
- G. The BCUC reviewed and considered the Application in accordance with OICs 467/19 and 468/19, and considers that approval is required as directed. The BCUC has not reviewed the Application for its regulatory justification.

NOW THEREFORE the BCUC orders as follows:

- 1. The Tariff pages attached in the August 2019 Rate Design Directive are approved as filed, effective September 1, 2019.
- 2. ICBC is directed to incorporate the results and impact of the rate design amendments set out in this Application within the scope of its annual reporting to be BCUC, as established by Order G-188-18.

DATED at the City of Vancouver, in the Province of British Columbia, this 30th day of August 2019.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner