



ORDER NUMBER
G-188-24

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
Blanket Certificate for the Motion Picture Industry

BEFORE:

B. A. Magnan, Commissioner

on July 12, 2024

ORDER

WHEREAS:

- A. On June 26, 2024, the Insurance Corporation of British Columbia (ICBC) filed an application with the British Columbia Utilities Commission (BCUC) for approval of a Blanket Certificate for the Motion Picture Industry (Application), in accordance with Order in Council (OIC) No. 352 approved and ordered on June 18, 2024;
- B. In accordance with the amendments to the Insurance (Vehicle) Regulation made by OIC No. 352/24, the Motion Picture Rental (MPR) blanket certificate may be issued to persons producing motion picture productions who, for use in motion picture productions, rent vehicles for periods as specified within the regulation;
- C. The BCUC's jurisdiction with respect to the regulation of ICBC's Basic insurance is set out by the *Insurance Corporation Act* and *Special Direction IC2 to the BCUC, BC Regulation 307/2004 as amended*. The BCUC does not regulate ICBC's Optional insurance business;
- D. The BCUC has commenced its review of the Application and considers that establishing a regulatory timetable for the review of the Application is warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
- 2. ICBC is directed to provide the supplemental information as outlined in Appendix B by the date established in the regulatory timetable.

3. ICBC must provide notice of the Application and this order, electronically where possible, to (i) parties that ICBC consulted within the motion picture industry and Creative BC and (ii) all registered interveners in the 2023 Revenue Requirements Application proceeding by the date established in the regulatory timetable.
4. ICBC is directed to provide written confirmation to the BCUC that it has complied with Directive 3 by the date established in the regulatory timetable.

DATED at the City of Vancouver, in the Province of British Columbia, this 12th day of July, 2024.

BY ORDER

Original signed by:

B. A. Magnan
Commissioner

Insurance Corporation of British Columbia
Blanket Certificate for the Motion Picture Industry

REGULATORY TIMETABLE

Action	Date (2024)
ICBC notice of Application	Thursday, July 18
ICBC confirmation of compliance with notice requirements	Monday, July 22
ICBC supplemental information	Wednesday, July 31
Letters of comment deadline	Thursday, August 8
ICBC reply to letters of comment (if any)	Thursday, August 15

Insurance Corporation of British Columbia
Blanket Certificate for the Motion Picture Industry

SUPPLEMENTAL INFORMATION TO BE PROVIDED BY ICBC

1. **Eligibility** – ICBC submits that non-BC registered vehicles will be ineligible for a MPR Blanket Certificate.¹ Please explain whether the status of where the company is registered (i.e. BC or non-BC registered production company) affects the eligibility of purchasing a MPR Blanket Certificate.
2. **Customer Rating** – ICBC states that “... there is no ability for any individual production company to develop sufficient loss experience to earn a discount on their insurance premiums.”² If an individual customer cannot earn discounts, please confirm that there is also no ability to apply surcharges. In case of an at-fault claim or multiple claims, please explain how the discount factor for an individual customer is adjusted, if at all.
3. **Administration** – ICBC notes that production companies typically dissolve after production is complete and may not be able to provide a claim repayment.³ Please clarify how ICBC will administer payouts to, or collections from, customers if their company dissolves after production.
4. **Territory Rating** – ICBC states that “... the motion picture industry seeks to have a product that provides flexibility to work in various filming locations with the added simplicity of reduced reporting overhead for territories in which the vehicles are used or operated.” To accommodate this need, ICBC will use Territory D – Lower Mainland for all vehicle categories.⁴ Please confirm that ICBC will apply Territory D – Lower Mainland for all MPR Blanket Certificates. If other territories may be used, please specify under what conditions.
5. **Actuarial Judgement** – ICBC selected a MPR factor of 0.37 (or 63% discount), based on “... actuarial judgment in accordance with accepted actuarial practice after consideration of total premiums collected by the vehicle owners, repayments that were made by MPR customers prior to this change, and the added expense and risk of introducing a new product.”⁵ Please provide summary estimates by each component of ICBC’s actuarial considerations to support the MPR factor of 0.37.
6. **Estimated Annual Premiums** – Please provide calculations to support ICBC’s estimated \$3.1 million in annual premium based on the data referenced in Figure 4.⁶
7. **Term Length** – ICBC states that the MPR Blanket Certificate will be available for a 12-month non-renewable term with a minimum premium of \$50.⁷ Please clarify whether customers are allowed to purchase a MPR Blanket Certificate for periods of less than a 12-month term (e.g. 1-month, 3-month, or 6-month) considering the length of different project types.

¹ Exhibit B-1, p. 3.

² Exhibit B-1, p. 8.

³ Exhibit B-1, p. 1.

⁴ Exhibit B-1, p. 9.

⁵ Exhibit B-1, p. 8.

⁶ Exhibit B-1, p. 10.

⁷ Exhibit B-1, p. 4.

8. **Minimum Retained Premium** – ICBC proposes to retain 100% of premiums if the customer cancels their MPR Blanket Certificate on or after the policy effective date.⁸ Please explain why ICBC proposes to retain 100% of premiums instead of a fixed amount (e.g. \$50 minimum premium retained).
9. **Evaluation and Monitoring** – ICBC states that it will re-evaluate the MPR factor in three years or once sufficient claims experience is gained by the industry.⁹
 - a. Please specify what information is required to meet the threshold of “sufficient claims experience”.
 - b. Please provide performance indicators that ICBC will use to measure the success of the MPR Blanket Certificate.

⁸ Exhibit B-1, p. 4.

⁹ Exhibit B-1, p. 8.