

BRITISH COLUMBIA
UTILITIES COMMISSION

ORDER

NUMBER G-159-10

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IN THE MATTER OF the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

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

and

An Application by the Insurance Corporation of British Columbia for Approval of Consequential Tariff Amendments to Reflect Changes to the Motor Vehicle Act for New Driving Prohibitions

BEFORE: L.F. Kelsey, Commissioner

October 21, 2010

D.A. Cote, Commissioner

ORDER

WHEREAS:

- A. On October 8, 2010, the Insurance Corporation of British Columbia (ICBC) submitted to the British Columbia Utilities Commission (Commission) an application for consequential tariff amendments to reflect changes to the Motor Vehicle Act (MVA) for new driving prohibitions. ICBC proposes amending the definition of "Roadside Suspension" in Schedule E Driver Penalty Point Premium and Driver Risk Premium in the Basic Insurance Tariff (Tariff) by adding the words "or prohibition" and "215.43" to reflect the MVA amendments;
- B. Previously, on October 7, 2009 the Commission by Order G-126-07 approved the Driver Risk Premium (DRP) program for ICBC. The DRP program at that time considered roadside suspensions under sections 90.3 and 215 of the MVA for 12 and 24-hour driver licence suspensions. Roadside suspensions issued under these sections of the MVA are also used for assessing additional annual premium under the DRP program to those drivers who receive two or more roadside suspensions within a three-year scan period to reflect the additional risk of causing crashes;
- C. Subsequently, on April 27, 2010 the provincial government introduced legislation for changes to the impaired driving provisions in the MVA which came into effect on September 20, 2010. The amendments to the MVA include new driving prohibition provisions (section 215.43) for additional and escalating roadside suspensions based on roadside screening device readings administered by law enforcement. ICBC expects that law enforcement officials will primarily issue driving prohibitions under section 215.43 of the MVA and the use of sections 90.3 and 215 of the MVA is expected to decline. Without an amendment to the Tariff's

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definition of "Roadside Suspension" that includes the new section 215.43 of the MVA, drivers receiving these new prohibitions will not be assessed the DRP;

- D. ICBC submits the new driving prohibitions will continue to target the same driving behaviours, which resulted in roadside suspensions under the previous legislation. Accordingly, consistent with the original intent of the DRP program, ICBC believes it is appropriate that the new driving prohibitions also be considered under the DRP program in order to continue to recognize the increased risk of crashes that is associated with drivers who receive roadside suspensions or driving prohibitions;
- E. The Commission has considered the application and finds its approval is warranted.

NOW THEREFORE the Commission approves the proposed amendments to Schedule E – Driver Penalty Point Premium and Driver Risk Premium in the Basic Insurance Tariff, effective October 21, 2010.

DATED at the City of Vancouver, in the Province of British Columbia, this 22nd day of October 2010.

BY ORDER

Original signed by:

D.A. Cote Commissioner