

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-127-15

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, BC V6Z 2N3 CANADA
web site: <http://www.bcuc.com>

TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102



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 Basic Insurance Tariff Amendments

BEFORE: L. F. Kelsey, Commissioner
C. A. Brown, Commissioner July 23, 2015
H. G. Harowitz, Commissioner
D. M. Morton, Commissioner

O R D E R

WHEREAS:

- A. By Order G-102-14 dated July 24, 2014, the British Columbia Utilities Commission (Commission) approved amendments to the Basic insurance Tariff (Tariff) filed by the Insurance Corporation of British Columbia (ICBC) with effective dates July 31, 2014 and November 1, 2015 as shown in Appendix A in that Order;
- B. On June 30, 2015, ICBC submitted an application to amend the Tariff regarding its business practices that will be built into the new policy administration system (PAS) (Application);
- C. In the Application, ICBC requests approval of the following:
 - (i) Tariff amendments that do not require systems or forms changes, effective on July 31, 2015, as outlined in Appendix A of the Application;
 - (ii) Tariff amendments that do require systems or forms changes, with an effective date that would align with the implementation of ICBC's new policy administration system (PAS), as outlined in Appendix B of the Application;
 - (iii) Tariff amendments previously approved under Order G-102-14 that have an effective date of November 1, 2015, now be changed to align the effective date with the implementation of the new PAS;

**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER** G-127-15

2

- D. In the Application, ICBC submits that the proposed amendments to the Tariff will improve clarity and consistency for customers, brokers, and staff, and are required to align the Tariff wording with ICBC's business practices;
- E. On July 20, 2015, ICBC filed responses to Commission information requests on the Application;
- F. The Commission reviewed the Application and considers that the Tariff amendments are warranted.

NOW THEREFORE the British Columbia Utilities Commission orders as follows:

1. The requested Basic Insurance Tariff (Tariff) amendments are approved, effective July 31, 2015, as applied for in the Application and shown as items 1 through 3 in Appendix A to this order.
2. The requested Tariff amendments are approved with an effective date to be finalized that will align with the implementation of the new policy administration system (PAS), to be applied to new policies, shown as items 4 and 5 in Appendix A to this order.
3. The requested change of the November 1, 2015 effective date as established by Order G-102-14 to an effective date that will coincide with the implementation of the new PAS is approved.
4. ICBC is directed to file finalized Tariff pages at least 30 days prior to the implementation date of the new PAS.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of July 2015.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachment

**Insurance Corporation of British Columbia
Basic Insurance Tariff Amendments**

Item	Amendment	Tariff Page	Effective Date
1	Clarifications Regarding Refunds on Cancellations (a) Refunds on Cancellations (b) Methods for Calculating Refunds on Cancellations ¹ (c) Backdated Refunds	<ul style="list-style-type: none"> • Basic Insurance Premiums, page 34, Section 2.H • Schedule T: Per Diem Calculations, pages 1 to 23 	July 31, 2015
2	Update Premium Prorate Instructions – Rename “Schedule T: Per Diem Calculations” to “Premium Prorate Instructions” for month end certificate expiries and non-month end expiries (Stage 1)	<ul style="list-style-type: none"> • Index, page 5 • Schedule T: Per Diem Calculations 	July 31, 2015
3	Clarification of Premiums for New Certificates with No Principal Operators	<ul style="list-style-type: none"> • Schedule D: Claim-Rated Scale, page 5, Section 5.2(b) 	July 31, 2015
4	Update Premium Prorate Instructions – Delete section relating to premium prorate instructions for month end expiries (Stage 2)	<ul style="list-style-type: none"> • Schedule T: Per Diem Calculations 	To be finalized – effective date to align with the new Policy Administration System (PAS)
5	Streamlining Minimum Premiums and Minimum Retained Premiums (a) References to Minimum Premiums and Minimum Retained Premiums (b) Standardizing Minimum Premiums and Minimum Retained Premiums	<ul style="list-style-type: none"> • Index, pages 2, 4, and 5 • Basic Insurance Premiums, page 3, Section 2.C.2 • Basic Insurance Premiums, page 5, Section 2.D.2.2 • Basic Insurance Premiums, page 34, Section 2.H.1 • Basic Insurance Premiums, page 35, Section 2.I • Schedule S: Minimum and Retained Premiums, page 1 • Schedule V: Minimum and Retained Premiums for Special Coverages, pages 1 and 2 	To be finalized – effective date to align with the new Policy Administration System (PAS)

¹ For changes related to the premium prorate instructions in cases of a not-at-fault total loss, that effective date is to be finalized to align with the new PAS (Basic Tariff, Schedule T, page 15 under subheading “Cancellations”).