

ORDER NUMBER
G-139-16

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
Application for Approval of Basic Insurance Tariff Amendments

BEFORE:

D. M. Morton, Commissioner
D. J. Enns, Commissioner
W. M. Everett, Commissioner
H. G. Harowitz, Commissioner
M. Kresivo, Commissioner

on August 25, 2016

ORDER

WHEREAS:

- A. On August 12, 2016, the Insurance Corporation of British Columbia (ICBC) submitted to the British Columbia Utilities Commission (Commission) an application to amend the Basic Insurance Tariff (Tariff) relating to expanding the permitted usage for golf carts (neighbourhood golf carts, or NGC) in specific municipalities (Application);
- B. By Order in Council No. 606/16 approved and ordered on August 11, 2016, the Lieutenant Governor approved amendments to Division 24 of the *Motor Vehicle Act Regulation* (MVAR) that will add to the permitted uses for golf carts to include neighbourhood golf carts use in the Village of Chase and in the Town of Qualicum Beach, effective September 6, 2016;
- C. Rate Class 030 is currently used for (i) golf carts and (ii) utility vehicles (including golf carts and trucksters) operated on limited access islands, as defined in Schedule B of the Tariff;
- D. In the Application, ICBC proposes to utilize Rate Class 030 to provide Basic insurance for neighbourhood golf carts and proposes the following five Tariff amendments to Schedule B of the Tariff that are affected by the amended MVAR:
 - i. Table 1: Vehicle Rate Class Listing - Descriptive, page 7.
 - ii. Table 4.4-A: U-Drive Vehicles - All Types, pages 36, 37, 37A and 37B.

- iii. Table 4.15-A: Golf Carts, All Terrain Vehicles, Riding Lawnmowers, Trucksters, Utility Vehicles, Snowmobiles and Snow Vehicles, pages 72 and 73.
 - iv. Table 3: Vehicle Rate Class - Numeric Description with Schedule B Page Numbers, page 12.
 - v. Table 3: Vehicle Rate Class - Numeric Description with Schedule B Page Numbers, page 15.
- E. In the Application, ICBC indicates that neighbourhood golf carts for operation on NGC highways in the Village of Chase and in the Town of Qualicum Beach represent usage with a similar risk profile as Rate Class 030; and
- F. The Commission reviewed the Application and considers that the Tariff amendments are warranted.

NOW THEREFORE pursuant to sections 59 to 61 [other than sections 59 (2) and (3) and sections 60 (1)(b)(ii) and (2) to (4)] of the *Utilities Commission Act*, the British Columbia Utilities Commission orders as follows:

1. The requested amendments by the Insurance Corporation of British Columbia (ICBC) to the Basic Insurance Tariff, with an effective date of September 6, 2016, are approved.
2. ICBC is directed to file a report with the Commission, by no later than October 31, 2017, to assess the adequacy of the rate class used for neighbourhood golf cart use. The report will include an assessment of the claims experience against the premiums charged and any relevant external information.

DATED at the City of Vancouver, in the Province of British Columbia, this 26th day of August 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner