



ORDER NUMBER
G-2-23

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
2023 Revenue Requirements Application

BEFORE:

E. B. Lockhart, Panel Chair
B. A. Magnan, Commissioner
A. Pape-Salmon, Commissioner

on January 10, 2023

ORDER

WHEREAS:

- A. On December 15, 2022, the Insurance Corporation of British Columbia (ICBC) filed an application with the British Columbia Utilities Commission (BCUC) for its 2023 Revenue Requirements Application for universal compulsory automobile insurance (Basic insurance), seeking a Basic insurance rate change of zero percent for the policy year commencing April 1, 2023 (PY 2023), on an interim and permanent basis, among other requests (Application). ICBC states that the requested rate change is based on the combined effect of actuarial analysis and the legislative framework established by government;
- B. In the Application, ICBC also proposes changes to certain performance measures and other reporting to the BCUC;
- C. The BCUC's jurisdiction with respect to the regulation of ICBC's Basic insurance pertaining to revenue requirements and rates is set out by the *Insurance Corporation Act* and *Special Direction IC2 to the BCUC, BC Regulation 307/2004 as amended* (Special Direction IC2). The BCUC has no jurisdiction over ICBC's Optional insurance business and does not set rates for Optional insurance;
- D. A revenue requirement application reviews ICBC's requested Basic insurance rate change, which affects all Basic insurance policy holders equally;

- E. On December 12, 2022, the Lieutenant Governor General in Council approved Order in Council No. (OIC) 666/22 amending Special Direction IC2 such that, for 2023, a policy year begins on April 1, 2023 and ends on March 31, 2025 and that the BCUC must: (i) not decrease existing rates and (ii) by June 30, 2023, exempt ICBC from the requirement to apply for a general rate change order by December 15, 2023;
- F. The BCUC has commenced review of the Application and considers that establishing interim rates and a regulatory timetable are warranted; and
- G. The BCUC also considers that an exemption for ICBC from the requirement to apply for a general rate change order by December 15, 2023 is required in accordance with OIC 666/22 as directed. The BCUC has not reviewed this exemption for its regulatory justification.

NOW THEREFORE the BCUC orders as follows:

1. Pursuant to section 90 of the *Utilities Commission Act*, the requested zero percent change to ICBC's Basic insurance rates is approved for implementation on an interim basis for all new or renewal policies with an effective date on or after April 1, 2023. The BCUC will determine the manner by which any variance between approved interim rates and permanent rates, including interest if any, will be refunded to or collected from policyholders at the time the BCUC renders its final decision on the Application.
2. ICBC is directed to file with the BCUC, within 30 days of the issuance of this order, amended Basic insurance tariff (Tariff) pages in accordance with the terms of this order.
3. A regulatory timetable for the review of the Application is established as set out in Appendix A to this order.
4. ICBC is directed to provide notice to all Basic insurance policyholders affected by the interim rate approval and the conditions under which it is subject to refund or additional billing. The notice must be given with the insurance renewal reminder, or other similar form, issued by ICBC to Basic insurance policyholders in the ordinary course of business for renewal policies, or at the time of purchase for new policies.
5. ICBC must provide a copy of the Application and this order, electronically where possible, by Monday, January 16, 2023, to all registered interveners in the ICBC 2021 Revenue Requirements Application proceeding.
6. ICBC is directed to publish the Public Notice attached as Appendix B to this order on its website and social media platforms, as soon as reasonably possible, but no later than Monday, January 16, 2023. Weekly reminder posts, including the Public Notice, must be published on each platform until the conclusion of the intervener registration period on Monday, January 30, 2023.
7. ICBC is directed to provide confirmation of compliance with Directives 5 and 6 by Thursday, January 19, 2023. Such confirmation shall include confirmation of the Public Notice published on ICBC's website, including a list of the social media platforms on which the Public Notice was posted, as well as a list of all parties notified.
8. ICBC is exempt from the requirement to apply for a general rate change order by December 15, 2023.

DATED at the City of Vancouver, in the Province of British Columbia, this 10th day of January 2023.

BY ORDER

Original signed by:

E. B. Lockhart
Commissioner

Attachment

Insurance Corporation of British Columbia
2023 Revenue Requirements Application

REGULATORY TIMETABLE

| Action | Date (2023) |
|--|-----------------------|
| ICBC Notice of Application | Monday, January 16 |
| Intervener Registration Deadline* | Monday, January 30 |
| BCUC Information Request (IR) No. 1 to ICBC | Thursday, February 9 |
| Intervener IR No. 1 to ICBC | Thursday, February 16 |
| ICBC Responses to BCUC and Intervener IR No. 1 | Thursday, March 9 |
| Workshop** (if required) | Wednesday, April 5 |
| Further Process | To be determined |

* In accordance with the BCUC [Rules of Practice and Procedure](#), any party who wishes to participate in the proceeding may submit a letter of comment, register as an interested party or request intervener status. Any party requesting intervener status must register with the BCUC by completing the [Request to Intervene Form](#) available on the BCUC's website. Those requesting intervener status are to specifically state the nature of their interest in the Application, the extent of their anticipated involvement in the proceeding and generally identify the issues they intend to pursue.

** If required, further details regarding the workshop location and format will be issued in due course.



We want to hear from you

ICBC 2023 REVENUE REQUIREMENTS APPLICATION

On December 15, 2022, the Insurance Corporation of British Columbia (ICBC) filed an application with the British Columbia Utilities Commission (BCUC), seeking approval for, among other matters, a Basic insurance rate change of zero percent for the policy year starting April 1, 2023.

By Order G-2-23, the BCUC approved ICBC's request for a zero percent rate change on an interim basis. The BCUC has established an open and transparent public proceeding to review ICBC's revenue requirements application to determine the permanent rate, among other items, which includes an opportunity for public comment and participation.

HOW TO PARTICIPATE

- **Submit a letter of comment**
- **Register as an interested party**
- **Request intervener status**

Any party who wishes to request intervener status must register with the BCUC by completing the [Request to Intervene Form](#) available on the BCUC's website and must specifically state the nature of their interest in the proceeding, their anticipated involvement in the proceeding and generally identify the issues they intend to pursue.

For more information about the Application, please visit the [Proceeding Webpage](#) on bcuc.com under "Our Work – Proceedings". To learn more about getting involved, please visit our website at www.bcuc.com/get-involved or contact us at the information below.

IMPORTANT DATES

1. **Monday, January 30, 2023** – Deadline to register as an intervener with the BCUC

GET MORE INFORMATION

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