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Bulletin 2-2007

July 26, 2007

To: Private Passenger Automobile Insurers

Subject: Grid Premiums Effective November 1, 2007

On July 26, 2007, the Board issued Order No. 01-07 on the industry-wide uniform adjustment for basic coverage on private passenger vehicles under Section 4 and Order No. 02-07 making the required adjustments to territorial differentials under the Grid program in accordance with Schedule 3, Sections 2(2) and (3) and the application of the industry-wide adjustment to the Grid program in accordance with Section 2(4) of the *Automobile Insurance Premiums Regulation*.

Schedule 3, section 2(2) of the Regulation requires that the Board as of November 1, 2007 eliminate the differential in the grid base premiums between Edmonton and Calgary. Under Section 2(3), the Board must ensure that the grid base premiums for the rest of Alberta remain 20% less than Calgary. Section 2(4) requires that any industry-wide adjustment under Section 4 also apply to the Grid program.

Order 02-07 issued the following table of premiums for the Grid rating program in satisfaction of the requirements under the Regulation. This table of premiums replaces the table in Schedule 3, Section 2(1) of the Regulation. All insurers must implement these premiums effective November 1, 2007.

Grid Base Premiums as of November 1, 2007

Policyholder's	Territory			
choice of coverage	Edmonton	Calgary	Rest of Alberta	
\$200,000	\$1,567	\$1,567	\$1,254	
\$250,000	\$1,618	\$1,618	\$1,294	
\$300,000	\$1,653	\$1,653	\$1,322	
\$400,000	\$1,709	\$1,709	\$1,367	
\$500,000	\$1,751	\$1,751	\$1,401	
\$750,000	\$1,789	\$1,789	\$1,431	
\$1 million	\$1,844	\$1,844	\$1,475	
\$2 million	\$2,009	\$2,009	\$1,607	

Insurers must an acknowledgement to this office by September 28, 2007, verifying that

they have made provisions to comply with	Order No. 02-07.	The order can	be viewed on
our website at www.airb.gov.ab.ca.			

Sincerely,

Original signed by

Del Dyck CMA, CLGM Executive Director