

September 2021

**Manual of Rules and Rates
ALBERTA**

**Direct Compensation Property Damage (DCPD) Reform,
Revised Private Passenger Grid Rates and
Various Rule Changes for GISA (ASP) Updates
Effective January 1, 2022 (New Business and Renewals)**

Effective January 1, 2022 Facility Association is implementing the following updates for new business and renewals in Alberta:

- In accordance with Section 585.1 in the Insurance Act in Alberta will take effect to implement Direct Compensation Property Damage (DCPD) coverage for accidents occurring on or after the date. Facility Association rate pages have been amended to split Third Party Liability premiums between Bodily Injury and Property Damage and include premiums for DCPD coverage. A number of rules have been changed to add references for DCPD coverage where appropriate, and to provide rating instructions as required.
- In accordance with the Alberta Automobile Insurance Rate Board's Order, Private Passenger Grid premiums have been revised effective January 1, 2022 for New Business and Renewals. Reduction of premiums to reflect the removal of direct compensation for property damage from the Grid base premiums set by the AIRB, 20.5% impact; and reduction to reflect the reforms implemented by the Government 11.4% impact.
- There are amended rules in various sections of the manual for GISA (ASP) updates.

A summary of the rule changes are attached to the Manual Bulletin on the Facility Association website

The Facility Association website www.facilityassociation.com has been updated with this information.

This bulletin is being distributed by Servicing Carriers, to whom all enquiries should be addressed.