

2024 Annual Grid Review

Adjustment to Grid Base Premiums for Basic Coverage Effective May 1, 2024

Order 01-2024
January 29, 2024

Legislative & Regulatory Mandate

On October 1, 2004, the Government of Alberta established the Automobile Insurance Rate Board (AIRB) under Section 599(1) of the Insurance Act (the Act). The Act and the Automobile Insurance Premiums Regulation (Regulation) define the AIRB's mandate and include the duty to:

- ⚙ Submit an annual report to the Minister on the operations of the Board;
- ⚙ Review and approve all rating programs for new insurers licensed to sell automobile insurance in Alberta;
- ⚙ Review and approve any changes to existing insurer rating programs for insurers licensed to sell automobile insurance in Alberta;
- ⚙ Conduct an Annual Review of automobile trends and premiums relating to basic and additional coverage for private passenger vehicles;
- ⚙ Conduct an open meeting each year to receive comments from the automobile insurance industry, the consumer representative, and the public; and
- ⚙ Exercise and perform any other powers and duties assigned to it by the Minister or prescribed by regulations.

The AIRB may adjust the Grid base premiums based on the Annual Review completed under Section 9 of the Regulation no later than October 1 each year. Additionally, on or before October 31 each year, the AIRB must publish a table determining the base premium for a driver by the territory in which they reside and the coverage they choose.

Although the AIRB's normal practice is to adjust the Grid base premium is effective the following January 1 in accordance with the Regulation, the President of Treasury Board and Minister of Finance issued Ministerial Order 11/2023 on January 25, 2023, prohibiting approval of any change resulting in a rate increase of more than 0.00% for any individual policyholder until December 31, 2023. Therefore, Ministerial Order 11/2023 did not permit the AIRB to approve a change to the Grid premium during the period January 25 to December 31, 2023.

Find the current Grid base premiums listed below in Appendix A, and the basis of the ratemaking components of the Grid adjustment on the [Industry Benchmark](#) page of the AIRB website.

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The AIRB orders an increase in the Grid base premiums by 12%.

The table below determines the base premium for a driver by the territory in which they reside and the coverage they choose.

All insurers must implement the premiums in the table below effective May 1, 2024¹.

Grid Base Premiums as of May 1, 2024

Policyholder's Choice of Coverage	Territory		
	Edmonton/ Calgary	Northern Alberta	Other
\$200,000	\$2,563	\$1,739	\$1,831
\$250,000	\$2,653	\$1,801	\$1,895
\$300,000	\$2,714	\$1,841	\$1,938
\$400,000	\$2,804	\$1,903	\$2,003
\$500,000	\$2,865	\$1,944	\$2,046
\$750,000	\$2,925	\$1,985	\$2,089
\$1,000,000	\$3,015	\$2,046	\$2,154
\$2,000,000	\$3,287	\$2,230	\$2,348

Appendix A – Current Grid Base Premiums²

Policyholder's Choice of Coverage	Territory		
	Edmonton/ Calgary	Northern Alberta	Other
\$200,000	\$2,288	\$1,553	\$1,635
\$250,000	\$2,369	\$1,608	\$1,692
\$300,000	\$2,423	\$1,644	\$1,731
\$400,000	\$2,504	\$1,699	\$1,788
\$500,000	\$2,558	\$1,736	\$1,827
\$750,000	\$2,611	\$1,772	\$1,865
\$1,000,000	\$2,692	\$1,827	\$1,923
\$2,000,000	\$2,934	\$1,991	\$2,096

¹ An adjustment to the Grid base premium is effective the following January 1, except in 2024 where Ministerial Order 11/2023 prohibited approval of any change resulting in a rate increase of more than 0.00% for any individual policyholder.

² Table shows premiums effective January 1, 2023.