

## Grid Guidance

### Grid Definitions

#### 1(1) In this Guidance

- (a) “at fault claim” means, in respect of liability described in section 571 of the Act or under the same or equivalent coverage in any other jurisdiction, inside or outside Canada
  - (i) a claim paid in respect of that liability for which the driver is wholly or partially at fault; and
  - (ii) a claim made in respect of which the insurer has reasonably determined that a payment will or is likely to be made as a result of the fault, whole or partial, of the driver
    - i. a claim paid or likely to be paid under section 585.1 of the Insurance Act by another insurer as a result of an at fault collision by an insured is considered an at-fault claim for the purpose of determining the Grid step
- (b) “driver training certificate” means a certificate evidencing successful completion of an approved driver training course issued by a driver training school licensed under the Traffic Safety Act or any other school outside Alberta satisfactory to the insurer
- (c) “driving experience” means the combined time within the previous 15 years before the date on which the application for basic coverage is made during which a person has had
  - (i) a valid operator’s licence in Canada; and
  - (ii) a valid operator’s licence in a country outside Canada, if the person provides evidence satisfactory to the insurerbut does not include
  - (iii) the time during which the person held a learner’s operator’s permit; and
  - (iv) a period of time during which the person’s operator’s licence was suspended, cancelled or revoked
- (d) “highest rated driver” means the person who has the highest differential determined under section 7(1)(b)
- (e) “inexperienced driver” means a driver who has less than 8 years’ driving experience
- (f) “occasional driver” means an inexperienced driver referred to in section 4(4)(b)
- (g) “relevant date” means
  - (i) with respect to a driver referred to 5(2)(a), the most recent date on or before September 30, 2004 on which the basic coverage came into effect
  - (ii) with respect to a driver referred to in section 5(2)(b), the date the basic coverage comes into effect
- (h) “relevant driver” means the person determined to be the relevant driver under section 5
- (i) “Calgary territory” means the City of Calgary
- (j) “Edmonton territory” means Townships 52, 53 and 54, Ranges 23, 24 and 25, all west of the 4th Meridian, which includes the City of Edmonton, the City of St. Albert, Clover Bar, Sherwood Park, Lancaster Park, Namao and Winterburn
- (k) Effective January 1, 2022: “Northern territory” means the portion of the Province lying north of latitude 55 degrees North, which includes the Peace River Block
- (l) “Rest of Alberta territory” means all areas of Alberta not included in the Calgary Edmonton or Northern territory
- (m) Effective January 1, 2022: The base premium in section 3 includes the premium established by the AIRB for bodily injury, property damage tort and accident benefits.

(n) Effective January 1, 2022: The Grid Premium calculated in section 7 is for bodily injury, property damage tort and accident benefits. The final Grid premium for basic coverage includes the addition of the insurer's premium for direct compensation property damage

(2) For the purpose of determining driving experience, if a driver obtains a driver training certificate before or within 2 years after obtaining an operator's licence, the driver is considered to have 2 years' driving experience but is not considered to have 3 years' driving experience until the person has actually had 3 years' driving experience.

(3) For the purpose of section 5(4), an inexperienced driver is a principal driver of a private passenger vehicle if the inexperienced driver will be driving the vehicle more than any other driver.

(4) Definitions for conviction's are as follows:

(a) "criminal code conviction" means a conviction for an offence under section 130 of the National Defence Act (Canada) or for any of the following offences under the Criminal Code (Canada):

	Description of Offence (for convenience of reference only)	Criminal Code Section Number
1	Criminal negligence causing death committed by means of a motor vehicle	220
2	Criminal negligence causing bodily harm committed by means of a motor vehicle	221
3	Manslaughter committed by means of a motor vehicle	236
4	Dangerous operation of a motor vehicle	320.13(1)
5	Dangerous operation of a motor vehicle causing bodily harm	320.13(2)
6	Dangerous operation of a motor vehicle causing death	320.13(3)
7	Failing to stop a motor vehicle while being pursued by peace officer	320.17
8	Failing to stop after accident	320.16(1)
9	Failing to stop after accident knowing bodily harm has been caused	320.16(2)
10	Failing to stop after accident knowing death has been caused or reckless bodily harm causing death	320.16(3)
11	Operation while impaired*	320.14(1)
12	Failing or refusing to comply with demand	320.15(1)
13	Failing or refusing to comply with demand when involved in an accident resulting in bodily harm	320.15(2)
14	Failing or refusing to comply with demand when involved in an accident resulting in death	320.15(3)
15	Impaired driving causing bodily harm*	320.14(2)
16	Impaired driving causing death*	320.14(3)
17	Operation while prohibited	320.18
18	Operation while impaired*	IRS: FAIL

\* If a single incident results in both an IRS FAIL and a Criminal Code Conviction, the insurer may only apply the surcharge once.

- (b) “driver abstract” means the abstract of the driving record referred to in section 5(1) of the Access to Motor Vehicle Information Regulation (AR 140/2003) or a similar document of another province or territory in Canada;
- (c) “major conviction” means a conviction for any of the following offences under the Traffic Safety Act, or a conviction for an offence that is substantially similar under an enactment of Canada, other than the Criminal Code (Canada), or of another province or territory:

	Description of Offence (for convenience of reference only)	Enactment and Section Number	
		Traffic Safety Act	Use of Highway and Rules of the Road Regulation
1	Failing to remain at scene of accident	69(1)	
2	Improper passing in school zone or playground zone		8
3	Speeding in school zone or playground zone	115(2)(r) <sup>1</sup>	53(5)(c)
4	Speeding (general) - exceeding limit by more than 50 kph	115(2)(p)	
5	Speeding (construction zone) - exceeding limit by more than 50 kph	115(2)(p.1) and (p.2)	
6	Speeding (passing emergency vehicle) - exceeding limit by more than 50 kph	115(2)(t)	
7	Speeding (flashing yellow light crossing) - exceeding limit by more than 50 kph		53(5)(c)
8	Careless driving	115(2)(b)	
9	Racing	115(2)(c)	
10	Driving on a bet or wager	115(2)(d)	
11	Failing to stop for a school bus		72(1)
12	Driving while unauthorized	94(2)	
13	Failing to stop school bus, vehicle carrying explosives, etc. at uncontrolled railway crossing		42(5)
14	Failing to stop for a peace officer	166(2)	
15	Distracted Driving		
	(a) Reading or viewing printed material	115.4(1)(a)	
	(b) Writing, printing or sketching	115.4(1)(b)	
	(c) Personal Hygiene	115.4(1)(c)	
	(d) Other activity prescribed in the regulations	115.4(1)(d)	
	(e) Programming a GPS while driving	115.3(1)	
	(f) Using a cellphone or electronic device	115.1(1)(a),(b)	

<sup>1</sup> Sections 107(2) and 108(1)(h) of the Traffic Safety Act (TSA) provide the authority to allow school and playground zones, the offences fall under TSA and Rules of the Road sections noted.

- (d) “minor conviction” means a conviction for any of the following offences under the Traffic Safety Act, or a conviction for an offence that is substantially similar under an enactment of Canada, other than the Criminal Code (Canada), or of another province or territory:

	Description of Offence (for convenience of reference only)	Enactment and Section Number	
		Traffic Safety Act	Use of Highway and Rules of the Road Regulation
1	Speeding - unreasonable rate of speed		2(1)(a)
2	Speeding (general) - exceeding limit by up to 15 kph	115(2)(p)	
3	Speeding (construction zone) - exceeding limit by up to 15 kph	115(2)(p.1) and (p.2)	
4	Speeding (passing emergency vehicle) - exceeding limit by up to 15 kph	115(2)(t)	
5	Speeding (flashing yellow light crossing) - exceeding limit by up to 15 kph		53(5)(c)
6	Speeding (general) - exceeding limit by over 15 but not more than 30 kph	115(2)(p)	
7	Speeding (construction zone) - exceeding limit by over 15 but not more than 30 kph	115(2)(p.1) and (p.2)	
8	Speeding (passing emergency vehicle) - exceeding limit by over 15 but not more than 30 kph	115(2)(t)	
9	Speeding (flashing yellow light crossing) - exceeding limit by over 15 but not more than 30 kph		53(5)(c)
10	Speeding (general) - exceeding limit by over 30 but not more than 50 kph	115(2)(p)	
11	Speeding (construction zone) - exceeding limit by over 30 but not more than 50 kph	115(2)(p.1) and (p.2)	
12	Speeding (passing emergency vehicle) - exceeding limit by over 30 but not more than 50 kph	115(2)(t)	
13	Speeding (flashing yellow light crossing) - exceeding limit by over 30 but not more than 50 kph		53(5)(c)
14	Following too close		18
15	Failing to stop, etc. when meeting oncoming vehicle on narrow roadway		14

	Description of Offence (for convenience of reference only)	Enactment and Section Number	
		Traffic Safety Act	Use of Highway and Rules of the Road Regulation
16	Passing on hill or curve or near railway crossing		19(1)
17	Passing on left when view obstructed or traffic present on left side of highway		20
18	Failing to pass on left in safe manner or failing to return to right side of roadway in safe manner		21(1)
19	Overtaking another vehicle by driving off the roadway, in a parking lane or when unsafe		23
20	Passing another vehicle stopped at crosswalk		41(2)
21	Driving left of centre line		12(1)
22	Driving wrong way on one-way highway		17
23	Impeding passing vehicle		21(2)
24	Impeding passing vehicle - multi-lane highway		22(2)(b)
25	Failing to yield right of way to a vehicle (a) at an intersection, or turning left unsafely (b) at yield sign (c) in traffic circle (d) at merge sign (e) at green light or green arrow (f) at flashing yellow light		34 39 40 50, 51 52(1), (3)-(5) 53(3)
26	Failing to yield right of way to a pedestrian (a) at an alley entrance or driveway (b) in a crosswalk (c) at a green light or green arrow (d) at flashing yellow light at intersection (e) at flashing yellow light not at intersection (f) at flashing yellow light with zone sign or symbol		36(3) 41(1) 52(1)-(5) 53(3) 53(4) 53(5)(d)
27	Failing to stop (a) before entering highway (b) at a stop sign (c) for an emergency vehicle sounding siren		36(2) 37 65(1)

	Description of Offence (for convenience of reference only)	Enactment and Section Number	
		Traffic Safety Act	Use of Highway and Rules of the Road Regulation
	(d) at railway crossing when a train is approaching (e) within prescribed distance from railway when stop sign (f) at yellow light at intersection (g) at yellow light not at intersection (h) at red light at intersection (i) at red light not at intersection (j) at flashing red light at intersection (k) at flashing red light not at intersection		42(2) 42(4)(a) 53(1) 53(2) 54(1)(a) 54(4) 54(5)(a) 54(6)(a)
28	Unauthorized following within 150 metres of emergency vehicle sounding siren or with flashing lights or both		65(2)
29	Driving around barrier at railway crossing		42(3)
30	Proceeding when unsafe (a) after stopping at intersection (b) after stopping for stop sign at railway crossing (c) after stopping for school bus (d) after stopping for red light at intersection (e) after stopping for flashing red light at intersection (f) after stopping for flashing red light not at intersection		38 42(4)(b) 72(2) 54(1)(b) 54(5)(b) 54(6)(b)
31	Stunting	115(2)(f)	
32	Traffic lane violation (a) slow moving vehicle in incorrect lane (b) driving at less than maximum speed in designated fast lane outside an urban area (c) improperly crossing solid or broken lines or driving improperly on left side of broken lines on 2-way highway (d) making unsafe lane change (e) failing to drive in centre of marked lane (f) occupying 2 lanes (g) improperly driving in centre lane of 3-lane highway		3 2(1)(b) 15(1) 15(4) 15(5) 15(6) 16(1)

	Description of Offence (for convenience of reference only)	Enactment and Section Number	
		Traffic Safety Act	Use of Highway and Rules of the Road Regulation
	(h) driving in lane marked with "X"		27(4)
33	Failing to obey instruction of traffic control device		57
34	Slow driving impeding or blocking traffic		2(1)(c)
35	Driving at less than minimum speed	115(2)(q)	
36	Failing to obey direction of peace officer to increase speed, etc.		2(4)
37	Failing to signal (a) when changing lanes (b) when turning left or right (c) when stopping		15(2) 24 35
38	Failing to make proper signal when starting, turning or changing the course or direction of a vehicle or stopping a vehicle on a highway		9(b)
39	Improper turns (a) when turning right (b) when turning left (c) failing to obey traffic control device (d) making U-turn unsafely or where prohibited (e) making U-turn with a school bus where prohibited		25 26 27(1), (2) 29, 30 31
40	Backing up vehicle unsafely or where prohibited		32, 33
41	Fail to ascertain sufficient space for movement		9(a)

### Guidelines

2 The Automobile Insurance Rate Board (AIRB) may issue guidelines respecting location and movements on the Grid.

### Base Premium and Differential Adjustments

3(1) The base premium for a relevant driver and occasional driver is an amount to be published by the AIRB no later than October 31 each year for the following calendar year.

(2) On or before October 1 in each year, the AIRB may adjust the base premium or any differentials based on the annual review conducted under section 9 of the Automobile Insurance Premiums Regulation.

(3) In making adjustments to differentials, the AIRB must ensure the differential for the Northern and Rest of Alberta territories is at least 20% less than for the Edmonton or Calgary territory.

(4) An adjustment made under section 3 is effective the following January 1.

(5) Information about the adjustments made under section 3 must be made publicly available.

### **Relevant and Occasional Drivers**

**4(1)** The relevant driver and any occasional driver of a private passenger vehicle must be determined in accordance with this section.

(2) If the policyholder has the same number of private passenger vehicles as there are drivers of those vehicles, each driver must be matched to a vehicle, and the drivers are the relevant drivers in respect of the vehicles to which they are matched.

(3) If the policyholder has more private passenger vehicles than there are drivers of those vehicles,

(a) each driver must be matched to a vehicle, and

(b) for those vehicles not matched with a driver, the drivers already matched must be matched with the one or more unmatched vehicles, starting with the driver who has the lowest differential determined under section 7(1)(b),

and the drivers are the relevant drivers in respect of the vehicles to which they are matched.

(4) If the policyholder has fewer private passenger vehicles than there are drivers of those vehicles,

(a) the highest rated drivers must be matched with the vehicles first, but an inexperienced driver may not be matched unless the inexperienced driver is the principal driver of one of the vehicles, and the drivers are the relevant drivers in respect of the vehicles to which they are matched, and

(b) the remaining drivers must not be matched with respect to any of the vehicles unless the drivers are inexperienced drivers, in which case those inexperienced drivers are considered to be occasional drivers.

(5) If the number of occasional drivers is equal to or less than the number of passenger vehicles, each occasional driver must be matched to a vehicle.

(6) If there are more occasional drivers than there are vehicles, each occasional driver must be matched to a vehicle starting with the occasional driver who is the highest rated driver, but in no case may more than one occasional driver be matched in respect of the same vehicle.

### **Locating the Correct Grid Step**

**5(1)** A Grid step must be established for each driver of a private passenger vehicle.

(2) A Grid step is first established for a driver

(a) with respect to a driver under basic coverage for a private passenger vehicle in effect on September 30, 2004, as of the relevant date of that coverage, and

(b) if clause (a) does not apply in respect of a driver, the first time a policy for basic coverage for a private passenger vehicle comes into effect on or after October 1, 2004 under which the driver is included.

(3) The Grid step is first established for a driver by moving down one Grid step from Grid step zero for each year of driving experience then, if applicable, moving up 5 Grid steps for each at fault claim during the 6 years preceding the relevant date.

(4) An insurer must, with respect to each subsequent application for basic coverage, make any necessary adjustments to the driver's location on the Grid under subsections (5) and (6), starting from the previous Grid location for that person, whether or not location on the Grid was previously established by the same insurer.



- (5) If, during the term of the policy being renewed or replaced,
- (a) the driver had an at fault claim, the driver must be moved up 5 Grid steps for each at fault claim during the term of the policy, or
  - (b) the driver did not have an at fault claim and is not already located at Grid step -15, the driver must be moved down one Grid step for each full year of driving experience with no at fault claim since the driver's location on the Grid was last changed or, if it has never changed, since the driver's location on the Grid was first established.
- (6) Despite subsection (5), if no at fault claim have been made for the 6 consecutive years of driving experience immediately preceding the coming into effect or renewal of a policy for basic coverage, and the driver is located higher than Grid step zero, the driver must be located on Grid step zero.
- (7) Every insurer must on the request of another insurer provide to that insurer any information necessary to determine a driver's location on the Grid, including information about his or her current location on the Grid.

### Surcharges for Driving Convictions and At-Fault Claims

**6(1)** The differentials are to be determined for a driver in accordance with "Base Premium and Differentials for the Calculation of Grid Premium" for each of the following:

- (a) for major convictions on a driver's abstract within the 3 years before the effective date of basic coverage or renewal of basic coverage;
- (b) for minor convictions on a driver's abstract within the 3 years before the effective date of basic coverage or renewal of basic coverage;
- (c) for criminal code convictions on a driver's abstract within the 4 years before the effective date of basic coverage or renewal of basic coverage.

(2) A differential is to be determined for a driver in accordance with Base Premium and Differentials for the Calculation of Grid Premium" for a driver who in the 3 years before the application for basic coverage has had 2 or more at fault claims.

### Calculation of Grid Premium

**7(1)** After each driver is located on a Grid step in accordance with section 5, a premium must be determined for each driver as follows:

- (a) Determine the differential by which to multiply the base premium in accordance with the Differentials in section 8 for Grid step, territory, third party liability limit, at-fault claims, minor, major, and criminal code convictions.
- (b) Multiply the following from clause (a).

$$A = \text{Grid Step} \times [1 + (\text{At-fault Claims} - 1) + (\text{Minor Convictions} - 1) + (\text{Major Convictions} - 1) + (\text{Criminal Code Convictions} - 1)]$$

- (c) Multiple the base premium by the remaining differentials from clause (a):

$$\text{Grid Premium} = \text{Base Premium} \times \text{Territory} \times \text{Third Party Liability Limit} \times A$$

(2) The Grid premium for bodily injury, property damage tort and accident benefits for a private passenger vehicle is the premium for the relevant driver determined in subsection (1) plus 25% of the premium determined in subsection (1) for the occasional driver, if any, of that vehicle.

### Base Premium & Differentials for the Calculation of Grid Premium

**8** The Grid base premium and differentials for calculation of Grid premium in section 7.

#### Grid Base Premium at Step 0

The Grid base premium is \$2,154 effective May 1, 2024

The Grid base premium is \$2,369 effective January 1, 2025

Grid Step Differentials (Effective January 1, 2025)

Grid Step	Differential
-15	0.55
-14	0.55
-13	0.55
-12	0.55
-11	0.55
-10	0.55
-9	0.59
-8	0.63
-7	0.67
-6	0.71
-5	0.75
-4	0.80
-3	0.85
-2	0.90
-1	0.95
0	1.00
1	1.05
2	1.11
3	1.17
4	1.23
5	1.29
6	1.36
7	1.42
8	1.49
9	1.57
10	1.64
11	1.72
12	1.80
13	1.89
14	1.99
15	2.08
<b>Each Additional</b>	<b>+0.10</b>

Grid Step Differentials (Effective May 1, 2024)

Grid Step	Differential
-15	0.46
-14	0.46
-13	0.46
-12	0.49
-11	0.52
-10	0.55
-9	0.59
-8	0.63
-7	0.67
-6	0.71
-5	0.75
-4	0.80
-3	0.85
-2	0.90
-1	0.95
0	1.00
1	1.05
2	1.11
3	1.17
4	1.23
5	1.29
6	1.36
7	1.42
8	1.49
9	1.57
10	1.64
11	1.72
12	1.80
13	1.89
14	1.99
15	2.08
<b>Each Additional</b>	<b>+0.10</b>

Territory Differentials (updated January 1, 2022)

Territory	Differential
<b>Calgary</b>	1.40
<b>Edmonton</b>	1.40
<b>Northern District</b>	0.95
<b>Rest of Alberta</b>	1.00

### Limit Differentials

Limit	Differential
200,000	0.85
250,000	0.88
300,000	0.90
400,000	0.93
500,000	0.95
750,000	0.97
1,000,000	1.00
2,000,000	1.09

### Major Conviction Differentials

Number of Convictions	Differential
0	1.00
1	1.25
2	1.50
3	2.00
4	3.00
5	5.00
6	9.00
7 or more	For each additional conviction, double the immediately preceding differential

### Minor Conviction Differentials

Number of Convictions	Differential
0	1.00
1	1.00
2	1.25
3	1.35
4	1.50
5	1.75
6	2.00
7 or more	For each additional conviction, double the immediately preceding differential

### Criminal Code Conviction Differentials

Number of Convictions	Differential
0	1.00
1	4.00
Each Additional	+1.50 to the immediately preceding differential

### At-fault Claim in a 3-Year Period

Number of at-fault claims	Differential
0-1	1.00
2	1.30
Each Additional	+0.15 to the immediately preceding differential