

# DCPD: What is it and what does it mean for my auto insurance?

On January 1, 2022, Alberta will adopt a Direct Compensation for Property Damage (DCPD) system – which will simplify auto insurance claims following collisions.

Under DCPD, your own insurance company pays for repairs to your vehicle when you are not at-fault for an accident, not someone else's. It's a fairer and more customer focused approach to insurance claims and vehicle repairs.



## Do I need to do anything to prepare for DCPD?

Vehicle owners won't have to do anything when DCPD begins in 2022. DCPD is simply a change in the way vehicle damage claims are treated in Alberta following accidents. DCPD does not change your automobile coverage, only who pays for the damage.



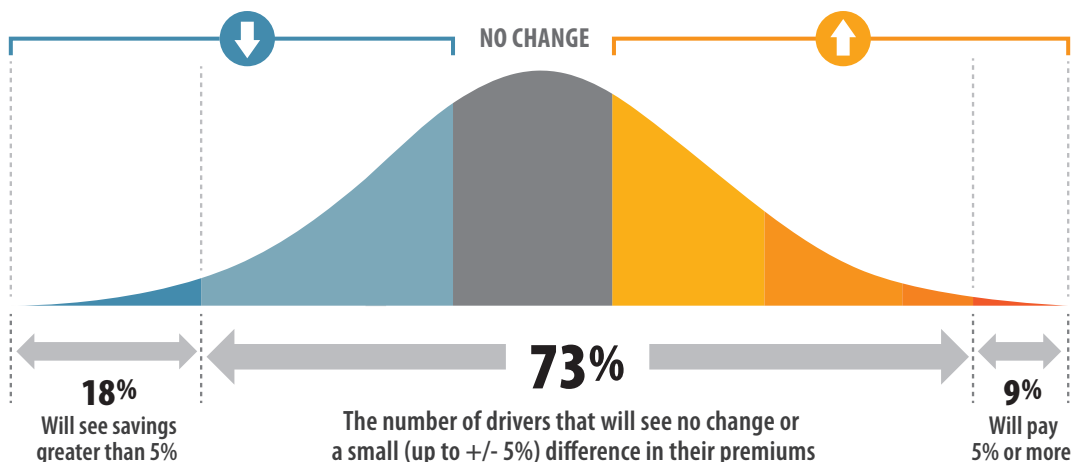
## Will this impact my premium?

For the majority of drivers, DCPD will either reduce their premiums or they will see no change at all.

DCPD better aligns insurance premiums with the costs associated with repairs for a vehicle. This means that, typically, **owners of less expensive vehicles that cost less to repair will pay less for their insurance.** Similarly, owners of more expensive vehicles that cost more to repair may pay more.


It's a fairer system for everyone.


Under DCPD, 42% of drivers will see a reduction in their premiums and roughly 15% will see no change. An estimated 34% of drivers will see an increase in their premiums between 0% and 5%.





Vehicle owners can choose a deductible to help lower their premiums even further.


# Here is a look at how DCPD will impact premiums for different vehicles and drivers in various communities.


**2016 DODGE RAM 1500 2WD** 


	<b>TERRI, AGED 66</b>		No Expected DCPD Impact on Premium <b>0%</b>
	LOCATION	FORT MCMURRAY	
	TYPE OF USE	PLEASURE	


**2007 DODGE RAM 1500 4WD** 


	<b>BEN, AGE 19</b>		DCPD Expected Reduction in Premium <b>5%</b>
	LOCATION	RED DEER	
	TYPE OF USE	COMMUTE TO SCHOOL	


**2019 DODGE RAM 3500 4WD** 


	<b>JIM, AGED 38</b>		DCPD Expected Increase in Premium <b>2%</b>
	LOCATION	LETHBRIDGE	
	TYPE OF USE	COMMERCIAL	
	ACCIDENTS/CONVICTIONS	ONE AT-FAULT ACCIDENT	


**2008 JEEP WRANGLER 4WD** 


	<b>LUCAS, AGED 42</b>		DCPD Expected Reduction in Premium <b>7%</b>
	LOCATION	HILLSDOWN	
	TYPE OF USE	COMMUTE TO WORK	


**2017 LAND ROVER RANGE ROVER SPORT 4DR 4WD** 


	<b>ELIZABETH, AGED 30</b>		DCPD Expected Increase in Premium <b>5%</b>
	LOCATION	STETTLER	
	TYPE OF USE	COMMUTE TO WORK	
	ACCIDENTS/CONVICTIONS	ONE AT-FAULT ACCIDENT	


**2017 CHEVROLET CRUZE** 

	<b>CANDICE, AGED 19</b>		No Expected DCPD Impact on Premium <b>0%</b>
	LOCATION	CALGARY	
	TYPE OF USE	COMMUTE TO SCHOOL	

**2010 MAZDA 5** 

	<b>JENN, AGE 40</b>		DCPD Expected Reduction in Premium <b>8%</b>
	LOCATION	EDMONTON	
	TYPE OF USE	COMMUTE TO WORK	

**2013 DODGE GRAND CARAVAN** 

	<b>ANSH, AGED 43</b>		DCPD Expected Increase in Premium <b>1%</b>
	LOCATION	HARDISTY	
	TYPE OF USE	PLEASURE	
	ACCIDENTS/CONVICTIONS	ONE AT-FAULT ACCIDENT	

Prior to DCPD, vehicle owners whose cars cost less to repair subsidized drivers whose cars cost more to repair. Now, vehicle owners will be charged more accurately for the vehicle they drive. **It's a fairer system for everyone.**

These examples are based on average premium costs and are for illustrative purposes only. Premium changes may vary by individual insurer.