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File No. 8888

May 18, 2011

SENT VIA EMAIL: commission.secretary@bcuc.com

British Columbia Utilities Commission
PO Box 250 – 900 Howe Street
Vancouver, BC V6Z 2N3

Attention: Ms. Alanna Gillis
Acting Commission Secretary

Dear Ms. Gillis:

RE: Insurance Corporation of British Columbia 2012 Revenue Requirement Application
Project Number 3698654

I write in response to your letter dated May 15, 2012 in which two options amending the existing Revised Regulatory Time Table were proposed.

The Automobile Insurance Committee of the Canadian Bar Association (AIC) is of the view that the oral public hearing should proceed although the AIC is agreeable to the oral argument process being replaced with written arguments.

The oral hearing process is important. It is a fundamental principle that not only should justice be done, but that justice is seen to be done. Foreclosing the ability of the interveners and the Panel to question ICBC in an open and public forum would, in our view, entirely remove the ability of the parties to test the credibility of the underlying assertions which form the basis for ICBC's application.

The AIC also asks the panel to reconsider its decision denying the admission of the expert report prepared by Mr. Edward Mansfield of MNP. I attach a copy of Mr. Mansfield's c.v. for the Panel's review.

* Char Roth
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One of the grounds that formed the basis for the decision was that the admission of the report would “unfavourably affect the efficient and timely review of the Application.” While the AIC recognizes that there must always be a balance between fairness and efficiency, the former should never be lost for the sake of the latter.

ICBC claims that the introduction of an expert opinion now would be prejudicial to it in that they would not have a “fair opportunity to ask IR’s” before the hearing and prepare for the hearing. Mr. Mansfield’s report will deal with ICBC’s forecasting models that relate to the bodily injury loss cost forecast variance and trend. His opinion is based upon the information provided by ICBC and it is unlikely that there is anything in the report that would generate an IR.

Not allowing the AIC to admit this expert evidence would seriously undermine its ability to put forward its case and would, in our view, be a breach of procedural fairness. ICBC’s concern about prejudice could be alleviated by allowing a short delay in the hearing - if necessary.

The AIC also notes that the suggested options outlined in your recent letter will extend the timetable to June 21, 2012, approximately 9 days after the currently scheduled conclusion date of June 12, 2012.

To reiterate, the AIC is of the view that an oral hearing remains the best process to test ICBC’s reasons for requesting a very significant increase in basic insurance rates. We also respectfully request that the Panel reconsider its earlier decision and allow the AIC to admit Mr. Mansfield’s report into evidence.

Yours very truly,

SHEANE FLEWELLING

Per:



Barbara J. Flewelling

/wb

c.c. June Elder, Insurance Corporation of British Columbia
Leon Cheung, B.C.U.C.
Registered Interveners

ED MANSFIELD Ph.D.

Service Line	Statistics and Economics Consulting	
Industry Focus	Economic studies, statistical analysis, health care economics, forecasting models, litigation and regulatory support.	
Office	Vancouver	
Profile	<p>Ed Mansfield is a Partner in the Advisory Services practice in the Vancouver office of MNP LLP. Ed has over 20 years of experience in consulting on statistical and economic issues. His work has included assignments for public and private companies, professional and industry organizations, and numerous government ministries and agencies. Among the industry sectors in which Ed has worked are health care, utilities, transportation, mining, forestry, agriculture, technology, finance, manufacturing, tourism and major events.</p> <p>Ed has often appeared as an expert in statistical and economic issues before courts and regulatory panels. He has been qualified in the Supreme Court of BC as an expert in a wide variety of issues such as statistical methods, audit sampling methods and economic loss calculations. He is a frequent speaker at industry conferences, and has been a lecturer in the Sauder School of Business at the University of British Columbia.</p> <p>Ed has PhD and MS degrees in Applied Mathematics from the University of Washington, and a BSc in Mathematics and Statistics from the University of BC.</p>	
Selected Assignments		
Industry	Service Line	
Public Sector	Economic Services	<ul style="list-style-type: none"> • Canadian Federal Olympic Secretariat/British Columbia Olympic Secretariat- 2010 Olympic Games Impact Assessment – Led a multi-year study to assess the impacts of the 2010 Winter Olympic Games. This study involved the development and ongoing use of measurement frameworks for quantifying the impacts of the Games on social development, business development, economic development, sport, tourism, arts and culture, employment and the environment. The study examined the impacts both within British Columbia and other regions of Canada.
Public Sector	Economics	<ul style="list-style-type: none"> • British Columbia Ministry of Attorney General – Economic Analysis - Developed a financial model of inter-Ministry program costs for delivering social, health, and education services to specific client groups. The project involved the identification and examination of costs of each program and used these costs as inputs in the financial model. The model incorporated uncertainty in future demand for services, and also allowed for identification of costs under a variety of alternative service delivery options.
Public Sector	Economics	<ul style="list-style-type: none"> • British Columbia Ministry of Public Safety and Solicitor General – Liquor Pricing Policies and Economic Benefits Review – Carried out a comprehensive review of liquor pricing policies and practices in British Columbia. Included in the project was the development of predictive financial models reflecting the economic costs and benefits

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		of alternative pricing options.
Public Sector	Economics	<ul style="list-style-type: none"> • British Columbia Treaty Commission - An Update to the Financial and Economic Analysis of Treaty Settlements in British Columbia - Incorporating recent key developments in the treaty process, updated the conclusions of previous studies that examined the financial and economic impacts of treaty settlements in British Columbia. The report updated the approach, methods, assumptions, and conclusions of the previous studies. Recent key developments were then assessed in terms of their effect on the financial and economic conclusions of the previous studies
Public Sector	Economics	<ul style="list-style-type: none"> • Western Diversification (Canada) - Economic Review of Investments in Life Sciences - Assessed the economic impacts and benefits arising from Western Diversification's investments in Life Sciences in Western Canada. This work included surveys of grant recipients and economic impact modelling, together with the development of recommendations for improved effectiveness of Federal Government investments.
Private Sector	Statistics	<ul style="list-style-type: none"> • Boeing Commercial Airline Company – Forecasting, Scheduling and Routing Models – As part of a team of Boeing staff and consultants from the Massachusetts Institute of Technology, developed statistical models to analyze the financial implications of the introduction of new aircraft types for commercial airlines. This project also encompassed forecasting global passenger demand patterns, as well as developing statistical methods leading to the optimization of changes in airline routes and schedules.
Private Sector	Statistics	<ul style="list-style-type: none"> • Boeing Commercial Airline Company – Valuation Model Development and Verification – Carried out a comprehensive review of Boeing's valuation models that estimated the value of products and services offered to commercial airlines.
Public Sector	Statistics	<ul style="list-style-type: none"> • Council of Atlantic Premiers – Access to Capital in the Atlantic Region – Examined the availability and accessibility of equity capital financing for small and medium-sized enterprises (SMEs) in Atlantic Canada, designed a survey and interview plan. The research included a web-enabled survey of 300 SMEs across Atlantic Canada and in-person interviews with government and equity capital suppliers.
Private Sector	Statistics	<ul style="list-style-type: none"> • Canadian Home Income Plan (CHIP) - Reverse Mortgage Cash Flow Forecasting Model Modelling – Developed a set of statistical models for the cash flow forecasting system for Canada's largest provider of reverse mortgages. These models incorporated probabilities of early repayments due to mortality
Public Sector	Statistics	<ul style="list-style-type: none"> • Canadian Tourism Commission – Business Case Analysis – Developed a comprehensive business case for increased Federal Government investment in the Canadian Tourism Commission. Included in this work was the development of statistical models relating tourism marketing investments to economic benefits derived through tourism activity.
Public Sector	Economics	<ul style="list-style-type: none"> • Province of British Columbia/British Columbia Medical

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		<p>Association Concillation Panel – Independent Economic Advisor – Acted as independent economic advisor to the panel conducting conciliation hearings over physician compensation between the Government of British Columbia and the British Columbia Medical Association.</p>
Public Sector	Economic Services	<ul style="list-style-type: none"> • British Columbia Ministry of Competition, Science and Enterprise - Incremental Economic/Financial Impacts of the 2003 Forest Fires in British Columbia – Conducted a review and assessment of the incremental economic and financial impacts to British Columbia as a result of the drought conditions and forest fires of 2003. The comprehensive study examined incremental positive and negative impacts to numerous sectors through extensive surveying and interviewing of affected agencies and organizations.
Industry Associations	Statistics	<ul style="list-style-type: none"> • Destination Marketing Organizations (Calgary Convention and Visitors Bureau, Tourism Montreal, Economic Development Edmonton and Tourism Vancouver) – Marketing Activity Selection and Evaluation Framework – Led the development a framework for marketing activity selection and evaluation. This project included the development of a computer model for marketing activities selection and evaluation.
Industry Associations	Economics	<ul style="list-style-type: none"> • BC Supply Management Sectors – Led out an analysis of the economic and social impact of the supply management sectors: dairy, chicken, turkey, hatching egg, and table egg industries in British Columbia. The analysis included the socio-economic impact of supply management, including commodity producers and processors.
Health Care	Economics	<ul style="list-style-type: none"> • BC Medical Association- Economic Impact of Wait Lists – Developed methodologies for assessing the economic impact of wait lists.
Public Sector	Economics	<ul style="list-style-type: none"> • City of Vancouver – Proposed New Art Gallery – Conducted an economic impact assessment as part of the review for a proposed new art gallery and a concert hall facility for downtown Vancouver. The City of Vancouver in conjunction with Partnerships BC, commissioned the study to examine the economic benefits each facility may bring to Vancouver. Benefits examined included economic impacts resulting from the construction phase, operating and tourism expenditures
Public Sector	Economics	<ul style="list-style-type: none"> • Vancouver Aquarium and Marine Science Centre - Economic Impact Study – Conducted an economic impact study to assess the nature, scope, and magnitude of the Aquarium's activities. The study includes estimation of the economic impacts of the quantitative benefits accruing from the Aquarium's activities. These estimates are supplemented with a qualitative assessment of benefits attributable to the Aquarium in areas such as research, conservation promotion, and educational programming where it is difficult to assign numerical values to benefits, but where these benefits can be described qualitatively.
Public Sector	Economics	<ul style="list-style-type: none"> • British Columbia Ministry of Economic Development- Profiles of Industry Sectors – Completed a comprehensive review of British Columbia's technology, communications, life sciences, alternative

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		energy and sustainability sectors.
Public Sector	Economics	<ul style="list-style-type: none"> • BC Olympic Bid Secretariat - Financial Feasibility and Economic Impact Studies Review - Carried out a financial feasibility study of the development of the Callaghan Valley Nordic Centre as part of the Bid for the 2010 Winter Olympic Games. This work also encompassed an investigation of the economic impacts that the development of the Nordic Centre may have on the Whistler area.
Public Sector	Economics	<ul style="list-style-type: none"> • University of Manitoba – assessed the economic and social contributions of the University of Manitoba to the City and the Province by completing interviews with selected senior faculty members, administrative personnel, and key stakeholders and incorporating financial data from the fiscal year ended in March 31, 2009.
Public Sector	Economics	<ul style="list-style-type: none"> • Manitoba Jockey Club – Conducted an analysis of the economic impacts of the Manitoba Jockey Club that included expenditures made for the breeding and training of racehorses, and the day to day spending by the backstretch community of trainers, jockeys, grooms, and other personnel that reside at the backstretch of Assiniboia Downs during the racing season.
Private Sector	Economics	<ul style="list-style-type: none"> • The Independent Power Producers of BC – Worked with the Independent Power Producers of BC to estimate the current economic impact of independent power projects in BC and the potential economic impact of future independent power projects.
Public Sector	Economics	<ul style="list-style-type: none"> • BC Ministry of Sustainable Development – Compilation of methodologies used to value Crown land – Developed a comprehensive inventory of methodologies used to by government ministries and agencies to value crown land.
Public Sector	Economics	<ul style="list-style-type: none"> • City of Richmond – 2010 Olympic Speed Skating Oval - Developed economic impact estimates of locating the 2010 Olympic speed skating venue in the City of Richmond. Potential impacts to the City of Richmond were examined for the construction, Olympic-related operations, and post-Olympic operations phases
Public Sector	Economics	<ul style="list-style-type: none"> • BC Olympic Secretariat – Funding Options for Resort Municipalities – Assessed long term funding options and alternatives available for resort municipalities in British Columbia.
Aboriginal Organizations	Economics	<ul style="list-style-type: none"> • Ktunaxa Nation Council – Resource Revenue Sharing – Carried out a review of resource revenue sharing options and financial models on behalf of the Ktunaxa First Nation and a joint working group with the BC Ministry of Energy Mines and Petroleum Resources.
Aboriginal Organizations	Economics	<ul style="list-style-type: none"> • First Nations of Maa-nulth Treaty Society – Costs and Benefits of Proposed Treaty Conditions – Carried out an economic analysis relating to land and capital transfers under proposed treaty conditions. The assignment involved the development of an economic and financial model that was used to assess incremental benefits expected to be realized under the proposed treaty.
Aboriginal	Economics	<ul style="list-style-type: none"> • Taku River Tlingit First Nation – Study of revenue sharing options

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Organizations		<ul style="list-style-type: none"> under a proposed impact benefits agreement. Developed financial and economic models to examine revenue sharing models in connection with a proposed mining operation.
Aboriginal Organizations	Economics	<ul style="list-style-type: none"> Metis Nation of the Northwest Territories – Financial model of proposed agreement. Developed financial and economic models to examine revenue sharing models in connection with a proposed mining operation
Industry Associations	Economics	<ul style="list-style-type: none"> New Media BC – Inter-jurisdictional Assessment of New Media Industries – Carried out an economic assessment of the world new media industries.
Industry Associations	Economics	<ul style="list-style-type: none"> New Media BC - The World Centre for Digital Media is a new facility located at Vancouver's Great Northern Way Campus that includes a graduate degree program and facilities to support the growth and development of the new media sector. To assist New Media BC with their efforts to secure federal funding for the centre, we identified the types of economic benefits expected to be generated, and then illustrated their potential magnitude in terms of increases to GDP, employment, government revenues, and output.
Industry Associations	Economics	<ul style="list-style-type: none"> Global Nickel Institute – Economic Review of World Nickel Industries – Carried out an economic assessment of the world nickel industries and related nickel value chains.
Public Sector	Economics	<ul style="list-style-type: none"> Ontario Ministry of Economic Development and Trade – Developed a financial and economic benchmarking study of new world wine industries. Key methodologies used to conduct this study included economic and financial data collection and analysis, interviews with industry experts, industry SWOT analysis for each jurisdiction, development of firm-level case studies and analysis and comparison of Ontario against selected jurisdictions.
Public Sector	Economics	<ul style="list-style-type: none"> Office of the BC Auditor General - Economic Impacts Review - Assessed the economic impact of a successful 2010 Winter Olympic Bid. This work involved an extensive review of economic impact reports which had been previously prepared for the Province of British Columbia and the 2010 Bid Corporation, including a review of methodologies, econometric models, measurement metrics, assumptions, risks associated with the reports' conclusions, and comparisons to reported economic impacts of previous Winter Olympic Games host cities.
Industry Associations	Economics	<ul style="list-style-type: none"> Canadian Interactive Alliance/Alliance Interactive Canadienne (CI@IC) Canadian Interactive Industry Profile 2005 – Developed an economic profile of the Interactive Media Industry in Canada - The profile includes a definition of the entities that comprise Interactive Media, as well as an industry classification. The study also includes a survey of members of the Interactive Media Industry, in order to profile the magnitude and extent of the industry across Canada
Public Sector	Statistics	<ul style="list-style-type: none"> Tourism British Columbia – Doubling Tourism by 2015 – Led the development of forecasting models and industry analyses relating to the use of the 2010 Olympic Games as a catalyst for doubling tourism

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		In British Columbia by 2015.
Industry Associations	Statistics	<ul style="list-style-type: none"> • Tourism Vancouver - Convention Centre Economic Impact Analysis – Carried out an economic impact study of an expanded Trade and Convention Centre in Vancouver that was used as international broadcast centre for the 2010 Winter Games. This project involved creating an economic impact model, including estimation of the net present value of the economic benefits resulting from an expanded Centre's operations. Also reviewed and critiqued other proposed economic impact models for the expanded Centre, including financial information and assumptions.
Public Sector	Economics	<ul style="list-style-type: none"> • City of Richmond – Tourism and Sport Tourism Strategy Development - Incorporating key developments in the construction of 2010 Olympic facilities, led the development of a tourism and sport tourism strategy for the City of Richmond, British Columbia.
Utilities	Statistics	<ul style="list-style-type: none"> • BC Hydro – Customer Energy Consumption and Energy Conservation Program Modelling – Carried out numerous statistical and econometric studies for BC Hydro involving energy consumption by commercial and residential customers. Included in these studies were the development of statistical models of energy consumption, analysis of energy load shape data and evaluations of the effectiveness of energy conservation programs.
Utilities	Statistics	<ul style="list-style-type: none"> • BC Hydro - Econometric Forecast Models - Developed a set of econometric forecast models for use in predicting electricity consumption. These models were used in evaluating various DSM programs.
Public Sector	Statistics	<ul style="list-style-type: none"> • Tourism BC – Statistical Forecasting Models – Developed a comprehensive set of statistical and econometric models for analyzing and forecasting visitor numbers and tourist spending in BC, as the province seeks to double tourism by 2015.
Industry Associations	Statistics	<ul style="list-style-type: none"> • Tourism Vancouver – Models of Visitor Demand – On an ongoing basis analyze and forecast numbers of visitors, overnight hotel room demand and visitor spending. This work includes developing a set of over 30 statistical and economic forecasting models to predict number of visitors from different places of origin, as well as forecasts of room night demand and hotel room rates.
Industry Associations	Statistics	<ul style="list-style-type: none"> • Tourism Whistler – Hotel room night demand forecasting – Developed econometric models for analyzing and forecasting overnight hotel room demand for the Resort Municipality of Whistler.
Public Sector	Statistics	<ul style="list-style-type: none"> • Translink – Fare Evasion Audit – Developed the sampling plan to quantify the number of fare evaders on the Lower Mainland transit system.
Public Sector	Statistics	<ul style="list-style-type: none"> • Travel Alberta – Hotel room night demand forecasting – On an ongoing basis developed econometric models for analyzing and forecasting overnight hotel room demand for the hotel communities in Edmonton and Calgary.

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Private Sector	Statistics	<ul style="list-style-type: none"> • VanCity Credit Union – Developed a set of statistical/econometric models for the membership and financial product fore forecasting system for Canada's largest credit union.
Industry Associations	Statistics	<ul style="list-style-type: none"> • Automotive Retailers Association of BC. – Carried out a series of analyses relating to the BC automobile repair industry.
Public Sector	Statistics	<ul style="list-style-type: none"> • Vancouver Port Authority - Alaska Cruise Passenger Study - Directed a survey of Alaska cruise passengers over the 2003 Alaska cruise season. The comprehensive study involved the gathering and analysis of passenger opinions and characteristics such as cruise passenger profiles, activities, motivations, and opinions to the Port and its partners from the Vancouver Airport Authority and local Tourism Organizations.
Health Care	Statistics	<ul style="list-style-type: none"> • BC Billing Integrity Program (Ministry of Health) –Expert Support on Statistical Issues - Provided expert support on statistical issues arising from the audits of medical practitioners in BC. This work has been provided on an ongoing basis since 1998.
Health Care	Statistics	<ul style="list-style-type: none"> • BC Ministry of Attorney General Legal Services Branch - Expert Support on Statistical Issues - Provided expert support on statistical issues to legal staff from the Ministry of Attorney General arising from the audits of medical practitioners in BC. This work has been provided on an ongoing basis since 1998.
Public Sector	Economics	<ul style="list-style-type: none"> • Vancouver Conference & Exhibition Centre – Reviewed the economic impact models and calculations used by the VCEC.
Industry Associations	Economics	<ul style="list-style-type: none"> • BC Business Council – Tourism in 2020 – As part of the BC Business Council's "BC in 2020" initiative prepared an outlook for the BC Tourism Industry.
Industry Associations	Economics	<ul style="list-style-type: none"> • BC Business Council – Creative Industries in 2020 – As part of the BC Business Council's "BC in 2020" initiative prepared an outlook for the BC Creative Industries.
Public Sector	Economics	<ul style="list-style-type: none"> • BC Ministry of Energy Mines and Petroleum Resources – Review of Effectiveness of Stimulus Program for Oil and Gas Sectors – Carried out a review of the impact of a government stimulus program on the BC Oil and Gas sector.
Aboriginal Organizations	Economics	<ul style="list-style-type: none"> • Nlaka'pamux Bands – Participation Agreement Support. Developed financial and economic models to support the negotiation of a participation agreement in connection with an existing mining operation
Industry Associations	Economics	<ul style="list-style-type: none"> • Montreal International – Inter-jurisdictional Aerospace Competitiveness – Led a team that examined the competitiveness of the Quebec aerospace industries.
Public Sector	Economics	<ul style="list-style-type: none"> • Government of British Columbia – Impact of Provincial Government 2010 Winter Games Trade and Investment Programs - Assisted the Ministry with an assessment of the impacts of the 2010 Business Hosting Program. The overall objective of the study was to

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		capture the impact on the Program of achieving multiple objectives such as: sales of British Columbia products, technologies and services; attracting foreign direct investment; promotion of research and innovation partnerships; and increasing awareness of British Columbia as a place for business
Industry Associations	Economics	<ul style="list-style-type: none"> • Edmonton Economic Development Corporation - Convention Centre Demand Forecasting – Developed demand forecasting models for projecting demand for the Edmonton Convention Centre.
Major Events	Economics	<ul style="list-style-type: none"> • Canadian Heritage – Review of Edmonton Bid for 2015 World University Games – On behalf of the Government of Canada reviewed Edmonton's Bid for the 2015 World University Games.
Major Events	Economics	<ul style="list-style-type: none"> • City of Edmonton – World's Fair Bid – On behalf of the City of Edmonton, developed bid materials related to Edmonton's Bid for the 2017 World's Fair.
Education		<ul style="list-style-type: none"> • Ph.D., Applied Mathematics, University of Washington • M.S., Applied Mathematics, University of Washington • B.Sc. Mathematics and Statistics, University of British Columbia • Post-Doctoral Fellow, Department of Physiology, School of Medicine, and Department of Mathematics, University of British Columbia
Employment History		<ul style="list-style-type: none"> • Partner, MNP LLP (2010-Present) • Associate Partner, PricewaterhouseCoopers LLP. Leader of Statistics and Economics Consulting Practice (2005-2009) • Partner, Grant Thornton Chartered Accountants and Management Consultants. Leader of Economics and Statistics Consulting Practice (2002-2005) • Principal, Arthur Andersen LLP. Leader of Economics and Statistics Consulting Practice (1998-2002) • President, Mansfield Consulting Inc (1992-1997) • Director, Price Waterhouse Chartered Accountants (1988-1992)
Memberships		<ul style="list-style-type: none"> • Member, American Statistical Association