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15 November 2013

Ms. Erica Hamilton
Commission Secretary
British Columbia Utilities Commission
Sixth Floor,
900 Howe Street
Vancouver,
British Columbia
V6Z 2N3

Dear Ms Hamilton,

Re: Insurance Corporation of British Columbia
Order G-141-13/Project No. 3698726
2013 Revenue Requirements Application

Further to Commission Order G-141-13 with respect to the above noted Application, please find enclosed my Letter of Comment to the Pre-Hearing Conference on November 19th 2013.

Kind regards,

Richard T. Landale
Enclosure
cc: Registered Interveners
(ICBC-2013RR-RI)

BRITISH COLUMBIA UTILITIES COMMISSION PRE-HEARING CONFERENCE
NOVEMBER 19th 2013 IN THE MATTER OF
ICBC 2013 Revenue Requirements Application

Thank you Mr. Chairman,

1) My name is Richard Landale of Surrey British Columbia. I am a Retired Senior Citizen representing myself.

2a) I would like to take this moment to thank the BCUC and the Chair for hosting this pre-hearing conference, and your staff's work in the preparations – well done and thank you. I would also like to thank ICBC for their “Mind Bending” 1,038 page application, and the enormous 3,151 pages of IR Responses. ICBC has surely produced a “Hair Pulling” experience, at least for me. I understand Pacific Blue Cross my medical insurance plan does not cover this calamity, Does ICBC offer “Basic” Insurance coverage for this contingency ?

Before I address my interests in the application, I feel obliged to comment that my remarks today can not address ICBC's responses to my IR#1. Just too little time to extricate myself from the swamp of ICBC's IR response.

2b) With your permission, First; I would like to outline in broad terms the key issues I have with the ICBC 2013 Revenue Requirement Application, as articulated in some detail within my Information Request #1.

Secondly; since this is the first opportunity as an Intervener I would like with your permission Mr. Chairman, to address a few issues/procedures as an in experienced Intervener in regard to the Application, and some of exhibits I wanted to submit.

3) Turning to the key issues I mentioned earlier in reference to my IR #1 I would like the Commission and ICBC to understand that if I am mute on any issue or point or exhibit, it should not be construed that I am in agreement, condone or in denial of that issue, point or exhibit. It should be understood I have not had enough time to explore the point to form a response. After all, I do not have paid VP's, managers and staff to support me, poor me. - Give me 2 people and an office, and I'll respond with 2,000 pages.

Within the limits of my understanding of the Commission's scope, procedures and terms of reference, I have no further comment to this invitation.

Although, I will address 8 key issues in my Information Request #1, they are:

1. Claims Transformation Program (CTP)
2. Minimum Capital Target (MCT)
3. Basic Premium Policies and BC Population.

4. BC Population and Basic Insurance Premium Inflation
5. To the BCUC, Re BC Stats versus Stats Canada
6. BC Government "Review of ICBC August 2012" – BCUC Exhibit A2-9
7. BC Government "Review of ICBC August 2012" – 5.2 Compensation pg 28
8. Chapter 7 - Appendix 7D Cost Allocation Tables pages 7D-1 to 7D-7

There is one other issue I would like to add that was not included in my IR #1, that being Letters of Comment received by the BCUC, and in particular Mr. Arthur Entlich letter to the BCUC filed October 15th 2013. I then prepared and submitted my IR#1 Addendum to the Commission, which was subsequently rejected by the staff, as a late filing. I have no problem with that, save to say some comments I will address in my 4C comments herein.

I would like to add Mr. Chairman, I wish to use Mr. Entlich letter as evidence in support of my first key issue, the Claims Transformation Program. And I will come back to this point as I address item 4b in the BCUC open letter to ICBC and Registered Interveners of November 4th 2013.

This concludes the key issues I will be addressing at the appropriate time. I do hope though, as I note from the Draft Initial Regulatory Timetable, I still have some time to explore other issues "Within the application", that I may or may not bring to the oral hearing. Family commitments are limiting my available time to be fully involved by IR#2 deadline.

4) In the matter of the Regulatory Timetable and the 4 options, I note looking backwards to the 2011/2012 process; this initial draft timetable is in fact an evolving option process, which I like. It demonstrates the Commission is open to appropriate alternatives with given limits, with timing and the calendar being apparently key elements.

Item 4a) In my Information Request #1, I recommended the following key issues be bifurcated, (what a great word, I never used it before), along with all their related evidence:

1. Claims Transformation Program CTP
2. New Capital Management Program CMP

In my humble opinion, (I like that word to), although these issues are very important in themselves, they are stand alone elements. The CTP is work in progress that merits scrutiny from the beginning to the end, which will be....., WHEN ?

And the CMP is purely outrageous to my way of thinking. I could take up hours of your time to express my distain while challenging components within the CMP, point by point. From a scheduling point of view, I would want a full hour of oral discussion, and another 'x' number of hours in rebuttal to ICBC's responses, and perhaps those of the Commission and other Interveners, if appropriate.

Item 4c) I like the eleven (11) step process; it is encouraging to see this open and respectful opportunity for all participants to have time to prepare, review and exchange information.

In particular I like the opportunities for Information Request #2 and the Oral Hearing. Oral hearings bring the “Human” element alive, and if I may say in a positive frame, “In Your Face”. Oral hearings bring animation to the presentation and the rebuttal in context, giving credence to the discussion and the evidence in a one on one basis, where written submissions are so muted.

I would like to note a couple of timing issues the Commission may like to address;

1. Who works over the Christmas and the New Year period. This effects the allotted time for ICBC IR #2 Response envelope and Intervener IR Responses on Intervener Evidence. Please see my suggestions for a revised timetable, eg:- At no cost to the overall Calendar, extend the timeline for these two steps so that the 12 day period between January 16th and January 27th is partially utilized.

2. I note the 11 steps the timelines overlap the weekends. Who’s paying the overtime, and is that overtime reflected in any manner within the Basic Premium Rates ? And further, weekends are when I can get some respite to play from pulling the remaining hairs from my head.

All Joking aside; Options B1 and B2 while they shorten the Calendar Timeline, they totally circumvent Option A1, at a cost I believe that can only hurt the interests of all British Columbians who currently have to pay over inflated Basic Insurance Premiums.

In the case of Option A2; any time the process chops the presentation of evidence and rebuttal opportunities, the process becomes handicapped and slanted with unaddressed issues, evidence or verification. This could lead to an incomplete assessment of the Application, Intervener commentary and evidence, snowballing to inappropriate and hasty conclusions, and subsequent decisions by the BCUC.

Item 4b): The First issue I have is in reference to the November 4th letter, I do not follow the overlapping timetable as described therein. I think some information maybe missing in this letter. I refer to my attached Excel spreadsheet. To announce for the record, the spreadsheet shows the 11 step process for Option A1, that all 11 step target dates are sequential, I do not see the overlap referred to in the letter. I must be missing something ?

I hope you will forgive me Mr. Chairman, but I have been presumptuous within this Timetable based on the wording of item 5 in the November 4th letter. In my spreadsheet I have “Bifurcated” the CTP and CMP elements in a manner that sequentially follows the main Draft Timetable steps for these two items. I have also for general expediency truncated those steps to some degree, because, to some degree everyone to this point probably have formed their positions ahead of this timeline, their statements and evidence in respect to the Application. By bifurcating these two elements, and adjusting the timeline as shown, we can all refine our attentions to these two elements over the shortened steps given therein.

I also added one more item, at least for my reference that is, the ICBC 2014 Revenue Requirement Application, which I believe comes due in May 2014.

The Second issue has to do with the submission of Intervener Evidence. As I eluded to earlier in these comments to Mr Entlich letter and my IR #1 Addendum, I would like to bring forward Mr Entlich's letter in evidence to support my opinion in the matter of the Claims Transform Program described in the ICBC Application. Along with this letter I also described a family members experiences to further amplify my concerns with the CTP. The issue is how do I do this while following the BCUC Procedures ?

The Third issue I would like to enquire about is, Ms. Hamilton the Commission Secretary informed me in her letter of October 21st that the Commission does not answer questions raised to the Commission from within Information Requests about the applicant's evidence.

Without the ability to request information via a question, receive a response, or gather the Commission's opinion, how can I or others verify the Commission has understood the full context of the submission leading to the question. Or whether the Commission will seek more information for clarification purposes, and ultimately receive a reply to the question. Not wishing to sound provocative, but in some instances we may wish to question the Commission at say a higher level. For example: suppose we wished to challenge the legal requirement the Commission has to follow an Order in Cabinet, perhaps as it relates to the Minimum Capital Test. By receiving the Commission's answer, we may then accept the outcome.

The Fourth issue relates to a minor procedural item. The timing and submission of our Expense Claims, due November 28th. Given the Initial Regulatory Timetable provisions in Options A1 and A2, of an Oral Hearing for either January 28th or January 13th respectively, perhaps re-scheduling of the Expense Claims should follow one of these dates.

Item 4c): In closing the Option A1 Draft Initial Regulatory Timetable is quite satisfactory to me, with the caveat reference I made to statutory holidays; I am exclusively interested in Option A1.

5) In regard to other matters, I have responded to this item in my Item 4a herein. I know while riding the Skytrain home following this Pre-Hearing, I will have a moment of enlightenment. In that event I will address it during the Information Request # 2 process.

Respectfully, Thank you Mr. Chairman.

Attached via email to the BCUC is my Excel Spreadsheet outlining my revised Timetable generally described above.