

Richard Landale Intervener C-4
ICBC COVID-19 Customer Relief Program Application

British Columbia Utilities Commission
Suite 410
900 Howe Street
Vancouver, BC V6Z 2N3

May 27th 2020

Attention:

BCUC Commission Chair, Mr.D. M. Morton
Mr. Patrick Wruck, Commission Secretary and ICBC Regulatory Services
Ms. Marija Tresoglavic, Acting Commission Secretary

Dear Sirs,

Please receive my Intervener Information Request C-4-IR1 in the above titled application.

I must apologize for the format, and seek understanding.

I have been pre-occupied in family matters since my brother passing due to COVID-19 in the UK, along with related Estate Duties and UK taxation details.

Again my apologies,
Respectfully



Richard T. Landale.

The following are Posits text copied from the Transcript

1. Pg 10 lines 9 to 18

Ms. Aimers stipulates that this COVID-19 Application has: "We have no actuarial models to rely on, very little data to use to predict outcomes, little understanding on the timeline of the event and the long term impacts of this pandemic".

So according to Actuarial Standards Board, any actuarial judgments made in support of this COVID-19 Application is purely "conjecture", is that a fair and reasonable comment to apply going forward with the following comments and questions the BCUC Commission Panel should take into consideration? If not, please underscore why Ms. Aimers made these remarks to the Commission Panel to explain the Actuarial "understanding" used in this COVID-19 Application with "no actuarial models to rely on".

2. Pg 11 lines 1 to 3

Do these barriers relate to the Rate Schedules / Vehicle Rate Classes, and are there other barriers. Please explain all the barriers that exist to which this comment is referring to.

3. Pg 11 Lines 7 to 16

Upon a policy cancellation what is the "Total Cancellation Fee/charge", before the \$30 waiving fee, or is it a percentage of the total cancellation fee. Please explain the components that make up the policy cancellation fee with a table breakdown of all the fee components.

~~4. Pg 12 Lines 1 to 9~~

~~Specifically what are the Rate Classes that would be affected?~~

5. Pg 12 Lines 16 to 23

How does ICBC know that employees are using their vehicle before and now during this COVID-19 pandemic? What are the numbers to support ICBC's statement?

Are these numbers input to ICBC's Actuaries in a manner that supports their assessments in this pandemic crisis, or is this all pure speculation by ICBC?

6. Pg 12 & 13 Lines 24 to 26 and 1 to 3

Uber Eats is it not a ride Sharing /Taxi service in Rate Vehicle Class of its own. What other business operations does ICBC provide basic insurance for that meets the example criteria given, and how many policies does ICBC insure in this rate class. Please refer to the following link: <https://www.uber.com/ca/en/deliver/>

Deliver with Uber in Canada

Flex work and great pay. Deliver whenever you want. You make your own schedule. Deliver food from local restaurants and earn money anywhere, anytime you'd like! Be Your Own Boss. Fast Approval Process. Work When You Want. Get Paid Same Day. Earn All Tips.

7. Pg 14 Lines 8 to 10 and 16 to 26

Please provide the exact tariff definition for employees in the context of this COVID-19 Application, as there are multiple employee definitions throughout the Traffic schedule, tables, rate classes. For example:- In Schedule B Vehicle Rate Class there are 2 definitions listed; Assigned, Business. Also refer to Table 4.1-A Rate Class 001 and 051; Table 4.2-A Rate Class 002; and so on -; and Table 4.20-A Rate Class 701

8. Pg 15 Lines 1 to 17

The Chairperson asks the question, Mr. Ghikas tries to clarify, and **Mr. Wong defers the answer to "another time"**. Please restate the problem ICBC has with the Chair's question and Mr. Ghikas' questions, followed with the ICBC answer /position. "This IR is the other time".

9. Pg 17 Lines 7 to 20

Ms. Aimers starts on page 15 to explain ICBC's AAP. The question is from lines 8 to 12, Exactly what trade off's did ICBC actuaries **undertake between accuracy and simplicity in support of this COVID-19 Application**, while following Actuarial Standards Board Section 11.40 (page 18 lines 7 to 14). The question assumes ICBC has some form of quantitative / numerical data to review in order to form judgment, what were these parameters specifically, and how did the selected parameters determine the COVID-19 Application. Please provide a table with the parameters with a dollar value column and a percentage of total of the parameters column.

10. Pg 19 Lines 5 to 13

ICBC informs their actuaries have observed declines in traffic volumes and claims counts or claims costs in this restrictive period. Presumably ICBC has data across all Territories in the Province to make such observations. Please provide supporting evidence and numbers that actuaries used to reach judgment, taking into account the available timeline / information ahead of April 21st, the date of this application.

11. Pg 21 & 22 Lines 14 to 26, 1 to 18

This third risk seems to have potential legal consequence for the driver/s and the employer/s in the event the rate class vehicle is being used for delivery / commercial uses at the time of an accident. Which is what Mr. Ghikas (page 15) alluded to earlier. In what legal context are policyholders liable with reclassifying rate class vehicles to 919. How is ICBC going to hold drivers accountable under their new Drivers Certificate (formula) approved in 2019.

12. Pg 23 Lines 4 to 10

Directionally ICBC is “struggling” and, seems only concerned within the context of this COVID -19 Application with reduced traffic, claims volume, customer premiums and changing rate classes, is that correct. If not please explain within the context of Exhibit B1 and this Transcript. Ms. Aimers reply to BCUC Mr. Leon Chung’s question on page 23 reads as a rhetorical response and vague: “directionally we believe that the two to two and a half million does offset that.” Ms. Aimers reply has no financial footing to support her response. Neither does Exhibit B1.

13. Pg 23 to 33 incl.

The Chairperson, Ms Aimers, Mr. Wong and Mr. Chung exchange a lengthy “Q&A” in respect to SLIDE 2.0 “Suspension of Basic Insurance – non fleet customers” 2.1 to 2.5 inclusive, ending on Page 33 Line 15. I apologize to Ms. Aimers, I have no idea what this exchange resulted in. Too many words without substance in my view.

This IR requests ICBC tabulate the Q&A with response columns and numbers. There must be an easier way to comprehend the Q&A.

14. Pg 28 Lines 1 to 13

What seems unclear, ICBC assumes 1,000 cancellations daily in normal times. While for Actuarial purposes ICBC expects cancellations will rise to 1,700 daily for a total of 75,000 over the Application 60 day period. This is an increase of 15,000, or only 700 daily ($15,000/60=250$). Which appears to warrant or justify the \$30 waiver fee, **is this correct**. The arithmetic does not appear to support the response given by Ms. Aimers.

15. Pg 30 Lines 4 to 9

Ms Aimers response to the Chairperson’s question on page 29 line 26 seems to suggest the difference between 1,700 COVID-19 daily cancellations (700) to the 1,000 normal daily cancellations do not justify the \$2.5 million in premium risk, **is that correct**, please explain what Ms Aimers meant in response to the Chairpersons questions on page 29.

16. Pg 33 Lines 21 to 26

With respect to SLIDE 2.6 Ms. Aimers provides numbers for “Drivers without Insurance”. Please confirm the arithmetic given in this response equals this table for Total Annual Claims:

	2017	2018	2019
0.15%	1,355	1,260	1,126
<u>Therefore:</u>			
0.30%	2,710	2,520	2,252
3%	27,100	25,200	22,520
1%	9,033	8,400	7,507
100%	903,333	840,000	750,667

And please confirm that the **0.15%** when expanded for year 2019, ICBC is saying there are 750,667 drivers driving around without insurance. If this is not true, then explain why the arithmetic cannot be expanded in this manner, and what are the correct numbers for 100% in the years 2017, 2018, 2019.

17. Pg 34 & 35 & 36 Lines 20 to 26 and 1 to 26 and 1 to 14
Can a senior swop / transfer his/her basic insurance from Rate Class 001 to storage fire and theft without loosing his/her plates. And later re-instate their policy back to full **Rate Class 001 operation without loosing their distant discount factor**. If not please clearly explain why not, what regulation makes this prohibitive, or what corporate ICBC policy handbook says this is not allowed. Please address the issue in full.
18. Pg 39 Lines 14 to 26
To be clear, on page 35 I asked a similar question in respect to seniors. I am confused by this reply to question 3.3 Please explain the differences or clarify separately the differences, as this reply suggests the vehicle plates do not need to be surrendered if the vehicle is put into storage, but omits to address insurance coverage for fire and theft once the vehicle is put into storage... ?
19. Pg 39 Lines 14 to 26 continued:
ICBC adds further confusion within the various responses given through to page 42 line 14. There seems to be more grey between moving to / from Rate Class 919 Basic and Optional Insurance policy coverage / deductibles. To be clear, **do any of the circumstances expressed throughout these responses impact Seniors and if so, please be very clear of the impacts and direction seniors need to consider before taking any action to changing vehicle use to storage and fire and theft.**

20. Pg 42 Line 26 to Pg 49 incl up to line 14 (also refer to IR-1-6)
Here is the most dangerous "Minefield" in this COVID -19 Application, that occurs with small restaurant delivery employees / contractors.
Too late after the accident, and problems of misrepresentation by the driver, the employer, the Broker and the lawyers. Any business / employee wanting to change to Rate Class 919 must be fully informed by the "Knowledgeable Broker" of all the ramifications and obligations so that the policyholder clearly knows what their liability is in the event of an accident / claim.
21. Pg 47 Lines 6 to 26 (also refer to IR-1-6)
Following April 22nd the Commissioner his Order G- 92-00 granting "ICBC is granted interim and non-refundable approval of the following, effective April 23, 2020 to June 21, 2020"
ICBC in compliance their "2.B.1 COVID-19 Temporary Basic Insurance Tariff Amendments" on May 4th Exhibit B-4, followed on May 8th by Exhibit B-4.1, retro-active to April 23rd. Mr. Wong on Page 49 Lines 4 to 7 responds to the Chairperson. In reading Mr. Wong's response:
"it doesn't matter whether the individuals are part-time or full-time employee, as long as they are Employee"
The tariff (Exhibits B-4, and B-4.1 has no reference to "**Part-Time Employees**" or to a policyholder who is "**Temporarily an independent delivery person**" to several business operations at the same time. **Will they be covered** If they are not, how will ICBC address this situation, and how will the policyholder in the interim be informed, and of his/her liability. Does it make a difference as to what type of business, are there any business exclusions.

22. Pg 49 Lines 4 to 7 (also refer to IR-1-6)
What is the definition of employee. For instance the employer pays MSP / EI premiums on behalf of the employee, or the driver is a temporary contract hire (self employed) to drive for the company/restaurant, and uses his/her own vehicle. Does this definition change if the self employed person drives a company supplied vehicle, or his/her own vehicle in Rate Classes 001, 013, 919 or other rate classes.
23. Pg 49 to 50 incl. Lines 10 to Pg 50 Lines 25 (also refer to IR-1-6)
The series of Q&A between the Chairperson and Mr. Wong. ICBC omits any discussion of the legal responsibilities on the driver / policyholder in terms of after the fact, such as once ICBC initiates their claims investigation. Please place these questions and responses into complete legal context for the driver / policyholder for the various Rate Classes noted in this COVID-19 Application.
24. Pg 51 Lines 6 to 26 Pg 52 Lines 1 to 6
Again more confusion in relation to the senior who has qualified for a the distance factor discount of \$50, who as a result of this COVID-19 parks his/her car. Ms Aimers now says there are "many factors", **what are the factors ?** (line 25), then on Page 52 (lines 5&6) says something else, **"it's hard to pin point a value on these smaller items"** For this senior within the context of all my other questions, is it better to save \$30 or \$50 amidst this COVID-19 Application and the next 60 days ? over my annual renew period especially since my renewal is due June 29, just 8 days after G-92-0 BCUC Interim Order and the new tariffs expire? And ICBC has filed their "Final Reply Argument" on June 18th. I need to know my "option/s" by June 3rd head of Interveners Final Argument June 9th. It's a mess ??

25. Pg 52 Lines 8 to 23

It appears in this transcript Ms. Aimers is more concerned with representing ICBC public perception (lines 20 to 22) of "optics" surrounding the \$30 non-refundable waived fee, than by ICBC billing policyholders for changing their policy / rate class, while according to Mr. Wong ICBC "system costs are less than only \$65,000 in administer /administration costs page 26 lines 24 to 26.

Is this a reasonable and fair summary of Ms. Aimers remarks ?