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June 3, 2020

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

Attention: Ms. Marija Tresoglavic, Acting Commission Secretary and Manager,
Regulatory Services

**Re: Information Requests on ICBC's Application
in Response to the COVID-19 Pandemic**

Dear Ms. Tresoglavic:

Attached are ICBC's responses to the following information requests on ICBC's Application in Response to the COVID-19 Pandemic (the Application):

- Roy Ennis (RE); information request no. 1; May 25, 2020 (exhibit C3-2).
- Insurance Bureau of Canada (IBC); information request no. 1; May 26, 2020 (exhibit C1-2).
- BCOAPO et al (BCOAPO); information request no. 1; May 27, 2020 (exhibit C2-3).
- Richard Landale (RL); information request no. 1; May 27, 2020 (exhibit C4-2).

I trust all is in order.

Yours truly,

Angela Wright
Manager, Corporate Regulatory Affairs
/cc

Cc: Registered Interveners
Bill Carpenter, Vice President, Insurance, ICBC

Attachment

2020.1 COVID19 BCOAPO.1.1 Reference: Transcript, page 5, lines 15-19 and page 7, lines 21-26

The referenced passages state:

This application contemplates three temporary changes to the Basic insurance tariff that will provide some relief, for a 60-day period following BCUC's interim approval. That is the proposal....

MS. AIMERS: My name is Kelly Aimers, I am the chief actuary as mentioned, and the director of regulatory affairs. My role in this application is being responsible for the financial impacts of these proposed changes, as well as ensuring that they adhere to accepted actuarial practice.

Please provide a table which summarizes the financial impacts on ICBC of each of the three changes separately under the assumption that (i) the proposals are in effect for only 60 days and repealed thereafter, (ii) the proposals remain in effect for a 6-month period and repealed thereafter, and (iii) the proposals remain in effect for a one-year period and are repealed thereafter. Please consider all financial impacts on ICBC in respect of all revenues and costs including, but not limited to, premium revenues, policy cancellations, storage revenues, incremental costs, communications costs, investment income, etc. Please explicitly state all assumptions made.

Response:

ICBC has provided below the information for the first 60 days, per part (i) of the question above. Forecast numbers beyond the proposed 60 day period would require additional actuarial analysis including judgment and also the effect of easing COVID-19 restrictions, including the possibilities of a relapse, on the impacts to and changes in customer behaviour. As a result, ICBC only has readily available information to support the initiatives for the first 60 days, and thus is unable to provide the information requested in parts (ii) and (iii) of the question above.

Initiative	Financial Impact	Assumptions
Waiving the \$30 Cancellation Charge	\$2 to \$2.5 million	Please see transcript pages 27 to 28 and response to information request 2020.1 COVID19 RL.14
Allowing Fleets to move to rate class 919	Unknown	Please see the Application, page 3, Section 1.2 and the response to information request 2020.1 COVID19 BCOAPO.2.1 for details
Allowing personal drivers to use vehicle for delivery (medical and food only)	Unknown since customers are not required to inform brokers; however, there is foregone premium	Please see the Application, page 4, second paragraph and transcript pages 43 through 46 (specifically page 44 paragraph 1)

BC Pensioners' and Seniors' Organization Information Request No. 2020.1 COVID19 BCOAPO.1.2 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 BCOAPO.1.2 Reference: Transcript, page 5, lines 15-19 and page 7, lines 21-26

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This application contemplates three temporary changes to the Basic insurance tariff that will provide some relief, for a 60-day period following BCUC's interim approval. That is the proposal....

MS. AIMERS: My name is Kelly Aimers, I am the chief actuary as mentioned, and the director of regulatory affairs. My role in this application is being responsible for the financial impacts of these proposed changes, as well as ensuring that they adhere to accepted actuarial practice.

For purposes of comparison with the responses in the preceding IR, please provide the forecasted financial impact on ICBC in the event that it did not make any changes in response to the pandemic.

Response:

Based on the information that is available, if ICBC did not implement these three initiatives, the impact to ICBC's financials would be at least \$2 to \$2.5 million more favourable. Since customers who are delivering food and medical supplies would be required to change their rate class to a more expensive rate class, ICBC would receive more premium from those customers in the absence of these initiatives. Since the number of customers that would make that change with their broker is unknown, it is only possible to say that the total favourable financial impact in this scenario would be at least \$2 to \$2.5 million.

BC Pensioners' and Seniors' Organization Information Request No. 2020.1 COVID19 BCOAPO.1.3 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

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This application contemplates three temporary changes to the Basic insurance tariff that will provide some relief, for a 60-day period following BCUC's interim approval. That is the proposal....

MS. AIMERS: My name is Kelly Aimers, I am the chief actuary as mentioned, and the director of regulatory affairs. My role in this application is being responsible for the financial impacts of these proposed changes, as well as ensuring that they adhere to accepted actuarial practice.

Is ICBC of the view that its three proposals will provide materially significant benefits to its customers?

Response:

The materiality or significance for customers will depend on the particular circumstances of each customer, so it is difficult to answer the question in those terms. ICBC is of the view that these three initiatives are meaningful in the sense that they provide quick temporary relief to those customers that are most impacted and they remove barriers to help customers make their decisions in the context of this pandemic. There are a number of other measures that ICBC has implemented in response to the COVID-19 pandemic which are not included in this Application. Please see the response to information request 2020.1 COVID19 IBC.3.4. Please also refer to the responses to information requests 2020.1 COVID19 IBC.3.1 and 2020.1 COVID19 IBC.3.2, which discuss the factors that ICBC considered in relation to other insurers' COVID-19 measures and why other ICBC proposals were not put forward.

BC Pensioners' and Seniors' Organization Information Request No. 2020.1 COVID19 BCOAPO.1.4 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 BCOAPO.1.4 Reference: Transcript, page 5, lines 15-19 and page 7, lines 21-26

The referenced passages state:

This application contemplates three temporary changes to the Basic insurance tariff that will provide some relief, for a 60-day period following BCUC's interim approval. That is the proposal....

MS. AIMERS: My name is Kelly Aimers, I am the chief actuary as mentioned, and the director of regulatory affairs. My role in this application is being responsible for the financial impacts of these proposed changes, as well as ensuring that they adhere to accepted actuarial practice.

1.4 Does ICBC believe that its policy proposals will induce positive behavioural changes on the part of its customers?

1.4.1 If so, please explain what those positive behavioural changes will be and how ICBC and its policy holders will benefit from those changes.

Response:

As provided in the response to information request 2020.1 COVID19 BCOAPO.1.3, the intent of these initiatives is to provide quick temporary financial relief to customers and remove barriers for customers to make the decisions that are right for them. There was no intent to influence positive or negative behaviour; therefore, ICBC does not have an opinion or belief either way.

BC Pensioners' and Seniors' Organization Information Request No. 2020.1 COVID19 BCOAPO.2.1 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 BCOAPO.2.1 Reference: Exhibit A-2, BCUC 3.1

Please provide an estimate of the maximum potential financial liability for ICBC in transferring fleet customers to Class 919.

Response:

Allowing fleet customers to transfer to Rate Class 919 provides them relief from cost pressures they may be facing due to changes in their business operations without having to deal with the administrative challenges in cancelling their policies. This initiative was put in place to remove any administrative barriers for ICBC's fleet customers so they can make the decision that is right for their business.

Any financial impact for ICBC would need to consider the total Basic insurance premium of a fleet cancelling, receiving a refund and then re-plating at a later date versus the total Basic insurance premium of a fleet moving to Rate Class 919, receiving a refund and then reinstating their previous rate class. From a customer perspective, all things being equal, these two actions should yield similar Basic insurance premiums paid; however, there could be differences in premium for fleets if policy attributes have changed at the time of re-plating, leading to differences in risk. Any financial impact for ICBC would be dependent on a number of factors and subsequent analysis, such as the total premium for the fleet, each fleet's updated risk attributes at the time of renewal, the remaining term on the fleet certificate and when the fleet will re-instate coverage to the vehicles. Given that this information is unknown, ICBC is not able to provide a financial impact as a result of this change. Please also see the Application, page 3, Section 1.2.

BC Pensioners' and Seniors' Organization Information Request No. 2020.1 COVID19 BCOAPO.3.1 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 BCOAPO.3.1 Reference: Exhibit A-1

Is it ICBC's position that policy holders who applied to cancel their automobile insurance represent the entirety of British Columbia's non-fleet insured drivers impacted by COVID-19?

Response:

No, many non-fleet policyholders who have been impacted by COVID-19 are still utilizing their vehicles. Some of those policyholders have reduced or changed their insurance coverage to better reflect their risk, but others continue to operate as before. The proposed change allows those customers who are no longer using their vehicle to cancel their policy without paying the \$30 cancellation charge. ICBC's intent was to make it easier for customers to make these decisions.

BC Pensioners' and Seniors' Organization Information Request No. 2020.1 COVID19 BCOAPO.3.2 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 BCOAPO.3.2 Reference: Exhibit A-1

Does ICBC agree that traffic in British Columbia has been far less since the COVID-19 shutdown of mid March?

Response:

As provided in the May 14, 2020 report, "Impacts of COVID-19 pandemic on ICBC", ICBC opened 46% fewer accident claims between March 15 and May 2 (including claims for both damage to vehicles and for injuries) compared to the same period last year, with an average weekly reduction of 7,100 claims. Coupled with congestion and mobility reports provided by Google and Apple, ICBC agrees that traffic in British Columbia has been reduced since the province declared a state of emergency.

The May 14, 2020 report is available in this link on icbc.com: <https://www.icbc.com/about-icbc/newsroom/Documents/COVID19-impacts-report-May2020.pdf>.

2020.1 COVID19 BCOAPO.3.3-5 Reference: Exhibit A-1

3.3 Does ICBC agree that automobile accidents in BC have decreased compared to the same time period last year?

3.4 Does ICBC agree that an insurer's exposure to risk is far greater if a policy holder with a certain risk profile is driving in a situation where there are far more drivers on the roads than another policy holder with an identical risk profile driving in an area where there are far fewer cars on the road?

3.4.1 If not, please provide the basis upon which it disagrees with that statement.

3.5 Please confirm whether ICBC is aware that others within the car insurance industry in Canada have offered insurance discounts due to the COVID-19 pandemic and the resulting economic crisis.

Response:

Please see the response to information request 2020.1 COVID19 BCOAPO.3.2 where ICBC refers to the reduced number of claims opened during this period in comparison to the same period last year. Also please see the May 14, 2020 report, "Impacts of COVID-19 pandemic on ICBC", page 6, for a description of the changes in driving behavior since mid-March with a combination of factors that increase and decrease ICBC's exposure to risk.

ICBC is aware of the other relief measures implemented by other insurers in response to COVID-19. ICBC has implemented several initiatives in addition to the ones provided in this Application in response to COVID-19, including allowing customers to defer monthly payments for 90 days and working to set up extended payment plans for customers who need that flexibility at the end of their deferral period. From March 17 to May 2, this option has allowed 40,000 customer deferrals with \$16 million in payments deferred. Please refer to the responses to information requests 2020.1 COVID19 IBC.3.1 and 2020.1 COVID19 IBC.3.2, which discuss the factors that ICBC considered in relation to other insurers' COVID-19 measures and why other ICBC proposals were not put forward.

2020.1 COVID19 BCOAPO.3.6-9 Reference: Exhibit A-1

3.6 Is ICBC aware that some others in the industry are offering their customers a temporary (i.e. 90 day) deferral of premiums if they are experiencing financial hardship as a result of COVID-19?

3.7 Is ICBC aware that some others within the industry are waiving NSF fees that would be incurred during the COVID-19 pandemic?

3.8 Is ICBC aware that IBC member companies are offering the drivers experiencing financial hardship flexible payment options?

3.9 Did ICBC consider offering any of the above-mentioned forms of relief to its non-fleet drivers?

3.9.1 If not, please explain why not.

3.9.2 If yes, please explain why ICBC has not brought any of those forms of relief to the BCUC in this application.

Response:

ICBC is aware of the other relief measures implemented by other insurers in response to COVID-19. ICBC has implemented several initiatives in addition to the ones provided in this application in response to COVID-19 including allowing customers to defer monthly payments for 90 days and working to set up extended payment plans for customers who need that flexibility at the end of their deferral period. From March 17 to May 2, 2020, this option has allowed 40,000 customer deferrals with \$16 million in payments deferred. Please refer to the responses to information requests 2020.1 COVID19 IBC.3.1 and 2020.1 COVID19 IBC.3.2, which discuss the factors that ICBC considered in relation to other insurers' COVID-19 measures and why other ICBC proposals were not put forward.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.1.1-6 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 IBC.1.1-6 Reference: Exhibit B-1 (Application), p. 1

ICBC states that it “has already implemented several measures, such as establishing the ability for customers to complete a number of transactions by phone or email, improving the ability for ICBC employees and brokers to work from home...”

1.1 When will ICBC provide its customers with the ability to complete transactions online, such as cancelling, renewing or purchasing insurance online?

1.2 What is preventing ICBC from doing that today?

1.3 Has a cost-analysis been conducted for the expected consumer savings for a move to cancel, renew or purchase insurance online versus the traditional methods?

1.4 How many of ICBC’s employees are working from home during the COVID-19 pandemic? Please provide a breakdown between Bargaining Unit and Management and Confidential.

1.5 How long does ICBC expect these employees to continue working from home? Does it have plans to increase the number of employees permanently working-from-home? If so, please provide a projection for each fiscal year of 2020, 2021, 2022, and 2023.

1.6 What is the total number of ICBC employees? Please provide a breakdown between Bargaining Unit and Management and Confidential. Given the COVID-19 pandemic, what is the forecasted total number of ICBC employees for each fiscal year of 2020, 2021, 2022 and 2023? Please provide a breakdown between Bargaining Unit and Management and Confidential.

Response:

The subject matter of these information requests goes well beyond the temporary measures proposed to provide relief to customers during the pandemic. In light of the limited scope of this proceeding, and also given the expedited timetable necessary to address this Application, ICBC respectfully declines to provide the information requested.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.2.1 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 IBC.2.1 Reference: Exhibit B-1, p. 1

ICBC states that “[o]n March 23, 2020, BCUC issued letter L-14-20, “COVID-19 – Request from the British Columbia Utilities Commission.””

Please provide a copy of letter L-14-20.

Response:

A copy of letter L-14-20, “COVID-19 – Request from the British Columbia Utilities Commission” can be found on the BCUC website. For convenience this link will take the reader to the letter, [BCUC COVID-19 letter](#).

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.3.1 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 IBC.3.1 Reference: Exhibit B-1, p. 1

ICBC states that it is applying for interim approval of three temporary Basic insurance changes:

- **Waive the cancellation charge on non-fleet owner's certificates;**
- **Help fleet customers to suspend their insurance and obtain a refund on their insurance without the need to cancel; and**
- **Permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic.**

What factors did ICBC consider when determining the various options of insurance changes for this Application?

Response:

ICBC's application for the three temporary Basic insurance changes considered measures that could provide immediate assistance and relief to those Basic insurance policyholders that were most impacted during this pandemic. The following factors were considered:

- ICBC wanted to provide relief to customers as soon as possible; therefore, the amount of time needed to implement the initiatives including the complexity of system changes was considered. If ICBC took too long to implement their initiatives, customers might no longer benefit from the measures.
- The overall financial impact of the proposed changes needed to be reasonable and in line with ICBC's current understanding of the financial impacts from COVID-19. ICBC was able to use the most recent weeks of data leading up to the Application to aid in these decisions.
- The changes needed to be simple and easy for customers to understand given the quick timeframe. Communication materials needed to be quickly prepared for brokers and customers to ensure the changes were understood.
- The changes needed to address the immediate concerns and barriers for customers to make insurance decisions that were right for them. Therefore, ICBC considered customers' comments over the first few weeks during the pandemic restrictions and assessed their pain points in relation to the considerations listed above.

2020.1 COVID19 IBC.3.2 Reference: Exhibit B-1, p. 1

ICBC states that it is applying for interim approval of three temporary Basic insurance changes:

- **Waive the cancellation charge on non-fleet owner's certificates;**
- **Help fleet customers to suspend their insurance and obtain a refund on their insurance without the need to cancel; and**
- **Permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic.**

On April 23, Manitoba Public Insurance announced that it would offer automatic rebate cheques to its customers in May, averaging \$140 - \$160 per average policyholder.

Did ICBC consider automatic rebates when determining the various options of insurance changes for this Application?

Response:

Yes, ICBC considered rebates, refunds, and other initiatives like new discounts that other insurance companies have implemented when determining the various options of Basic insurance changes for this Application. However, there are several factors that should be considered prior to offering a Basic insurance rebate including:

- How long this pandemic will last;
- What could be the long-term behavioural impacts on driving and congestion;
- How will COVID-19 in its entirety impact the insurer's financial situation, including investment returns; and
- Each insurer's unique circumstances.

For example, Manitoba stated that its rebate was based on their strong year-end financial results, which allowed excess capital to be returned to ratepayers.

In fact, *Special Direction IC2* section 3(1)(h) does require a "customer renewal credit," a form of automatic rebate, under circumstances where ICBC has excess capital similar to the Manitoba situation. However, in contrast to an excess capital situation, ICBC's capital levels have been depleted over the past few years as a result of Basic insurance rates being below the level needed to cover costs, transfers of capital to government, and the emergence of more large and

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.3.2 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 2 of 2
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

complex claims. Given the timing of when the three initiatives were proposed and the uncertainty of the overall financial impact COVID-19 would have on its financial situation, ICBC did not move forward with rebates at the time of this filing.

ICBC will continue to monitor how the COVID-19 restrictions have affected the driving habits of British Columbians and respond accordingly. Specifically, as mentioned in ICBC's May 14, 2020 report, "Impacts of COVID-19 pandemic on ICBC":

If ICBC's net income results are better than forecast for 2020/21, any additional net income will benefit customers. Any decisions on the use of additional net income of ICBC for the year due to lower claims resulting from the pandemic will be made at the end of the fiscal year. Options on use could include rebuilding financial capital health of ICBC to reduce longer-term pressure on rates, providing one-time direct relief to customers, or any combination thereof.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.3.3 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 IBC.3.3 Reference: Exhibit B-1, p. 1

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- **Waive the cancellation charge on non-fleet owner's certificates;**
- **Help fleet customers to suspend their insurance and obtain a refund on their insurance without the need to cancel; and**
- **Permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic.**

On April 23, Manitoba Public Insurance announced that it would offer automatic rebate cheques to its customers in May, averaging \$140 - \$160 per average policyholder.

Please comment on why ICBC did not put forward a proposal for each of the following:

- **Automatic Rebates**
- **Refunds**
- **New Discounts**

Response:

Please refer to the response to information request 2020.1 COVID19 IBC.3.2.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.3.4 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 IBC.3.4 Reference: Exhibit B-1, p. 1

ICBC states that it is applying for interim approval of three temporary Basic insurance changes:

- **Waive the cancellation charge on non-fleet owner's certificates;**
- **Help fleet customers to suspend their insurance and obtain a refund on their insurance without the need to cancel; and**
- **Permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic.**

On May 14, ICBC released its report, "Impacts of COVID-19 pandemic on ICBC."

What impact does this report have on the proposals put forward in this Application?

Response:

This report supports the viewpoint and judgment used in this Application. It also provides the initial data used in its actuarial judgment, which was the basis of the discussion contained in the transcript for the April 21, 2020 virtual oral hearing, pages 18 through 19.

ICBC has also introduced measures to support customers during the pandemic, in addition to those mentioned in the Application. They include the following:

- Allowing customers the opportunity to defer monthly payments for 90 days and working to extend that flexibility at the end of their deferral period.
- Enabling customers to renew and make adjustments to their insurance by phone and email.
- Offering telehealth services in place of standard in-person treatments and extending pre-authorized health treatments.
- Paying for vehicle cleaning at repair shops which continue to operate and helping to get vehicles back on the road in a timely manner.
- Providing knowledge testing by appointment for customers whose learner's license has recently expired or will expire, new residents to BC and those who require a commercial knowledge test. ICBC expanded appointments to include all knowledge tests effective June 1, 2020.
- Returning the \$18 plate fee to any British Columbians who have applied for new plates between the dates of April 16, 2020 and May 30, 2020. On May 30, 2020, ICBC implemented a system change so that customers will not be charged a fee at the time of application after that date.

2020.1 COVID19 IBC.3.5 Reference: Exhibit B-1, p. 1

ICBC states that it is applying for interim approval of three temporary Basic insurance changes:

- **Waive the cancellation charge on non-fleet owner's certificates;**
- **Help fleet customers to suspend their insurance and obtain a refund on their insurance without the need to cancel; and**
- **Permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic.**

On May 14, ICBC released its report, "Impacts of COVID-19 pandemic on ICBC."

The report contains a 7-week reporting period of March 15 to May 2.

Assuming that different reporting periods are used:

- 1) April 1, 2019 to March 14, 2020**
- 2) March 15, 2020 to March 31, 2020**
- 3) April 1, 2020 to May 2, 2020**
- 4) April 1, 2020 to June 30, 2020**

What is the actual/forecasted impact for each of the following for each of the above periods:

- i) Insurance cancellations**
- ii) Insurance renewals**
- iii) New insurance policies**
- iv) Premium revenue**
- v) Number of claims**
- vi) Claims costs**
- vii) Investment income**

Response:

The table below includes transactional data for periods 1), 2) and 3) listed above with periods 2) and 3) consistent with the timing since the state of emergency was declared by the province over the COVID-19 pandemic. Forecast information to June 30, 2020, requires additional analysis and is not available at this time. Items iv) premium revenue, vi) claims costs and vii) investment income, are financial results that are recorded on a monthly basis; therefore the request for the specified time periods for ICBC's financials on off-month time periods (e.g., April 1, 2019 to March 14, 2020), are not available. However, the forecasts for premium revenue, number of claims, claims costs and investment income for the full 2019/2020 fiscal year (April 1, 2019 through March 31, 2020) can be found in the 2020/21 – 2022/23 Service Plan and the actual year

end results will be provided in ICBC's 2019/20 Annual Service Plan Report, which is currently being audited and will be released by government sometime before August 31, 2020. ICBC also plans to provide COVID-19 related information in upcoming quarterly financial reports.

Number of Transactions

# of Transactions/Premium Impact (where applicable)	April 1, 2019 to March 14, 2020	March 15, 2020 to March 31, 2020	April 1, 2020 to May 2, 2020
i) Insurance cancellations	549,911	38,863	64,849
ii) Insurance renewals	3,730,116	189,580	386,528
iii) New insurance policies	894,874	26,092	66,277
Total written premium	N/A	\$(100) million	\$(169) million
v) Number of claims	753,884	21,376	37,888

The overall financial impact as a result of these changes in metrics is not fully known. As addressed in other responses to these information requests, the amount of income that ICBC will not collect as a result of an increase in cancellations, fewer renewals and new submissions will depend on how long customers choose to keep their vehicles uninsured and the types of vehicles and coverage associated with these certificates. In the May 14, 2020 report, "Impacts of COVID-19 pandemic on ICBC", ICBC stated that for the period between March 15 and May 2, 2020, ICBC has lost \$283 million of written premium revenue (note the total here does not match the values provided in the table above since it also includes the revenue impact from customers making changes to their policy (i.e., moving to pleasure use, removing Optional insurance coverages). The total impact from changes in the number of claims will ultimately depend on whether there is a change to the type and severity of claims as well as on any long-term impacts to driving behaviour (e.g., increase in speed or customers preferring to drive over taking transit). As provided in the May 14, 2020 report, a preliminary estimate of the impact of the reduction in claims for the period between March 15 and May 2, 2020, is approximately \$158 million.

2020.1 COVID19 IBC.3.6 Reference: Exhibit B-1, p. 1

ICBC states that it is applying for interim approval of three temporary Basic insurance changes:

- **Waive the cancellation charge on non-fleet owner's certificates;**
- **Help fleet customers to suspend their insurance and obtain a refund on their insurance without the need to cancel; and**
- **Permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic.**

On May 14, ICBC released its report, "Impacts of COVID-19 pandemic on ICBC."

What impact would the financial results of 3.5 above have on the proposals put forward in this Application?

Response:

ICBC's May 14, 2020 report "Impacts of COVID-19 pandemic on ICBC" states that: "The COVID-19 pandemic has had wide ranging impacts on ICBC, both positive and negative, and to date it is too early to tell how it will affect ICBC's first quarter results and eventual 2020/21 full year net income."

The only initiative that had a direct measurable financial impact was the cost of waiving the \$30 cancellation charge. At the time of the Application, ICBC estimated the financial impact of \$2 to \$2.5 million from waiving the cancellation charge based on data as at the beginning of April (please see the response to information request 2020.1 COVID19 RL.14 for a breakdown of the estimated number of cancellations between April 23 and June 21). Based on more recent information up through May 2 as provided in the May 14, 2020 report, and in response to information request 2020.1 COVID19 IBC.3.5, the original estimate of \$2 to \$2.5 million is still in line with those expectations.

The report also states that ICBC is "Waiving the cancellation fee non-fleet customers normally pay when they cancel insurance, and waiving the plating fee when they choose to reinstate the policy on their vehicle. ICBC anticipates this measure will save British Columbians who choose this option between \$4 million and \$5 million." ICBC's Application states that "the estimated financial impact of waiving the \$30 cancellation charge, based on analysis of customers cancellations, is approximately \$2.0 to \$2.5 million." The reason for the difference between the

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.3.6 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 2 of 2
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

\$4 to \$5 million quoted in the May 14, 2020 report “Impacts of COVID-19 pandemic on ICBC” and the \$2.0 to \$2.5 million set out in the Application is that the former includes the estimated cost of waiving plating fees when the customer reinstates their insurance, in addition to cancellation charges. The waiving of plating fees (\$18 per plate) is the subject of Order in Council 175/2020 rather than the subject of the Application. It is also worth noting that the plating fees are waived until 60 days after the end of the COVID-19 public health emergency, which means those customer savings span over a longer period.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.4.1-2 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

**2020.1 COVID19 IBC.4.1-2 Reference: Exhibit B-1, p. 2
Proposals for Temporary Basic Insurance Changes**

In reference to its proposal regarding non-fleet vehicles, ICBC states:

“Brokers will also need to advise affected customers that they will lose eligibility for the Distance Factor (often referred to as the low kilometre discount), if they cancel their insurance, since this discount is only eligible for certificates with a 12-month term.”

4.1 Given the unique circumstances of the COVID-19 pandemic, what is ICBC’s rationale that its customers will lose their eligibility for the Distance Factor?

4.2 Given the unique circumstances of the COVID-19 pandemic, is it possible for ICBC to accommodate its customers such that they would not lose their eligibility for the Distance Factor? If not, why not?

Response:

The distance factor of 0.9 is applied at the time of a customer’s application for a renewal certificate, but only if they have driven less than 5,000 kilometres during the qualifying period (i.e., the time period between the date of the customer’s application for a previous certificate and the date of application for a renewal certificate). In the event a customer cancels their certificate for reasons not listed in the Basic Insurance Tariff, Schedule Y, section 2.1, the customer will lose their eligibility for the distance factor of 0.9 and instead a distance factor of 1.0 will be applied. The distance factor of 0.9 is applied to certificates of a 12-month term.

Changing eligibility criteria would involve a complicated system change and given the substantial system complexity of ICBC’s rating platform, it was concluded that this was not achievable in the quick timeframes these initiatives represent.

**2020.1 COVID19 IBC.5.1-8 Reference: Transcript, Volume 1, Proceedings
pp. 16-17, lines 23-26 and 1-3**

**Transcript, Volume 1, Proceedings
pp. 18-19, lines 25-26 and 1-3**

At pages 16 to 17, ICBC states:

“So, specifically, AAP says that our rates, our Basic rates must be set to cover costs and a capital provision using reasonable and reliable assumptions, data and methods. So there are standards in place that actuaries refer to when developing those reasonable, reliable assumptions data and methods.”

At pages 18 to 19, ICBC states:

“While there are many different aspects to AAP, at a high level it is intended to allow the Corporation to collect sufficient premium revenue to pay its cost and expenses for Basic insurance.”

5.1 What was ICBC’s premiums earned prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC’s forecasted premiums earned for each fiscal year ending March 31, 2021, 2022, and 2023?

5.2 What was ICBC’s average Basic premium prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC’s forecasted average Basic premium for each fiscal year ending March 31, 2021, 2022, and 2023?

5.3 Please confirm how ICBC calculates the average insurance premium.

5.4 What was ICBC’s total insurance premium prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC’s forecasted total insurance premium for each fiscal year ending March 31, 2021, 2022, and 2023?

5.5 What was ICBC’s Basic Minimum Capital Test prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC’s forecasted Basic Minimum Capital Test for each fiscal year ending March 31, 2021, 2022, 2023?

5.6 What was ICBC’s Corporate Minimum Capital Test prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC’s forecasted Corporate Minimum Capital Test for each fiscal year ending March 31, 2021, 2022, and 2023?

5.7 What was ICBC’s total outstanding liabilities prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC’s forecasted total outstanding liabilities for each fiscal year ending March 31, 2021, 2022, and 2023?

5.8 What was ICBC's total equity prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020)? If these three proposals are approved, what is ICBC's forecasted total equity for each fiscal year ending March 31, 2021, 2022, and 2023?

Response:

As provided in the response to information request 2020.1 COVID19 IBC.3.5, ICBC's financial information prior to the COVID-19 pandemic (e.g., April 1, 2019 to March 14, 2020), is not available; however, ICBC's 2019/20 financial results are currently being audited and the 2019/20 Annual Service Plan Report will be released sometime before August 31, 2020. ICBC and the government will concurrently publish the financial information to the public on the same day.

The changes proposed in this Application will reduce premium revenue and thus overall equity from the waiver of the \$30 cancellation charge, which has an overall estimated impact of \$2.0 to \$2.5 million. Since these initiatives are only valid until June 21, 2020 there will be no impact to premiums beyond fiscal year 2021. These initiatives should have little to no impact on outstanding liabilities and only a minor impact on total equity and the MCT ratio. While there is an unfavourable impact to ICBC's financial situation, the impact of the three proposals on the future forecast is expected to be minimal. The financial impacts of the three proposals were calculated specifically for the purpose and time period of this Application.

In response to question 5.3 in this series of information requests, the average premium is calculated as the total premium divided by the number of exposures. Please refer to ICBC's 2019 Revenue Requirements Application, Chapter 3, Appendix B.0 for further details. For financial reporting purposes the average premium of a policy is calculated by taking the total gross Basic insurance premiums written in dollars, divided by the gross number of policies written, which are both before cancellations and mid-term refunds. This calculation is an average across all groups of policies (including temporary operating permits (annualized), trailers, and off-road vehicles), excluding garage and fleet reporting policies, and other special coverages.

ICBC acknowledges that these estimates will not exactly match the impact that COVID-19 will have on ICBC's financials but the proposals directionally align with early indications based on the first few weeks of available data. ICBC has also commented (in the May 14, 2020 report: Impacts of COVID-19 pandemic on ICBC) that it is committed to using any savings realized through a

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.5.1-8 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 3 of 3
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

reduction in claims costs as a result of the pandemic to benefit BC drivers. While the absolute impacts are unknown at this time, ICBC has relied on recent data and actuarial judgment to support that the cost of these initiatives will still enable ICBC to collect enough premium to cover costs.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.6.1 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

**2020.1 COVID19 IBC.6.1 Reference: Transcript, Volume 1, Proceedings
p. 19, lines 5-15**

ICBC states:

“So under the state of emergency the overall impact to ICBC’s basic revenue and costs is quite uncertain. So in the last few weeks we have been able to observe declines in traffic volume and claim counts or claim costs in this period of restriction. But offsetting this decline in cost is also a decline in premium revenue as our customers cancel, drop coverage, or even change their vehicle use to a different use such as pleasure. So the timelines of this pandemic and overall impacts are unknown at this time...”

With “declines in traffic volume and claim counts or claim costs in this period of restriction”, does ICBC expect that this will result in future Basic insurance rate decreases? If not, why not?

Response:

The next Basic insurance rate change applies to policies written between April 1, 2021 and March 30, 2022. Since those policies will reflect the trends and costs within that time period and based on the uncertainty of the long-term impacts from COVID-19, ICBC does not have enough information to comment whether COVID-19 will have a positive or negative impact on the upcoming Basic insurance rate change.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.7.1 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

**2020.1 COVID19 IBC.7.1 Reference: Transcript, Volume 1, Proceedings
p. 28, lines 5-7**

**Exhibit B-1, p. 2
Proposals for Temporary Basic Insurance Changes**

At page 28 of the transcript, ICBC states:

“So when we add up all of those cancellations in that 60-day period, that equates to roughly 75,000 cancellations in that 60-day period.”

At page 2 of the Application, ICBC states that it will “lose the Basic insurance premium associated with the cancelled certificates...”

Assuming 75,000 cancellations in a 60-day period from April 23 to June 21, 2020, how much income does ICBC expect will be forgone?

Response:

The amount of income that ICBC will not collect as a result of cancellations will depend on how long customers choose to keep their vehicles uninsured and the types of vehicles and coverage associated with the cancelled certificates. Other factors that contribute to a loss in premium revenue relate to fewer renewals and new submissions, and customers changing or dropping coverage. In the May 14, 2020 report, “Impacts of COVID-19 pandemic on ICBC”, ICBC stated that for the period between March 15 and May 2, 2020, ICBC has lost \$283 million of premium revenue.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.7.2 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

**2020.1 COVID19 IBC.7.2 Reference: Transcript, Volume 1, Proceedings
p. 28, lines 5-7**

**Exhibit B-1, p. 2
Proposals for Temporary Basic Insurance Changes**

At page 28 of the transcript, ICBC states:

“So when we add up all of those cancellations in that 60-day period, that equates to roughly 75,000 cancellations in that 60-day period.”

At page 2 of the Application, ICBC states that it will “lose the Basic insurance premium associated with the cancelled certificates...”

How much does ICBC expect to save in reduced claims costs due to reductions in vehicle use during this time?

Response:

At this time ICBC does not have a forecast of the overall claims reductions between April 23 and June 21, 2020. The degree to which traffic volumes and subsequent auto insurance accident claims will change depends on a range of factors with unknown impacts, such as how quickly businesses and schools are able to open with the new physical distancing restrictions in place, and how customers have changed their overall driving behaviour, along with social considerations such as a reluctance for some travelers to take transit and carpool. ICBC will continue to monitor these trends and the impact they have on claims costs.

**2020.1 COVID19 IBC.8.1-3 Reference: Transcript, Volume 1, Proceedings
p. 33, lines 17-25**

**Exhibit A-2, p. 3
Information Request No. 2020.1 RR BCUC.2.6 Dated 17 April 2020**

At page 33 of the transcript, ICBC states:

“So for the question 2.6 it's asking about the number of customers that drive without valid insurance. It's asking for the numbers and the percent over the last three years.

So from 2017 the number that we have on file is 1,355. In 2018 it's 1,260. In 2019 it's 1,126. When we convert that to a percent of overall claims it is a very low amount. It is 0.15 percent of our total claims for each of those years.”

8.1 For each of 2017, 2018 and 2019, what is the percentage of drivers without valid insurance in British Columbia?

8.2 How do the B.C. percentages compare to the percentages of uninsured drivers in other Canadian jurisdictions such as Alberta and Ontario? And Saskatchewan and Manitoba? If ICBC provides comparisons with North America as a whole, please provide a breakdown of the percentages between Canada and the U.S.

8.3 How do the B.C. percentages compare to the percentages of uninsured drivers in U.S. jurisdictions?

Response:

ICBC notes the Intervener has made reference to an incorrect information request numbering sequence by using RR. The RR designation is reserved for Revenue Requirement Applications.

8.1

ICBC does not collect the information requested. It is not possible to know the percentage of drivers in BC without valid insurance as data cannot be collected unless they are caught; however, ICBC does collect the number of claims presented where the customer is uninsured. When compared to the number of active BC driver license holders, it is a small proportion:

Year	2017	2018	2019
Claims by uninsured drivers	1,355	1,260	1,126
Active BC drivers licenses	3,485,000	3,535,000	3,595,000
%	0.04%	0.04%	0.03%

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.8.1-3 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 2 of 2
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

8.2

Please see the response to information request 2020.1 COVID19 IBC.8.1.

Please refer to the response to information request 2020.1 COVID19 RL.16 which also provides information on the uninsured proportion as a percentage of total claims.

8.3

Please see the response to information request 2020.1 COVID19 IBC.8.1.

2020.1 COVID19 IBC.9.1-3 Reference: Exhibit B-3 (ICBC response to BCUC Order G-92-20)

In Exhibit B-3, ICBC sets out information and examples of how it is communicating to the public about the Application and its response to the COVID-19 pandemic.

9.1 How much has ICBC spent (or projected to spend) on advertising:

- i) Prior to the COVID-19 pandemic, January 1, 2020 to March 14, 2020**
- ii) During the COVID-19 pandemic, March 15, 2020 to May 31, 2020**
- iii) To the rest of the year, June 1, 2020 to December 31, 2020**

9.2 Does this advertising highlight the \$30 cancellation fee?

9.3 Please provide a breakdown of actual advertising costs or projected advertising costs for each area/initiative/program such as the COVID-19 pandemic, the move to a no-fault system or any road safety programs.

Response:

ICBC is providing the information requested that is related to its COVID-19 pandemic advertising as follows:

- Advertising costs related to the COVID-19 pandemic March 15, 2020 to May 31, 2020 - \$175,000. This represents approximately 90% of marketing costs during the period that are not attributed 100% to Optional insurance.
 - ICBC notes that approximately \$157,000 of the amount above was for advertising that had already been purchased to educate British Columbians on the shift to Enhanced Care coverage. Part of that advertising spend was repurposed and used to inform customers on changes to ICBC services during the COVID-19 pandemic, which was a more relevant topic for customers at this time.
- Forecasted advertising costs relating to the COVID-19 pandemic June 1, 2020 to December 31, 2020 - \$20,000 (mainly Google Adwords and social media).
- Four out of the 28 days of the COVID-19 advertising highlighted the cancellation charge.

ICBC also promoted the waiving of cancellation charges through traditional media and social media, driving customers to icbc.com for more information. See Exhibit B-3 for examples of social media postings.

Insurance Bureau of Canada Information Request No. 2020.1 COVID19 IBC.9.1-3 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 2 of 2
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

The information requested relating to the amount of advertising cost prior to the Government's declaration of a state of emergency from the COVID-19 pandemic, and information about ICBC's road safety and Enhanced Care coverage goes well beyond the temporary measures proposed to provide relief to customers during the pandemic. In light of the limited scope of this proceeding, and also given the expedited timetable necessary to address this Application, ICBC respectfully declines to provide information about these matters.

Roy Ennis Information Request No. 2020.1 COVID19 RE.1 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RE.1

Why was April 23 (nearly a month after the emergency was declared and self quarantining suggested by the Provincial Government) chosen to be the date for the ICBC response to come into effect? This is my main and most important question. My plate and cancellation fees were kept because ICBC was slow to act, and made no provision for simple common-sense appeals.

Response:

As noted in the preamble to this information request, the Government declared a state of emergency on March 18, 2020. Since this date, ICBC has considered numerous measures to help customers during the pandemic. Attorney General David Eby noted on April 8, 2020 that ICBC and the Government were considering waiving cancellation fees. ICBC prioritized this Application and submitted it to BCUC as soon as it was able to do so. ICBC submitted its Application to the BCUC for these changes eight days later, on April 16, 2020 and received interim approval from BCUC on April 23, 2020.

With respect to the question's reference to common-sense appeals, it would have been inappropriate and non-compliant for ICBC to have departed from the Basic Insurance Tariff (Tariff) provisions in place at the time of the customer's cancellation. Basic insurance coverage charges are regulated, meaning ICBC must apply to BCUC to make changes to the Tariff currently in effect. More information on the Tariff can be found on ICBC.com. ICBC is precluded by the *Utilities Commission Act* from departing from the Tariff terms approved by the BCUC at any point in time. The date of April 23, 2020 is the effective date of BCUC's interim approval of the Application, which means that legally that was the first date upon which ICBC could apply the new provisions. There is no provision in ICBC's Tariff to allow it to refund cancellation fees retroactively and ICBC has no legal authority to do so.

In accordance with Order in Council (OIC) No. 175 (175/20)¹ ICBC will, however, be returning the \$18 plate fee to any British Columbians who have new plates after April 16, 2020. That payment process will begin after the end of May.

¹ OIC 175/20, Appendix 1 section 3(4) "The fee set out in item 5 (i) [*issuance of number plate*] of the Schedule does not apply in relation to a person who makes an application under section 3 (7) of the Act before the date that is 60 days after the end of the COVID-19 emergency." http://www.bclaws.ca/civix/document/id/oic/oic_cur/0175_2020

Roy Ennis Information Request No. 2020.1 COVID19 RE.2-3 Dated 26 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RE.2-3

2. Why were ICBC Customer Relations Representatives not provided with information as to why such a late date was chosen so that they could tell interested customers like me- customers like me who fail to see any logic whatsoever in denying the ICBC Covid 19 response relief to people who self-quarantined (and therefore naturally cancelled their insurance) when advised to stay home by the Health Ministry. It's not much different than question number 1, but it might have given the ICBC reps something to say that didn't sound so rudely dismissive.

3. Why was ICBC so hard to reach, and then so totally unhelpful with no avenues of appeal to suggest even in such a blatantly unfair case as mine? If the reps are hamstrung by red tape then why bother having reps at all? I would have been much better off and far less aggravated saving my energy by going straight to the BCUC.

Response:

In its response to information request 2020.1 COVID19 RE.1, ICBC has explained how it proceeded promptly with this Application and was prohibited by law from providing what the customer was requesting. As outlined in response to the first question, the provision and cancellation of Basic insurance coverage are governed under a legislative and regulatory framework; this includes charges associated with cancellation and re-plating of vehicle policies.

ICBC was able to quickly put in place other measures to alleviate financial burdens experienced by some customers due to the pandemic; highlights include:

- Payment deferral up to 90 days for customers on payment plans.
- New processes to allow for insurance transactions to occur remotely.

In terms of customer service, ICBC Customer Relations Representatives were provided with operational information regarding the Application. The pandemic is not predictable and resulted in quickly evolving changes to ICBC's standard operating procedures which may have played a role in the increased call volume and the customer's overall experience.

Richard Landale Information Request No. 2020.1 COVID19 RL.1 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.1 Reference: 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".

Response:

The comment, "no actuarial models to rely on", is based on the fact that ICBC's models require historical data and patterns to predict future outcomes. Given that this pandemic is unique and ICBC does not have prior data nor knowledge as to how the future could develop and impact overall financials, ICBC's current actuarial models are not applicable for forecasting. In the absence of available models and constraints on time and resources, ICBC's actuaries relied on what little data was available and actuarial judgment to make decisions in accordance with accepted actual practice (AAP). Please refer to the transcript for the April 21, 2020 virtual oral hearing, page 18 where Ms. Aimers provides an excerpt from the Actuarial Standards Board explaining how judgment can be applied in certain circumstances where there are constraints on time and resources and such judgment is considered to adhere to AAP.

There are many paths and outcomes this pandemic could take; the comment was meant to emphasize the uncertainty of future impacts. While any forecasts would include actuarial judgment, at the time of this Application, ICBC did have a few weeks of data to rely on with regards to how claim frequency, investments, and premium revenue were initially behaving. Given that this Application was meant to provide quick temporary relief for those customers who were most impacted, ICBC proposed three initiatives that could be implemented quickly based on the most recent data available, bringing its financial situation closer to in balance than if ICBC did nothing at all.

Richard Landale Information Request No. 2020.1 COVID19 RL.2 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.2 Reference: 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.

Response:

The comment is: "So our proposals are meant to remove certain barriers to help customers make their decisions in the context of this lockdown period."

The barriers referred to are: removing the fees associated with cancellations, limiting the administrative hassles for fleet customers in cancelling their insurance for vehicles that are not in use, and removing the requirement for personal use customers to change their insurance policy to a delivery use rate class. These are the barriers referred to and do relate to the Basic Insurance Tariff schedules as further explained in the Application.

Richard Landale Information Request No. 2020.1 COVID19 RL.3 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.3 Reference: 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.

Response:

Please refer to the Basic Insurance Tariff, section 2.H Refunds on Cancellations. The \$30 cancellation charge is subtracted from the amount of Basic insurance premium that would be refunded to the customer.

Richard Landale Information Request No. 2020.1 COVID19 RL.4 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.4 Reference: ~~Pg 12 Lines 1 to 9~~

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

Response:

The text of the question indicates that it has been removed from the information request.

Richard Landale Information Request No. 2020.1 COVID19 RL.5 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.5 Reference: 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 ICBCs statement? Are these numbers input to ICBCs Actuaries in a manner that supports their assessments in this pandemic crisis, or is this all pure speculation by ICBC

Response:

While there are no official numbers available at the time of this Application as to how many restaurants or businesses have moved to a delivery based model, there were many advertisements and public statements that businesses and restaurants had moved to a delivery based model in order to stay open. For example Attorney General David Eby said in a statement, "In these extraordinary times, more British Columbians are relying on delivery services during the COVID-19 pandemic."¹ A Forbes article states that "some restaurants are shifting their business model to match the demand for "shelter in place" eating experiences."² Another article was quoted, "For many eateries forced to close their doors due to COVID-19, being able to offer delivery or takeout is keeping them afloat."³ ICBC responded to the shift in business practices in allowing customers to use their vehicles to deliver food and medical services without an impact on their insurance premium. This is another example of removing barriers to assist customers in response to the pandemic.

¹ March 22, 2020 Global News, <https://globalnews.ca/news/6715426/coronavirus-bc-restaurants-liquor-delivery>

² March 23, 2020 Forbes, <https://www.forbes.com/sites/eveturowpaul/2020/03/22/how-restaurants-innovating-during-the-covid-19-pandemic/#15f0be52c2b8>

³ April 13, 2020 BC CTV News, April 13; <https://bc.ctvnews.ca/food-delivery-service-says-it-will-cut-its-commission-in-half-for-some-restaurants-1.4894127>

Richard Landale Information Request No. 2020.1 COVID19 RL.6 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.6 Reference: 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.

Response:

The questions contained in this information request are based on the incorrect premise that Uber Eats is in the same vehicle rate class as ride sharing/taxi operations. Uber Eats and similar types of operations insure their vehicles under the delivery rate class.

Richard Landale Information Request No. 2020.1 COVID19 RL.7 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.7 Reference: 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

Response:

ICBC assumes that the use of the term "Traffic schedule" in the context of this information request was intended to mean "Tariff schedule."

This Tariff amendment does not use any of the other definitions of employee that are applicable to specific Schedules of the Basic Insurance Tariff. As indicated in response to the information request 2020.1 COVID19 RL.22, the common law definition of employee is applicable to this Tariff amendment and would be based on case law developed by the courts.

Richard Landale Information Request No. 2020.1 COVID19 RL.8 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.8 Reference: 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 Chairs question and Mr. Ghikas questions, followed with the ICBC answer /position. "This IR is the other time".

Response:

The answer for the deferred question can be found on page 48 of the transcript for the April 21, 2020 virtual oral hearing. For ease of reference the response is provided below.

And to quickly loop back to an earlier question by Commissioner Morton, and I believe Matt also spoke up in respect when an individual is hired and whether this temporary change would apply to them, the answer is less about when the individual was hired, but more if at the time of an accident that individual was an employee of that organization. If they were employee, an accident occurs, the relief measures are in place, essentially means that a customer would not have been required to change their insurance.

Richard Landale Information Request No. 2020.1 COVID19 RL.9 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.9 Reference: 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.

Response:

The section Mr. Landale is referring to is on page 17 from line 8 of the transcript for the April 21, 2020 virtual oral hearing, rather than page 15 as indicated in his question. The trade-offs that were considered were the time and resources needed to conduct a fulsome analysis on the financial impacts from COVID-19 versus implementing quick initiatives to provide temporary relief for customers who were most impacted. ICBC estimates that the amount of time needed to undertake a complete actuarial analysis would be similar to that required to prepare for the revenue requirements application, typically between two and three months of effort. Given the time that would be required, ICBC's actuaries relied on the principles of simplicity to support that, at a high-level, overall claims savings attributed to COVID-19 outweighed the costs of these initiatives. With regards to the judgment that ICBC's actuaries relied on to justify that ICBC had sufficient funds to support these initiatives, ICBC based that judgment on the first few weeks of data after the state of emergency was declared for BC. Please refer to the response to information request 2020.1 COVID19 IBC.3.5 which provides the breakdown of data that was available for the first seven weeks after the state of emergency was declared for BC (March 15, 2020 to May 2, 2020).

Richard Landale Information Request No. 2020.1 COVID19 RL.10 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.10 Reference: 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.

Response:

Yes, ICBC captures claims data across the province on which to base its observations. Please refer to the response to information request 2020.1 COVID19 IBC.3.5 which provides the breakdown of data that was available for the first few weeks after the province declared a state of emergency.

ICBC has been tracking reductions in claim volumes since March and they were used by ICBC's actuaries to estimate a \$158 million reduction in claims costs over the period from March 15, 2020 to May 2, 2020. Year over year reductions in weekly claim counts ranged from 28% to 57% over this period. For details, please see page 5 of the May 14, 2020 report, "Impacts of COVID-19 pandemic on ICBC", which is available in this link on icbc.com: <https://www.icbc.com/about-icbc/newsroom/Documents/COVID19-impacts-report-May2020.pdf>

ICBC notes that the date of ICBC's Application referred to in this information request is incorrectly stated as April 21, and should be April 16.

Richard Landale Information Request No. 2020.1 COVID19 RL.11 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.11 Reference: 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.

Response:

Vehicles that are rated in rate class 919, in accordance with section 2.B.1(d) of the Basic Insurance Tariff, do not have Basic insurance and are not permitted to be on the road. As a result, brokers have been instructed to clearly advise customers who amend their rate class to 919 in accordance with section 2.B.1(d) that the vehicle does not have Basic insurance and must not be on the road for any purpose, including to be parked. The customer may choose to buy Optional storage insurance, from ICBC or another insurer, to protect their vehicle whilst it is off-road.

In the event a vehicle is used while in this rate class and the driver is found at fault in a claim, any resulting damages would be processed as an uninsured claim. ICBC would have the right of recovery against the responsible vehicle owner and/or driver for any damages paid out as a result of the claim.

Richard Landale Information Request No. 2020.1 COVID19 RL.12 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.12 Reference: 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.

Response:

At the time of this Application, even still today, the exact financial impact from COVID-19 is unknown. As stated in the responses to information requests 2020.1 COVID19 RL.1 and 2020.1 COVID19 RL.9, and the transcript for the April 21, 2020 virtual oral hearing, page 20 lines 1 through 7, ICBC acknowledges that it applied actuarial judgment based on the first few weeks of claims and premium data to assume that the overall benefits of its proposals in the Application would outweigh the financial costs of these initiatives. Specifically:

So while it's difficult for us to say whether that revenue expense equation would be perfectly in balance as a result of the three proposed changes, what ICBC can say is that it is of the view that it would be bringing it closer to in balance than if we did nothing at all for as long as the pandemic influences driving behaviours.

ICBC also acknowledges that this Application does not represent a fulsome actuarial analysis similar to its past revenue requirements applications given the unusual circumstances and need to provide customers quick temporary relief.

2020.1 COVID19 RL.13 Reference: 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.

Response:

The responses to questions 2.1 to 2.5 referenced above (which can be found in Exhibit B-2 slides 6 to 8 under the heading “2.0 Suspension of Basic Insurance - non fleet customers”) are captured below:

Question #	Question	Answer	Transcript Page/Line #
2.1	Please confirm that the \$30 cancellation charge will be applied equally to all non-fleet customers who wish to cancel their Basic insurance during the 60-day period, regardless of their reasons for cancelling. If not confirmed, please explain and discuss how ICBC will attribute whether cancellations are to the COVID-19 pandemic.	“So in respect to the \$30 cancellation charge, it will be applied equally to all non-fleet customers that do wish to cancel their Basic insurance during that 60-day period.”	Page 27 Lines 8 to 11
2.2	Please explain ICBC’s analysis of customer cancellations. Does ICBC expect that approximately 66,667 to 83,333 non-fleet policies will be cancelled during the 60-day period?	<p>“As I mentioned, we did look at data for the first three weeks during the state of emergency and the number of cancellations that we saw during those first three weeks were averaging about 1,700 cancellations a day, which is 700 cancellations higher than normal levels of 1,000 cancellations a day.</p> <p>So as I mentioned before, we assumed that that elevated level would last for two weeks of the 60-day period, and then over the next two weeks it would transition back to 1,000 cancellations by week five. So when we add up all of those cancellations in that 60-day period, that equates to roughly 75,000 cancellations in that 60-day period.”</p>	Page 27 Line 21 to Page 28 Line 7

Question #	Question	Answer	Transcript Page/Line #
2.3	Please explain whether non-fleet customers will be required to purchase storage insurance after they have cancelled their Basic insurance policy.	“There is no requirement for customers to purchase a storage policy once they have cancelled their Basic insurance policy.”	Page 28 Line 25 to Page 29 Line 1
2.3.1	Would the expected increase in storage insurance premium revenue outweigh the financial impact of waiving the \$30 Basic insurance cancellation fee? Please provide a financial analysis where possible.	<p>“So overall, the premiums from storage policies will not have any impact on basic insurance premiums, as storage policies are optional in that basic insurance product. Which again, customers may choose to purchase a storage policy from ICBC or from another insurance provider. “</p> <p>“You can't look at it as offsetting, because the storage policy does have a risk associated with it. That storage policy could cover them from theft or fire. So the premium associated with storage appropriately reflects the risk that is applied to that customer.”</p>	Page 29 Lines 13 to 28 and Page 30 Lines 4 to 9
2.4	Will non-fleet customers be able to keep their existing vehicle license plates after cancelling their insurance?	<p>“Non-fleet customers would be able to keep their existing vehicle number plates after cancelling their insurance if their intention is to reuse that plate and they reinsure their vehicle in the future, regardless of whether or not they purchased a storage policy.”</p> <p>“Prior to that date, [May 30, 2020] if a non-fleet customer would still have to obtain a new plate if they have cancelled their insurance and they wish to re-plate. After that May 30th date, then that ability to retain that plate would be available.”</p>	Page 30 Line 25 to Page 31 Line 4 and Page 31 Lines 10 to 15
2.4.1	If so, will non-fleet customers be able to purchase storage insurance without having to change their plates when they re-insure to drive in the future?	“Non-fleet customers would be able to keep their existing vehicle number plates after cancelling their insurance if their intention is to reuse that plate and they reinsure their vehicle in the future, regardless of whether or not they purchased a storage policy.”	Page 30 Line 25 to Page 31 Line 4
2.4.2	If so, please clarify whether a tariff amendment approval is required to enable this change in practice.	“ICBC will be submitting tariff amendments pertaining to the waiving of Basic insurance cancellation charge. And those amendments are intended to apply instead of other cancellation requirements during the period which they were in effect.”	Page 30 Lines 19 to 24

Question #	Question	Answer	Transcript Page/Line #
2.4.3	If no, please explain the process for non-fleet customer to return their existing plates to ICBC.	N/A	
2.5	Will ICBC and/or brokers inform the policyholder of the consequences of driving a vehicle without valid insurance? Please elaborate on what advice to customers ICBC and/or brokers will provide.	<p>“So customers who cancel their policies will be advised that they must essentially remove their plates. Their vehicle may not be driven. It must be parked off highway on private property such as a garage, parking space or a driveway. Optional storage policy maybe be purchased from ICBC or from a private insurer.</p> <p>Customers will be reminded of the risk of operating a vehicle without valid insurance. There could be potentially be fined by police or in event of accident be personally responsible for any damage -- of damages or injuries caused in the case of a crash.”</p>	Page 33 Lines 1 to 12

Richard Landale Information Request No. 2020.1 COVID19 RL.14 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.14 Reference: 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.

Response:

As provided in the transcript for the April 21, 2020 virtual oral hearing, pages 27 through 28 (beginning on line 21) the increase in cancellations to 1,700 a day was only expected for 2 weeks after which it was expected that the number of cancellations would return to normal levels of 1,000 by week 5. The specific formula used is as follows:

$(14 \text{ days} \times 1,700) + (14 \text{ days} \times 1,350 \text{ (transition)}) + (32 \text{ days} \times 1,000) = 74,700$ or approximately 75,000. $75,000 \times \$30 \text{ cancellation charge} = \2.25 million .

If it is of assistance, we can advise the number of insurance cancellations from April 23, when the interim order was issued, to May 2 was 20,307. Note that this number differs slightly from the number in the "Impacts of COVID-19 pandemic on ICBC" report of May 14, which refers to "21,934 insurance cancellations from April 22 to May 2, when the BCUC approved waiving cancellation fees." This number is accurate for this time period April 22 to May 2, however, it misstated the effective date of the British Columbia Utilities Commission's interim decision on waiving cancellation charges.

Richard Landale Information Request No. 2020.1 COVID19 RL.15 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.15 Reference: 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.

Response:

The Chairperson's question on page 29 line 26 of the transcript for the April 21, 2020 virtual oral hearing was referring to the premium that ICBC receives from those customers purchasing a storage policy after they cancel their policy. Ms. Aimers was clarifying that the premium collected from the storage policy covers the cost of the storage coverage and does not offset the cost of waiving the \$30 cancellation charge.

2020.1 COVID19 RL.16 Reference: 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.

Response:

The number of “drivers driving around without insurance” as extrapolated above is not correct. The counts of uninsured drivers are shown in the following table representing the number of claims reported to ICBC in each of those years where the vehicle was uninsured. The 0.15% referenced above represents the average proportion of the uninsured claims that were reported to ICBC between 2017 and 2019 divided by the total number of claims in those years. Please note these are claims rather than drivers and this proportion only represents the claims that are reported to ICBC.

Year	Total Number of Uninsured Claims Reported	Total Number of Claims
2017	1,355	850,980
2018	1,260	847,487
2019	1,126	808,102
3-Year Average	1,247	835,523

3-year average $1,247 \div 835,523 = 0.15\%$

Richard Landale Information Request No. 2020.1 COVID19 RL.17 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.17 Reference: 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.

Response:

When a customer, whether a senior or non-senior, cancels their vehicle's insurance, they may choose to buy Optional storage insurance, from ICBC or another insurer, to protect their vehicle while it is off-road. In response to the pandemic restrictions, customers are now able to complete cancellation transactions with their broker over the phone or by email in order to maintain physical distance. The customer must remove the vehicle's plates from the vehicle and must keep them safe until they wish to insure the vehicle again for on-road use. ICBC recommends that customers speak to their brokers for more details on these transactions.

The distance factor and when it applies is set out in the Basic Insurance Tariff, schedule Y. Cancellation of insurance for reasons not listed in schedule Y section 2.1 (b) means that the customer will not retain their distance factor without a qualifying period. The distance factor is based on the odometer reading for the prior 12 months. This information is a proxy as to how much the customer will drive in the following year. If the customer has cancelled their insurance within that period, whether a senior or a non-senior, ICBC is not able to capture that information for rating purposes.

Richard Landale Information Request No. 2020.1 COVID19 RL.18-19 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.18-19 Reference: Pg 39 Lines 14 to 26

18. 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. 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.

Response:

The initiative for customers to use the rate class 919 only applies to fleet customers, therefore has no impact on individually rated (non-fleet) customers. For non-fleet customers, the decision whether to cancel their policy and the potential impacts with Optional insurance products, such as storage, should be discussed with an ICBC Autoplan broker.

Richard Landale Information Request No. 2020.1 COVID19 RL.20 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.20 Reference: 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.

Response:

This information request does not contain a question.

Richard Landale Information Request No. 2020.1 COVID19 RL.21 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.21 Reference: 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.

Response:

The determination of whether this measure covers a customer would occur in the event of an accident and an investigation on the permitted use of the vehicle. The pandemic measure permits an employee or owner with a vehicle insured in non-delivery rate classes, currently used for personal use, to temporarily opt to provide delivery services for which they are not insured. The type of businesses allowed under this measure are limited to food and medical type services. If a customer is unsure if they are covered by these initiatives, they can call their Autoplan broker, contact ICBC customer service, or visit icbc.com to find out if any changes are required due to changes in their vehicle usage.

ICBC has been informing customers of its proposals in this Application through its public advertising including ICBC.com and social media. ICBC has also provided information on all initiatives in its May 14, 2020 report, “Impacts of COVID-19 pandemic on ICBC”, which has been covered in the media.

Richard Landale Information Request No. 2020.1 COVID19 RL.22 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.22 Reference: 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.

Response:

The common law definition of employee is applicable and would be based on case law developed by the courts. An employee of a restaurant doing delivery would not be required to change their rate class whereas a self-employed individual would be required to make a rate class change. The courts have developed a number of common law tests that examine a number of factors that are used to determine whether a person is an employee or a self-employed individual. A summary of the common law tests can be found at this link: <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4110/employee-self-employed.html>.

Richard Landale Information Request No. 2020.1 COVID19 RL.23 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.23 Reference: 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.

Response:

The interim measure will permit customers currently not insured for delivery to use their vehicle for delivering food and medical supplies during the pandemic without the need to change their vehicle's rate class. In the event of a crash, ICBC's claims process is to investigate the vehicle's use at the time of the crash to ensure the customer is rated according to their declared rate class. The interim measure will be incorporated into ICBC's claims process to ensure that customers will not have their claim denied due to the vehicle being used for a purpose other than the declared rate class. As always, customers that have questions in respect of their vehicle's rating and usage have the ability to contact their Autoplan broker or ICBC customer service.

Richard Landale Information Request No. 2020.1 COVID19 RL.24 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.24 Reference: 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 ??

Response:

This information request can only be answered in the context of Mr. Landale's overall personal circumstances. ICBC recommends that Mr. Landale contact his Autoplan broker to help him determine his best course of action.

Richard Landale Information Request No. 2020.1 COVID19 RL.25 Dated 27 May 2020 Insurance Corporation of British Columbia Response Issued 03 June 2020	Page 1 of 1
16 April 2020 Insurance Corporation of British Columbia Application in Response to the COVID-19 Pandemic	

2020.1 COVID19 RL.25 Reference: 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 ?

Response:

This section of the transcript is explaining ICBC's proposal for these initiatives to be non-refundable meaning if these measures are not approved by BCUC, ICBC will not have to go back to customers and charge the \$30 cancellation charge that was originally waived starting on April 23, 2020. Ms. Aimers and Mr. Wong are providing reasons why ICBC has proposed that these measures are non-refundable. In addition to the negative public perception of reversing a policy that may have originally enticed customers to cancel in the first place, there would be costs of remediation including system changes and the cost to bill and mail invoices to customers.