## BCUC INQUIRY INTO THE REGULATION OF SAFETY EXHIBIT E-3-1



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January 13, 2021

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: British Columbia Utilities Commission – Inquiry into the Regulation of Safety (Inquiry) – Submissions of the Insurance Corporation of British Columbia (ICBC)

Dear Ms. Tresoglavic:

The BC Utilities Commission (BCUC) issued a letter<sup>1</sup> on December 17, 2020 requesting that stakeholders and participants involved in the Inquiry answer the following question:

Should the scope of the Inquiry include the regulation of safety for ICBC?

The BCUC requested submissions on that question by January 6, 2021. The BCUC's letter also provided that ICBC may provide a written reply to submissions by January 13, 2021.

Submissions received by January 6, 2021 from the following participants all concluded that the scope of the Inquiry should not include ICBC since references to safety in the Utilities Commission Act are made inapplicable to ICBC by virtue of section 44 of the Insurance Corporation Act:

- BC Hydro;
- Mr. Donald Flintoff;
- BCOAPO; and
- MoveUP.

While MoveUP initially urged the BCUC to "include consideration of safety issues at ICBC in this inquiry",<sup>2</sup> it now states that "[h]aving reviewed the submissions filed by ICBC and BC Hydro, MoveUP accepts that the focus of this particular proceeding may be appropriately constrained to energy utilities, and not ICBC."<sup>3</sup>

On January 7, 2021, Towards Responsible Educated Attentive Driving (TREAD) also filed a Letter of Comment.<sup>4</sup> TREAD concluded "that given the current legislation ICBC should not be included as a public utility within the scope of the Inquiry."

<sup>2</sup> Exhibit C5-2.

<sup>&</sup>lt;sup>1</sup> Exhibit A-3.

<sup>&</sup>lt;sup>3</sup> Exhibit C5-3.

<sup>&</sup>lt;sup>4</sup> Exhibit E-4.

Accordingly, all parties agree that the scope of the Inquiry does not include ICBC. This provides a full answer to the BCUC's question: Should the scope of the Inquiry include the regulation of safety for ICBC?

TREAD further submits that the BCUC should "direct ICBC to specifically address safety issues in its next Application to the BCUC" and urges the BCUC to "press ICBC and the government to make clear who *is* responsible for regulatory oversight of safety matters at ICBC and to explain why such a significant regulatory gap was created by the legislation and why it has been allowed to persist."

In response, ICBC highlights that, in the context of revenue requirements proceedings, ICBC already provides the BCUC with information regarding road safety initiatives to the extent that information is relevant to areas within the BCUC's jurisdiction. The BCUC is already tasked with considering road safety initiatives that go to reducing claims costs, which are reflected in rates.

Further, with respect to occupational health and workplace safety, as well as infrastructure safety more generally, ICBC is no different than other businesses in BC, and is subject to the relevant regulatory regimes in place under provincial legislation. As such, there is no regulatory gap that the BCUC should be concerned with and the BCUC need not "press ICBC and the government" with respect to matters outside of its jurisdiction.

ICBC maintains its position as set out in its letter of November 17, 2020<sup>5</sup> and requests that the BCUC eliminate the requirement for ICBC's further participation in the Inquiry.

Yours truly,

Angela Wright

Manager, Corporate Regulatory Affairs

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Cc: Bill Carpenter, Vice President, Insurance, ICBC

<sup>5</sup> Exhibit E-3.