



LETTER NO. L-89-05

SIXTH FLOOR, 900 HOWE STREET, BOX 250
VANCOUVER, B.C. CANADA V6Z 2N3
TELEPHONE: (604) 660-4700
BC TOLL FREE: 1-800-663-1385
FACSIMILE: (604) 660-1102

ROBERT J. PELLATT
COMMISSION SECRETARY
Commission.Secretary@bcuc.com
web site: <http://www.bcuc.com>

Log No. 11872, 11904

VIA E-MAIL

karen_hopkins-lee@canadiandirect.ca

October 13, 2005

ICBC – 2006RR Exhibit A-8

Ms. Karen L. Hopkins-Lee
Chief Underwriter
Canadian Direct Insurance Inc.
Unit 217, 610 – 6th Street
New Westminster, B.C. V3L 3C2

Dear Ms. Hopkins-Lee:

Re: Insurance Corporation of British Columbia ("ICBC")
Project No. 3698393 and your letters
dated September 28, 2005 and September 29, 2005

The Commission Panel reviewed all the correspondence pertaining to your suggestion "...that a more detailed actuarial review of [Basic Insurance] rate indicators be performed and that the results of such a review be made generally available". The correspondence reviewed included: Canadian Direct Insurance's ("CDI") letters dated September 28 and 29, 2005; The B.C. Public Interest Advocacy Centre's letter dated September 29, 2005; and ICBC's letter dated October 4, 2005, which was filed in response to a Commission letter dated September 30, 2005 seeking ICBC's views on CDI's suggestion.

The Commission Panel concludes that the type of actuarial review that CDI suggested for Basic Insurance rate indicators is not warranted for this particular proceeding. The reasons for the Commission Panel's conclusion are:

- The Intervenor Information Request No.1 and the Public Oral Hearing provides CDI with the means to carry out a full due diligence on the matter; and
- CDI is not in any way restricted from retaining its own actuary and using the existing information request and cross-examination process to elicit the type of evidence it requires. Furthermore, the existing public hearing process provides the flexibility to allow the same actuary to take the stand and present evidence.

Yours truly,

Original signed by:

Robert J. Pellatt

WK/dlf

cc: Insurance Corporation of British Columbia
Registered Intervenors (ICBC-2006RR-RI)