

July 12, 2004

British Columbia Utilities Commission
Attention: Robert J. Pellatt, Commission Secretary
Sixth Floor
900 Howe Street
Vancouver, B.C. V6Z 2N3

Dear Mr. Pellatt:

Re: ICBC's July 5, 2004 Filing

As indicated in our letter of July 5th, attached is Volume 2 of ICBC's filing containing ICBC's actuarial and financial information.

A new regulation, Special Direction IC2 to the British Columbia Utilities Commission, was deposited on July 7, 2004 that impacts ICBC's actuarial Basic rate and financial information relating to 2005. This information has now been finalized in accordance with the Special Direction IC2 requirements.

As per the Commission's decision of November 12, 2003 (the Decision) and subsequent correspondence between the Commission and ICBC, ICBC is filing today actuarial and financial information including:

- actuarial rate level indications for Basic insurance in 2005;
- controllable costs for Basic insurance for 2005;
- capital requirements for Basic insurance;
- statistics for and additional information on performance measures; and
- an addendum to the financial allocation methodology (Chapter 1 in Volume 1) with regards to retained earnings that was also impacted by the Special Direction IC2.

With respect to the performance measures section, ICBC is finalizing the numbers associated with the New Claims Initiation and Customer Contact Service Level measures and will be providing these numbers on July 19, 2004.

As stated in ICBC's Application, ICBC is applying for approval of the financial allocation methodology. ICBC is not applying for a revision to Basic insurance rates.

As per the Commission's Order No. G-66-04, ICBC's complete application and filing will be available on www.icbc.com. ICBC is also providing intervenors without internet access a hard copy of the filing, and a copy will be made available at ICBC's head office and major ICBC locations.

ICBC looks forward to the Commission's review of this filing and working with all involved in order to achieve what is in the best interest of our customers.

Yours truly,



Donnie Wing
Vice President, Investments and Corporate Development

Attachment