

November 9, 2021

Ministry of Transportation - Road Safety Policy Office
Safety Policy and Education Branch
87 Sir William Hearst Avenue
Building "A", Room 212
Toronto, Ontario M3M 0B4

Re: Proposed Amendments to Ontario Regulation 306/15 Pilot Project - Automated Vehicles and Revised Regulations of Ontario 1990 Regulation 628: Vehicle Permits

Insurance Bureau of Canada (IBC) is the national industry association representing Canada's private home, auto and business insurers. Our member companies make up 90% of the property and casualty (P&C) insurance market in Canada. IBC and its member insurers welcome the opportunity to comment on the Ontario government's proposed amendments to Ontario Regulation 306/15 and Ontario 1990 Regulation 628 to the *Highway Traffic Act*.

IBC has reviewed the enclosed Summary of Proposed Amendments and offers the following comments.

1. Expand eligible entities for the AV Pilot

This proposal would remove regulatory restrictions on eligible entities for the AV pilot and would expand eligibility for participation in the pilot to include entities that are currently ineligible, such as municipalities, indigenous groups, corporations, transit companies, partnerships and sole proprietorships.

While IBC member companies support the expansion of eligibility as outlined in this proposal, they suggest that a definition should be provided for 'sole proprietorship' because the term is vague and, without a clear definition, could expand eligibility for the pilot beyond what the government and stakeholders anticipate. Our members also suggest that a degree of rigor should be implemented for the eligibility requirements for sole proprietorships. The goal is to ensure that entities that access the pilot under the 'sole proprietor' label do so with the same level of control and governance as other eligible entities.

2. Remove restrictions on modification or manufacture of automated vehicles by pilot Participants

This proposal would remove regulatory restrictions on the manufacture or modification of vehicles by participants within the AV Pilot Framework. This would allow all eligible entities participating in the program to modify originally manufactured automated vehicles.

IBC's member companies agree with this proposal if the proper restrictions and safeguards are in place; IBC recommends similar guidelines and safety restrictions as exist today.

3. Expand Manufacturer Plate (M-Plate) Program eligibility to include approved AV Pilot participants

This proposal would allow all entities eligible for the AV Pilot to test compliant and non-compliant Canadian Motor Vehicle Safety Standard (CMVSS) vehicles on Ontario roads. It will also enable more testing of emerging vehicles (e.g. driverless shuttles) by more entities.

IBC member companies agree with this proposal provided that proper guidelines and safeguards are in place to control the process to meet the intended objectives. For example, IBC suggests that this proposal be limited to either one plate per vehicle; one plate per type of vehicle or other similar controls to address potential plating of a wide range of vehicles (avoid the situation with dealer plates that are broadly shared today). IBC suggests that clarification should be provided by the Ministry of Transportation (MTO) on the 'checks and balances' that will be in place if the M-Plate program is expanded as outlined under this proposal.

4. Expand Manufacturer Plate Program to allow carrying freight/goods and charging a fee

This proposal would expand the M-Plate Program to allow approved AV Pilot participants using manufacturer-plated vehicles to carry freight/goods, and to charge a fee. The proposal would enable participants to fully test their vehicles' capabilities, service delivery models and to gauge uptake of the first mile/last mile solutions.

IBC member companies expressed mixed views about this proposal and seek clarification from the MTO various details. Our members believe that enabling participants to carry freight/goods in order to test their vehicles capabilities is positive; however, members raise concerns with allowing participants to charge a fee for doing so. Charging a fee may result in the use being commercial and business-model testing. Although it is unlikely to happen, we want to avoid a situation where the testing process is compromised due to a focus on the commercial aspect of carrying freight or goods. We recognize that some organizations may need to apply a charge on a non-profit basis and are open to a balanced approach with the appropriate controls in place.

5. Permit the testing of automated farm vehicles under the AV Pilot Program

This proposal would allow for the testing of automated farm vehicles (not included in the definition of a motor vehicle) on public roadways, excluding the 400-series highways. Current rules of the road for farm equipment will continue to apply.

IBC member companies support this change.

6. Develop a pilot framework for the testing of automated micro-utility devices

Automated micro-utility devices (MUDs), including automated personal delivery devices, do not fall under the current AV regulatory framework as they cannot be considered automated vehicles under O.Reg. 306/15 because they are not meant for on-road operation. This proposal would create a new 10-year pilot regulation for automated or remote-controlled MUDs under the pilot authority of section 228 of the Highway Traffic Act.

Overall, we support this change and recognize the importance of testing these types of vehicles. Member companies noted that:

- The technology associated with AV is different to the technology associated with MUDs. The different technologies create different risks.
- Concerns that the MUDs could cause damage, given their speed of travel.
- MUDs should not be allowed to carry passengers.
- Proper controls should be in place and that public safety is the main priority.

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- The proposal should consider winter road/sidewalk conditions and use of MUDs in same.
- Clarity should be provided around the testing and safety requirements.
- Insurance may need a more details review due to the use of MUDs. As a result, the full scope of testing and autonomous vehicle activities need to be disclosed to the insurance company

On behalf of IBC and its member companies, I would like to thank you for your invitation to comment on the proposed amendment. If you require clarification on any of the foregoing comments, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Donaldson', with a long horizontal flourish extending to the right.

Kim Donaldson
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