



July 14, 2022

Attn: Collision Repair Program Participants

RE: Fuel surcharges and third party supplier update

Hello Collision Repair Program Participants,

We're writing to share some new developments and updates related to part search, a new third-party temporary surcharge and documentation procedures.

LKQ charging temporary fuel surcharge

We've been advised that a parts supplier, LKQ, is adding a temporary fuel surcharge of \$5 to some of their invoices. We've made the decision to temporarily cover the surcharge so our collision repair partners are not out of pocket for expenses from a third party while we determine our next steps.

We believe the prices displayed in Mitchell should be inclusive of all fees, including shipping. The surcharge misrepresents the net cost of the part, making it difficult for Collision Repair Program Participants to make the most cost effective decisions.

We're sorry for any inconvenience this may cause. We're working hard to find a resolution and we'll provide an update as soon as we can.

In the meantime, it's important to note:

- the \$5 fuel surcharge will be applied once per day/per delivery location
- you may apply the fee to the estimate associated to the invoice it's charged to
- there is no markup allowed for fuel surcharges,

We respectfully request you order parts from LKQ in batches where possible to reduce the number of fuel surcharges incurred.

To be compensated for the fuel surcharge, please select LKQ Temporary Fuel Surcharge from My Templates tab in MCE under 01 Standard. A sample screenshot to help can be found below.





Carpart.com update

We're also aware of ongoing issues with recycled parts listed in Carpart.com without pricing. Many facilities have provided feedback on this topic, and we understand the absence of pricing can be frustrating when trying to write a cost effective estimate and support your parts decisions.

We're continuing to work with Car-Part and the auto recyclers to ensure ICBC recycled parts responses are accurate and include pricing.

Moving forward, we ask that you write your estimate based on responses including inventoried parts with pricing. If all inventoried parts are without pricing, please contact at least one supplier to ensure you are writing a cost effective estimate decisions. If the supplier you contact quotes a price that provides a savings over OEM pricing, you can add that part to the estimate.

Lastly, shops are not required to retain recycled parts search documentation when the searches are completed through the Car-Part integration. ICBC has access to search history through reporting. If a recycler shows a cost effective part in inventory, however, that part was not used, documentation to support your decision is required. This should be documented either on the estimate or in the claim file.

Thank you for your continued commitment supporting our mutual customers.

Sincerely,

Alden Li
Director, Claims Customer & MD Strategy