

MANITOBA ) Order No. 95/08  
 )  
THE PUBLIC UTILITIES BOARD ACT ) July 7, 2008

Amended for schedule only  
September 19, 2008

BEFORE: Graham F. J. Lane, CA, Chairman  
Alain Molgat, BComm., CMA, Member  
Eric Jorgensen, Member

PROCEDURAL ORDER - MANITOBA PUBLIC INSURANCE  
CORPORATION: TIMETABLE FOR A PUBLIC HEARING  
(2009/10 RATES AND PREMIUMS FOR COMPULSORY  
DRIVER AND VEHICLE INSURANCE) AND APPROVAL  
OF INTERVENERS

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**SUMMARY**

By this Order, the Public Utilities Board of Manitoba (Board) accepts interveners to the Board's public hearing of Manitoba Public Insurance Corporation's (MPI) application for approval of base rates and premiums for compulsory driver and vehicle insurance, the new rates to take effect March 1, 2009; provides interveners with direction pertaining to the proceeding and establishes a timetable for the hearing.

**INTRODUCTION**

The Board held a Pre-Hearing Conference (PHC) at its offices in Winnipeg, Manitoba on Thursday, June 26, 2008, for the purposes of:

- a) establishing a timetable for the hearing; and
- b) considering applications from prospective interveners and matters related thereto.

This Procedural Order arises from the PHC.

The following exhibits were entered into the record of the proceeding:

- a) Notice of Public Hearing and PHC dated May 30, 2008;
- b) the Board's Rules of Practice and Procedure (Rules); and
- c) a proposed timetable.

Parties seeking Intervener status were asked to:

- i) indicate their constituency and interests;

- ii) outline the areas of MPI's application that they intended to test;
- iii) provide reasons for requesting Intervener status;
- iv) specify any plans to call evidence/witnesses; and
- v) indicate any interest with respect to seeking an award of costs, and, if interest is expressed, to provide a draft budget.

The Board advised prospective interveners that it intends to apply the criteria set out in the Board's Rules in any decisions with respect to the awarding of costs, such decisions being at the sole discretion of the Board.

The following parties applied for Intervener status:

1. Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors (CAC/MSOS), represented in person at the PHC by its counsel, Ms. Beverly Froese;
2. Coalition of Manitoba Motorcycle Groups (CMMG), represented in person at the PHC by its counsel, Mr. Raymond Oakes;
3. Manitoba Bar Association (MBA) represented in person at the PHC by its counsel, Mr. Robert Dawson;
4. Manitoba Used Car Dealers Association (MUCDA), by way of a written application from Mr. Nick Roberts, MUCDA's representative to the proceeding;
5. Canadian Automobile Association Manitoba (CAA), represented in person at the PHC by Ms. Donna Wackling and Mr. Jerry Kruk; and
6. Scootering Manitoba (SCMB), by way of a written application by its representative Mr. Claudio Sousa.

MPI was represented at the PHC by Ms. Marilyn McLaren (President and Chief Executive Officer), Mr. Kevin McCulloch (Counsel), Ms. Kathy Kalinowsky (Co-Counsel), and Mr. Don Palmer (Vice-President of Finance and Chief Financial Officer).

#### **APPLICATIONS FOR INTERVENER STATUS**

##### **1. CAC/MSOS**

CAC/MSOS advised that its intended participation as an intervener would be comprehensive and address, among other things:

- a) cost control initiatives;
- b) MPI's investment policy and portfolio;
- c) the Immobilizer Incentive Fund;
- d) the Personal Injury Protection Program;
- e) forecast of operating, management and administration costs;
- f) MPI's 2008/09 business plan and capital spending; and
- g) road safety, loss prevention and environmental issues.

CAC/MSOS indicated that it intended to appear throughout the hearing, participate in the testing of evidence, and present final argument. CAC/MSOS also advised that it had yet to determine if it would call a witness, though stated that it will engage expert consultation for preparation of interrogatories and cross-examination.

CAC/MSOS advised that it will seek a cost award, and estimated its intervention to have a cost in the range of \$70,000.

**2. MBA**

MBA indicated an intention to test the evidence, participate throughout the hearing, and make final submissions and argument.

MBA's indicated that its areas of interest are:

- a) PIPP infrastructure initiatives;
- b) the manner in which MPI handles claims for personal injury; and
- c) public policy and legal issues as may arise out of MPI's operations.

MBA advised that it intended to collaborate and co-operate fully with CAC/MSOS, with a view to minimizing duplication and regulatory costs. MBA indicated an intention to seek a cost award, and provided an intervention budget of \$21,859.60.

**3. CMMG**

CMMG reported its focus would be:

- a) rate methodology, including forecasting;
- b) safety issues, especially those related to motorcycles; and
- c) motorcycles coverages.

CMMG reported that it would appear throughout the hearing, test the evidence and present final argument. CMMG indicated that while it does not intend to engage or call a witness it does expect to employ a consultant.

CMMG advised of an intention to seek an award of costs, and submitted a provisional budget of \$36,500.00, inclusive of expert advisory services for \$18,000.00.

**4. MUCDA**

MUCDA reported that although they may not appear throughout the hearing, they expect to test the evidence and make final argument. MUCDA advised that it would neither call a witness nor apply for costs.

**5. CAA**

CAA reported its intention to maintain a "watching brief" throughout the hearing, and would reserve the opportunity to make a closing argument. CAA advised that it would not apply for a cost award.

**6. SCMB**

SCMB indicated that its interests remain the examination of rates and policies related to motorscooters and mopeds, and suggested that its participation will be limited to the issuance of interrogatories and an opening statement.

SCMB advised it would not seek an award of costs.

**MPI POSITION**

MPI accepted the granting of Intervener status to the applicants, and reserved the right to comment on cost award submissions following the hearing assisted by its observations as to intervener effectiveness.

**BOARD COMMENTS**

The Board will grant intervener status to all applying parties, and notes MPI's reservation with respect to assessing the reasonability of costs following the hearing.

Regulatory efficiency is a continuing objective for the Board, and all reasonable efforts should be made by parties to restrain costs in the interest of motorists; cost awards form a component of rates.

While the awarding of costs is a post-hearing consideration at the complete discretion of the Board, the Board prefers that interveners seek guidance from Board staff with respect to intended major areas of investigation, time allotments and professional rates prior to engaging expert witnesses and consultant advisors.

As in the past, the Board will expect a high degree of co-operation amongst interveners and with Board Counsel, again to avoid duplication and restrain regulatory costs.

Two schedules are attached:

- a) Schedule A, being the established timetable; and
- b) Schedule B, being the procedures to be followed.

**TIMETABLE**

A proposed timetable was submitted by MPI for review at the PHC. There was agreement on the part of all present that the proposed schedule was generally acceptable.

MBA requested, with apparent support from the other parties present, that the actual sitting days for the hearing be set out in the timetable, at least as being representative of the intention.

**IT IS THEREFORE ORDERED THAT:**

1. Schedule A, as attached, shall be the timetable for the orderly exchange of information by the participating parties.
2. Schedule B, as attached, shall apply with respect to the hearing of the MPI Application.3. Interveners to the hearing, subject to the filing of updated budgets and other undertakings as requested by the Board, shall be:
  - a) Canadian Automobile Association;
  - b) Coalition of Manitoba Motorcycles Groups Inc.;
  - c) Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors;



- d) Manitoba Bar Association;
- e) Manitoba Used Car Dealers Association; and
- f) Scootering Manitoba.

THE PUBLIC UTILITIES BOARD

"GRAHAM LANE, C.A."

Chairman

"G. GAUDREAU, C.M.A."

Secretary

Certified a true copy of  
Order No. 95/08 issued by  
The Public Utilities Board

Secretary

**SCHEDULE A  
MANITOBA PUBLIC INSURANCE  
2009 RATE APPLICATION- ---- TIMETABLE**

ITEM	2008 DATES	DAY OF WEEK	ELAPSED WORKING DAYS
Application filed and served	June 13	Friday	0
Notice of Public hearing to be published	June 21	Saturday	5
Pre-hearing Conference	June 26	Thursday	9
Intervenors complete Registration	June 26	Thursday	
Settle Hearing Procedure and exchange of information timetable	June 26	Thursday	
Discuss possibility of joint intervention	June 26	Thursday	
Board to circulate list of Intervenors, complete timetable to Intervenors and applicant	June 27	Friday	10
Last day to file as an Intervenor	June 27	Friday	
MPI to be in receipt of first round information requests	July 4	Friday	14
MPI to provide response to first round information requests	July 30	Wednesday	32
MPI to be in receipt of second round information requests	August 12	Tuesday	40
MPI to publish reminder notice and any amendments to application	August 23	Saturday	48
MPI to file responses to second round information requests	August 27	Wednesday	50
MPI to file and serve any further amendments to application, if required	August 27	Wednesday	
Intervenors to file pre-filed testimony to all parties	September 3	Wednesday	55
Parties to file any motions	September 3	Wednesday	
Intervenors to be in receipt of information requests from all parties	September 10	Wednesday	60

Board to hear all motions	September 12	Friday	62
Intervenors to provide responses to all information requests	September 16	Tuesday	64
Board decision on motions, meeting among Counsel, if required	September 17	Wednesday	65
MPI to file rebuttal evidence	September 18	Thursday	66
Hearing commences	September 22	Monday	68
Sitting days (subject to change)	September 23 September 24 September 29 September 30 October 6 October 7 October 10		

**SCHEDULE "B"**

**PROCEDURES TO BE FOLLOWED AT THE  
MANITOBA PUBLIC INSURANCE CORPORATION  
2008 INSURANCE RATE HEARING**

1.     Hearing and Rural            a)     Winnipeg hearing will be held at  
       Meetings:                    the Board's office, 4<sup>th</sup> floor, 330  
                                      Portage Avenue, Winnipeg, commencing  
                                      on September 22, at 9:00 a.m. and  
                                      continuing thereafter as necessary.  
  
                                      b)     Rural Meetings (if necessary) -  
                                      time, location and place to be  
                                      identified.
2.     Hearing Times Each Day:     9:00 a.m. to 12:00 Noon  
                                      1:15 p.m. to 4:00 p.m.  
                                      (amendments may be made by the Board  
                                      at the hearing)
3.     Assigned Sittings:           Presenters will be heard commencing  
                                      at 1:15 p.m., Monday, September 22,  
                                      2008, and at 7:00 p.m. that day if  
                                      necessary.
4.     Opening Statements by Board Counsel, by Counsel for MPI  
          and other Counsel or representatives of registered  
          interveners.
5.     (a)     MPI to file their application and supporting  
                  evidence.  
  
          (b)     MPI to introduce witnesses. Board Counsel and  
                  interveners to cross-examine the Corporation's  
                  witnesses (order to be determined).

6. (a) Leading of testimony by witnesses for interveners, if any, will be in alphabetical order by name of interveners and updated as necessary.
- (b) Witnesses to be available for cross-examination by all parties following each presentation.
7. All interrogatories are to be filed and responded to using the prefixes as assigned by the Board when interveners are registered (set out in the body of the Order). The party requesting information is to use firstly their prefix followed by the prefix of the party being asked e.g. PUB(MPI), etc. Interrogatories are to be numbered sequentially through 1st and 2nd rounds, e.g. PUB(MPI) 1-3, PUB(MPI) 2-7.
8. All pre-filed evidentiary material to be filed at the commencement of the hearing by Board Counsel using assigned prefixes.
9. All witnesses to highlight their evidence.
10. All witnesses to be sworn or affirmed.
11. Daily transcripts will be available. Parties to make arrangements with the Reporter. Transcripts can be found at [www.pub.gov.mb.ca](http://www.pub.gov.mb.ca) at no charge.
12. It is the Board's request that all motions be dealt with pursuant to the Board's Timetable.
13. The Board's Rules of Practice and Procedure (available on the Board's website) dealing with the Awarding of Costs will apply to all matters before the Board.
14. The Board indicates its willingness to be available for any problems that may arise during the exchange of information at any time, such time to be arranged through Board Counsel.
15. Seven (7) copies of material are to be submitted to the Board's offices and three (3) copies are to be submitted to Board Counsel at the following address: Attention:

Walter Saranchuk, Q.C., Pitblado, 2500 - 360 Main Street,  
Winnipeg, MB R3C 4H6

16. Electronic copies of all material including the evidence of parties, are required to be submitted to the Board's e-mail address: [publicutilities@gov.mb.ca](mailto:publicutilities@gov.mb.ca). Where schedules or other attachments accompany an electronic file, that filing must be discrete and include only the item and schedules to which each refers. The electronic files shall be named in accordance with their parties prefix as per #7. All electronic filings shall be in Adobe Acrobat format, without protection securities that might preclude them from being included in one Multiple Files Document.