



## INTERVENOR REQUEST FORM

1. Application Re Hearing:		
MPI 2017/18 General Rate Application		
2. Name of Requesting Party:		
Consumers' Association of Canada (Manitoba Branch) (CAC MB)		
3. Address of Requesting Party:		
c/o Public Interest Law Centre		
4. Phone Number:	Business:	Residence
	204.985.8540	
	Fax Number:	E-mail:
	204.985.8544	<a href="mailto:bywil@pilc.mb.ca">bywil@pilc.mb.ca</a> , <a href="mailto:ambea@pilc.mb.ca">ambea@pilc.mb.ca</a> , <a href="mailto:jawhe@pilc.mb.ca">jawhe@pilc.mb.ca</a>
5. Contact Person(s):		
Byron Williams		
6. Address:		
Same		
7. Phone Number:	Business:	Residence:
	Fax Number:	E-mail:
8. State reasons for the proposed intervention (please be specific).		
<p>CAC Manitoba seeks to protect the interests of Manitoba consumers including the private passenger class by: ensuring that forecasts are reasonably reliable; ensuring that actual and projected costs incurred are necessary and prudent; assessing the reasonable revenue needs of the applicant in the context of its overall general health (including reserves); determining an appropriate allocation of costs between classes; and, setting just and reasonable rates in accordance with statutory objectives (Order 98-14, p. 28). <b>Please see Attachment A.</b></p>		

9. State nature of proposed intervention.		
a) Do you intend	Yes	No
(i) to appear throughout the hearing:	yes	
(ii) to participate in the production of evidence:	?	
(iii) to participate in the testing of evidence:	yes	
(iv) to present final argument:	yes	
b) Do you intend to call witnesses:	Yes	No
	?	
<b>Please see Attachment B for a high level summary of the witnesses' experience as well as the respective curriculum vitae for Valter Viola and Aellyne Inc.</b>		
c) If yes to No. 9b), please provide witness':		
(i) Name:	Please see Attachment B	
(ii) Address:		
(iii) Qualifications:		
(iv) Subject of submission (please note date for filing submission):		
<b>Please see Attachment B for a high level summary of the potential witnesses as well as the respective curriculum vitae for Valter Viola and Aellyne Inc.</b>		
10. Will you be applying for costs under Board Order No. 163/87:	Yes	No
	yes	
If yes: Refer to Section 41 of Rules of Practice and Procedure. Provide detailed budget as per the attached Appendix II.		
11. Comments and other information:		

There are five aspects of this hearing which have a particular impact on the application of CAC MB:

- 1) MPI is bringing a number of external witnesses to address issues relating to investments, PDR (including IT) and road safety.
- 2) The hearing is addressing important issues with long term implications. These include physical damage re-engineering (including IT investments), risks and opportunities related to investment income and risks related to interest rates. MPI has proposed a pre-hearing workshop to address interest rate risk but the format and demands related to this workshop require further clarification.
- 3) Transformative issues related to PDR and a new contract with the repair industry raise important questions of risk, prudence and value for service. MPI has alleged that there are important issues of confidentiality and one *in camera* half day workshop already has been held.
- 4) Ongoing issues also are being addressed including the reasonableness of forecasts including claims forecasts, the prudence and reasonableness of operating and claims costs, the question of whether MPI is able to demonstrate value for ratepayers money in terms of its historic and ongoing IT expenditures, the costs and benefits of road safety expenditures and whether the proposed Rate Stabilization Reserve target is consistent with modern stochastic risk analysis.
- 5) There may be important issues relating to road safety which due to resource constraints CAC MB may be unable to address.

On a preliminary basis, CAC MB offers these comments:

- 1) An preliminary summary of the CAC MB issues can be found at **Attachment A**. CAC MB is seeking to retain independent experts to provide advice (and if necessary evidence) on issues relating to risks and opportunities of the investment portfolio as well as the measurement and evaluation of the value for money associated with information technology investments. A high level review of the qualifications of these experts is set out in **Attachment B**. The experts' cvs are set out later in the document.

The importance of the issues raised in this hearing have led to a larger than usual budget from CAC Manitoba which is set out in **Attachment C**. The size of the budget is still considerably smaller than a comparable budget for Manitoba Hydro. In the event the Board approves and CAC MB presents expert witnesses, CAC MB would recommend that consideration be given to concurrent witness panels being held using a format similar to the approach adopted by the Ontario Energy Board in **Attachment D**.

- 2) Although not presented in its budget, CAC MB reserves the right to apply for an additional \$4,000 in costs related to the Interest Rate workshop. The \$4,000 would only be sought if the requisite expertise is not within the current CAC MB experts' skill sets.
- 3) CAC MB wishes to ensure that it honours the spirit and intent of its undertaking related to the *in camera* distributed estimating workshop. Consideration should be given to how to effectively examine the prudence and reasonableness of issues relating to physical damage re-engineering including distributed estimating while negotiations are ongoing with the repair industry. Consideration also should be given to ensuring that the public has access to relevant information on a timely basis.
- 4) CAC MB does not currently propose to bring evidence relating to the RSR and DCAT. CAC MB disagrees with both the lower and upper limit to the RSR. In particular, it views the upper bound to be unjust, unreasonable and inconsistent with modern stochastic risk based practices. However, CAC MB suspects there is sufficient evidence on the record from prior proceedings to make its submissions. It may seek to have the record from prior proceedings introduced for the purposes of this process.
- 5) CAC MB will not be calling a witness relating to road safety and is unlikely to retain an expert to assist on this area.



**Intergovernmental Affairs**  
The Public Utilities Board  
400 - 330 Portage

**"APPENDIX II"**

## INTERVENER BUDGET AND COST SUMMARY SHEET

To be used to prepare a budget for the Intervener Request Form, Item 10, and to make a claim for an Award of Costs.

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<b>Prepared by:</b>		<b>Date:</b>
Byron Williams		June 27, 2016
<b>Hearing:</b>		
MPI 2017/18 GRA		
<b>Period Covered:</b>		
June – October, 2016		
<b>Intervener's Name:</b>		
Consumers' Association of Canada (Manitoba Branch)		
<b>Contact Person or Persons:</b>		
Byron Williams, Public Interest Law Centre of Legal Aid Manitoba		
<b>Address:</b>		
200 – 393 Portage Avenue, Winnipeg R3B 3H6		
<b>Phone Number:</b>	<b>Business:</b>	<b>Residence:</b>
	204.985.8540	
	<b>Fax Number:</b>	<b>E-mail:</b>
204.985.8544	<a href="mailto:bywil@pilc.mb.ca">bywil@pilc.mb.ca</a> , <a href="mailto:ambea@pilc.mb.ca">ambea@pilc.mb.ca</a> , <a href="mailto:jawhe@pilc.mb.ca">jawhe@pilc.mb.ca</a>	

See Costs on Page 2.      **See also Attachment C.**

**FEES – to be completed for legal counsel or experts**

<b>Byron Williams, legal counsel</b>				<b>COSTS</b>
<b>PREPARATION:</b>	Hours 108 - 132	Days	Rate \$285.00	\$30,780.00 - \$37,620.00
<b>APPEARANCE:</b>	Hours 84	Days	Rate \$285.00	\$23,940.00
<b>ARGUMENT &amp; REPLY</b>	Hours 24	Days	Rate \$285.00	\$6,840.00
<b>FEES TOTAL</b>	Hours	Days		\$61,560.00 - \$68,400.00

**DISBURSEMENTS**

				<b>COSTS</b>
<b>TRAVEL (AUTO)</b>	Miles	Rates		
<b>TRAVEL (OTHER)</b>				
<b>ACCOMMODATION</b>	Nights	Rates		
<b>MEALS</b>	Number			
<b>MISCELLANEOUS</b>	Taxis	Telephone	Supplies -photocopies	\$2,000.00
<b>DISBURSEMENTS TOTAL</b>				\$2,000.00

<b>TOTAL FEES AND DISBURSEMENTS</b>	\$63,560.00 – \$70,400.00
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**NOTE: Receipts must be attached for all disbursements.**

**FEES – to be completed for legal counsel or experts**

<b>Andrea Sherry, Consultant</b>				<b>COSTS</b>
<b>PREPARATION:</b>	Hours 120 – 133.5	Days	Rate \$250.00	\$30,000.00 - \$33,375.00
<b>APPEARANCE:</b>	Hours	Days	Rate	
<b>ARGUMENT &amp; REPLY</b>	Hours	Days	Rate	
<b>FEES TOTAL</b>	Hours	Days	Rate	\$30,000.00 - \$33,375.00

**DISBURSEMENTS**

				<b>COSTS</b>
<b>TRAVEL (AUTO)</b>	Miles	Rates		
<b>TRAVEL (OTHER)</b>				
<b>ACCOMMODATION</b>	Nights	Rates		
<b>MEALS</b>	Number			
<b>MISCELLANEOUS</b>	Taxis	Telephone	Supplies	
<b>DISBURSEMENTS TOTAL</b>				0.00

<b>TOTAL FEES AND DISBURSEMENTS</b>	\$30,000 - \$33,375.00
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**NOTE: Receipts must be attached for all disbursements.**

\* Below market rates, previously approved in prior PUB hearings.

**FEES – to be completed for legal counsel or experts**

<b>Oakwood Strategy Group Inc. - Peter Dyck, Consultant</b>				<b>COSTS</b>
<b>PREPARATION:</b>	Hours 180 -200	Days	Rate \$240.00	\$43,200.00 - \$48,000.00
<b>APPEARANCE:</b>	Hours	Days	Rate	
<b>ARGUMENT &amp; REPLY</b>	Hours	Days	Rate	
<b>FEES TOTAL</b>	Hours	Days	Rate	\$43,200.00 - \$48,000.00

**DISBURSEMENTS**

				<b>COSTS</b>
<b>TRAVEL (AUTO)</b>	Miles	Rates		
<b>TRAVEL (OTHER)</b>				
<b>ACCOMMODATION</b>	Nights	Rates		
<b>MEALS</b>	Number			
<b>MISCELLANEOUS</b>	Taxis	Telephone	Supplies	
<b>DISBURSEMENTS TOTAL</b>				0.00

<b>TOTAL FEES AND DISBURSEMENTS</b>	\$43,200 - \$48,000.00
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**NOTE: Receipts must be attached for all disbursements.**

**FEES – to be completed for legal counsel or experts**

<b>Valter Viola, Consultant</b>				<b>COSTS</b>
<b>PREPARATION:</b>	Hours 120 - 150	Days	Rate \$240.00*	\$28,800.00 - \$36,000.00
<b>APPEARANCE:</b>	Hours	Days	Rate	
<b>ARGUMENT &amp; REPLY</b>	Hours	Days	Rate	
<b>FEES TOTAL</b>	Hours	Days	Rate	\$28,800.00 - \$36,000.00

**DISBURSEMENTS**

				<b>COSTS</b>
<b>TRAVEL (AUTO)</b>	Miles		Rates	
<b>TRAVEL (OTHER)</b>			\$750.00	<b>\$750.00</b>
<b>ACCOMMODATION</b>	2 Nights		\$135.00/night	<b>\$270.00</b>
<b>MEALS</b>	2 Days		\$78.00/day	<b>\$156.00</b>
<b>MISCELLANEOUS</b>	Taxis	Telephone	Supplies	
<b>DISBURSEMENTS TOTAL</b>				\$1,176.00

<b>TOTAL FEES AND DISBURSEMENTS</b>	\$29,976.00 - \$37,176.00
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**NOTE: Receipts must be attached for all disbursements.**

\* Below market rates.



**FEES – to be completed for legal counsel or experts**

<b>Alleyne Inc.</b>				<b>COSTS</b>
PREPARATION:	Hours	Days 17 - 38	Rate \$1,200.00	\$20,400.00 - \$45,600.00
APPEARANCE:	Hours	Days	Rate	
ARGUMENT & REPLY	Hours	Days	Rate	
<b>FEES TOTAL</b>	Hours	Days	Rate	\$20,400.00 - \$45,600.00

**DISBURSEMENTS**

				<b>COSTS</b>
TRAVEL (AUTO)	Miles		Rates	
TRAVEL (OTHER)			\$750.00	<b>\$750.00</b>
ACCOMMODATION	2 Nights		\$135.00/night	<b>\$270.00</b>
MEALS	2 Days		\$78.00/day	<b>\$156.00</b>
MISCELLANEOUS	Taxis	Telephone	Supplies	
<b>DISBURSEMENTS TOTAL</b>				\$1,176.00

<b>TOTAL FEES AND DISBURSEMENTS</b>	\$21,576.00 - \$46,776.00
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**NOTE: Receipts must be attached for all disbursements.**