



News Release

June 15, 2009

By Order 98/09, the Public Utilities Board (Board) varies its previous order with respect to the introduction of the Driver Safety Rating (DSR) program. This variance follows an application by the Manitoba Public Insurance (MPI) to review and vary Board Order 89/09.

The initial lower vehicle premiums are withdrawn (30% discount, up from 25%, to be available to vehicle owners who have had neither an at-fault accident nor a driving infraction for fifteen years). However, those drivers will enjoy a small reduction in their drivers' premiums and in time, given that a full transition to DSR expected by 2013, higher vehicle premium discounts will likely be available given their driving records remain good. The Board also accepts MPI's assertion that it is unable to limit the impact of an infraction and/or an at-fault accident to one vehicle due to system issues, with the understanding that it will undertake to research and address this matter in its 2011/12 general rate application.

The changes made by the Board, in response to MPI's request, will allow DSR to be implemented as of March 1, 2010, but with a lesser impact on the Corporation's forecast premium revenues. Information made available to the Board subsequent to the DSR hearing, particularly as to the intention to enhance benefits for those suffering catastrophic injuries as a result of a motor vehicle accident, reinforces the Board's conclusion that the Corporation's financial situation and prospects require a thorough review before any major premium reductions through DSR; such review is to occur in the fall general rate application hearing with respect to 2010/11 premiums.

The Board reiterates its concerns and recommendations of Order 89/09 in its review and vary order.

A copy of this Order, Order 89/09, and past Orders concerning MPI that contain related information, may either be reviewed on the Board's website www.pub.gov.mb.ca, or obtained from the Board's Office.

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