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MANITOBA PUBLIC UTILITIES BOARD

RE:

MPI

2010/2011

General Rate Application

Before Board Panel:

Graham Lane (np) - Board Chairman

Eric Jorgensen - Board Member (Acting Chair)

Len Evans - Board Member

HELD AT:

Public Utilities Board

400, 330 Portage Avenue

Winnipeg, Manitoba

June 26, 2009

Pages 1 to 39

APPEARANCES

1
2 Walter Saranchuk) Board Counsel
3 Candace Everard)
4
5 Kathy Kalinowsky) Manitoba Public Insurance
6
7 Byron Williams (np)) CAC/MSOS
8 Myfanwy Bowman)
9
10 Robert Dawson) MBA
11
12 Nick Roberts) Manitoba Used Car Dealers
13) Association
14
15 Raymond Oakes) CMMG
16
17 Jerry Kruk) CAA Manitoba
18 Donna Wankling (np))
19
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1	LIST OF EXHIBIT		
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1 --- Upon commencing at 9:03 a.m.

2

3 THE CHAIRPERSON: Good morning everyone.

4 And it looks like we almost made it on time.

5 Welcome to the pre-hearing conference for
6 the fall hearing of MPI's 2010/2011 Rate Application.
7 I'm Eric Jorgensen, I'm a member of the Public Utilities
8 Board. Joining me today is member, Len -- Mr. Len Evans.
9 Unfortunately the Chairman couldn't be here this morning
10 so you'll have to do with me.

11 Also with us are Ms. Candace Everard and
12 Mr. Walter Saranchuk, Board Counsel; Mr. Gerry Gaudreau,
13 Board Secretary; Mr. Roger Cathcart, Board Advisor; and
14 Hollis Singh, Board Staff, who will assist the Board from
15 time to time.

16 Manitoba Public Insurance is applying to
17 this Board for approval of its 2010/'11 premiums and
18 fees. This Hearing in the process will be conducted in
19 accordance with the provisions of the Crown Corporation
20 Act, the Public Review and Accountability Act, and the
21 Public Utilities Board Act. We will employ the Board
22 rules of practice and procedure, which are available on
23 the Board website for review. Please contact Mr.
24 Gaudreau -- please contact Mr. Gaudreau or Mr. Singh if
25 you have any questions.

1 In its Application MPI proposes new
2 premium rates to -- takes effect on March 1st, 2010, with
3 those premiums to represent no overall rate change from
4 the rates currently in place. In addition the
5 Corporation will be called upon, through the GRA process,
6 to address a number of matters -- I'm sorry I have a --
7 a...

8 MR. WALTER SARANCHUK: It's called a frog
9 in the throat.

10 THE CHAIRPERSON: Well, it might be
11 called nervousness too. Let's see if we can start this.

12 In its Application MPI proposes new
13 premium rates to take effect on March 1st, 2010, with
14 those premiums to represent no overall rate change from
15 the rates currently in place. In addition the
16 Corporation will be called upon through the GRA process
17 to address a number of matters, in respect to which the
18 Board looks forward to the co-operat -- Corporation's co-
19 operation and responses.

20 Those issues relate to the following, and
21 in no particular order they are:

22 Red light cameras and photo radar;
23 Progress, with respect to police traffic
24 enforcement;

25 The status of the Corporation's investment

1 policy;

2 The recent real estate purchase by the
3 Corporation, including how the property investment
4 portion should be evaluated;

5 The recent significant enhancements to the
6 personal injury protection plan, or PIPP coverage;

7 Other potential benefit changes in
8 addition to the recently-announced PIPP improvement;

9 Sustainable development initiatives,
10 including pay-as-you-drive and promotion of efficient
11 vehicle use;

12 Progress on discussions with the
13 sustainable transportation institute;

14 The Corporation's approach, with respect
15 to the buy-back of claims;

16 Benchmarks for measuring driver safety
17 rating or DSR success;

18 The treatment of new Manitobans under DSR;

19 Jurisdiction over the Corporation's lines
20 of business known as extension, driver and vehicle
21 licensing, or DVL, and perhaps special risk extension or
22 SRE;

23 The methodology to determine the
24 appropriate range for the rate stabilization reserve or
25 RSR;

1 The use of funds from Extension and SRE to
2 backstop the RSR;

3 The availability of financial information
4 relating to Extension, DVL and SRE, even on a summary
5 basis;

6 The implications and impacts of the
7 international financial reporting standards, or IFRS;

8 The cost allocation methodology utilized
9 by the Corporation;

10 Funding for PIPP for interprovincial
11 trucking from SRE or other non-basic premium payers;

12 The implications of the Corporation's
13 recent agreement with the Insurance Brokers Association
14 of Manitoba, relating to the payment of commissions to
15 brokers;

16 Transfers within households to avoid
17 premium payments, which the Corporation is to address at
18 the next GRA;

19 And finally, a review of the balancing
20 between the payment of driver's licence and vehicle
21 premiums, also -- also to be addressed at the next GRA.

22 The Board stresses the need for
23 transparency and openness as between it and the
24 Corporation, and reminds all parties that their presence
25 at the Hearing is for the purpose of assisting the Board

1 towards making decisions that reflect the public
2 interest.

3 The Board's authority includes an ability
4 to amend or vary its previous decision and any
5 application before it. Our objectives for this pre-
6 hearing conference are to:

7 A) Identify the Intervenors and learn the
8 reasons for their intervention;

9 B) Get an appreciation of any cost awards
10 that may be sought, and if so the approximate quantum,
11 and;

12 C) Arrive and confirm a timetable for the
13 orderly exchange of evidence and information through the
14 proceeding.

15 I will now call on MPI's Counsel, Ms.
16 Kathy Kalinowsky, to introduce the MPI panel. And
17 welcome, Ms. Kalinowsky, in your new role.

18

19 OPENING COMMENTS BY MPI:

20 MS. KATHY KALINOWSKY: Thank you very
21 much and good morning, Mr. Jorgensen, Mr. Evans, and all
22 other members that are -- and individuals that are
23 gathered here this morning. I have on my right, of
24 course, Ms. McLaren, who's very familiar with the -- with
25 all members here. She's the President and CEO of

1 Manitoba Public Insurance Corporation. On my left is Mr.
2 Don Palmer, again, familiar to -- to all members here and
3 he is the CFO and Vice President of Finance at Manitoba
4 Public Insurance.

5 Just as a -- as an introductory comment I
6 would very much, on behalf of the Corporation, like to
7 thank the Public Utilities Board, particularly Mr. Evans
8 and the Chair who is not here today, but for their very,
9 very fast and quick issuance of Order 98/'99, in respect
10 of the Application that Manitoba Public Insurance put in
11 to vary the previous order, 89/'09.

12 We recognize that that was a gargantuan
13 effort on behalf of the Public Utilities Board,
14 especially keeping in mind that I found out that both Mr.
15 Evans and the Chair were in a gas hearing at the time.
16 So I do want to say thank you very much for the fast
17 issuance of that order. It was very imperative in the
18 circumstances and we really do appreciate that.

19 Having issued the order of course that led
20 to a little bit of a fallout so to speak, and of course
21 everybody has noticed that the Application was filed
22 somewhat unusual this year, in that it was filed in two
23 (2) different parts. We received Board Order 98/'09
24 after the application to vary and we received that June
25 15th; that, of course, had provided additional monies to

1 Manitoba Public Insurance as from its previous
2 application.

3 And those financial effects in 98/'09 we -
4 - the Corporation sought to address those. The filing
5 date was June 18th, some three (3) days later. So really
6 we are faced with two (2) different objectives: One (1)
7 to preserve the filing date, preserve the notice,
8 preserve the timetable, insofar as possible. However, we
9 also want to update the financials to incorporate the
10 financial effects of Board Order 98/'09.

11 In discussions that were held with Board
12 counsel the Board agreed that MPI could have a -- kind of
13 a two (2) stage filing process, could file the
14 application on June 18th by filing the AP material in
15 Volume I through the actual rates that we're applying for
16 and some supporting materials there. And the second
17 phase of the filing would occur by no later than June
18 23rd/24th and that was to file all the updated financial
19 materials and other -- all other materials in the
20 application.

21 MPI was able to do so and I can say that
22 it was because of an absolutely enormous effort on a
23 large number of people that worked in the Corporation
24 very, very long hours to accomplish this goal. It looks
25 maybe easy just to run some new numbers for TI-15s or

1 something or that nature. It's not. A lot of work
2 actually does go into that kind of effort.

3 MPI, of course, recognizes that in filing
4 these materials that may cause some difficulties for
5 parties in meeting the requirements for today's pre-
6 hearing conference objectives. We recognize that there
7 might be some difficulties in identifying some of the
8 issues and providing a budget for the Intervenors today.

9 This was really a three (3) day, maybe
10 four (4) day -- four (4) day delay in filing the
11 application. However, we do note that MPI now has updated
12 the financials which should assist all parties in
13 preparation for this hearing because it's based on the
14 most up-to-date information that we have, as of today.

15 I would like to correct, there's a couple
16 of typographical errors on the timetable and I don't know
17 if anybody was quick to pick those up, but if people
18 could just turn to their timetables. Under the Item
19 4(a), which is "Board to circulate list of Intervenors,"
20 and 4(b) " the last date to file as an Intervenor;"
21 that's July 5th, Monday. In fact, it should be July 6th.
22 Monday July 5th is a Sunday. We're not expecting the
23 Board to work on a glorious -- what should be a glorious
24 summer weekend. So that's a typographical error there,
25 so if you can just stroke out five (5) and put six (6)

1 that would be better.

2 There's another small error, too,
3 typographical on number 9(a), and that's MPI to file
4 responses to Round 2 Information Requests, the date is
5 September 3rd, Wednesday. In fact, Wednesday is
6 September 2nd so if you just want stroke out the third
7 and put second that would be much better.

8 That concludes my opening comments right
9 now, Mr. Jorgensen and Mr. Evans. I'll reserve comments
10 on the Intervenors' Application for status until after
11 they speak to their Application, if that's suitable.

12 Thank you very much.

13 THE CHAIRPERSON: Thank you. We'll turn
14 to Ms. Everard as Board counsel for opening comments and
15 to enter exhibits.

16 MS. CANDACE EVERARD: Thank you, sir.
17 Essentially, Mr. Jorgensen, at this stage I'll just be
18 seeking to enter three (3) exhibits. I don't have any
19 additional opening comments to make.

20 The first exhibit that I'd ask to enter is
21 the Notice of Public Hearing and Pre-hearing Conference,
22 which was dated June 15th, 2009. So that would be
23 PUB/MPI Exhibit 1.

24

25 --- EXHIBIT NO. PUB/MPI-1: Notice of Public Hearing and

1 Pre-hearing Conference, dated
2 June 15th, 2009

3
4 MS. CANDACE EVERARD: Exhibit 2, please,
5 would be the Board's rules of practice and procedure,
6 which were originally adopted June 1st, 2006, and revised
7 March 14th, 2007.

8
9 --- EXHIBIT NO. PUB/MPI-2: Board's rules of practice and
10 procedures

11
12 MS. CANDACE EVERARD: And for PUB/MPI
13 Exhibit 3, I'd be seeking to enter the proposed
14 timetable. And I would suggest that it be as revised,
15 pursuant to the -- the comments and corrections just made
16 by Ms. Kalinowsky.

17
18 --- EXHIBIT NO. PUB/MPI-3: Proposed timetable

19
20 THE CHAIRPERSON: Very good. Thank you.
21 And Mr. Gaudreau will make note of those.

22 We will turn to the Intervenors at this
23 time, and we'll start with Ms. Myfanwy Bowman from
24 Consumers' Association of Canada and Manitoba Society of
25 Seniors.

1 MS. MYFANWY BOWMAN: Thank you and good
2 morning. I'm here on behalf of, both myself and Mr.
3 Williams, representing the Canadian Association of
4 Consumers, Manitoba Branch, and the Manitoba Society of
5 Seniors.

6 Would the Board like to hear now our
7 comments on our Intervention Application or were you just
8 hoping that I'd introduce myself?

9 THE CHAIRPERSON: I think we can hear
10 your comments, and if there are any comments on the
11 schedule, we can probably hold those until we've heard
12 from everyone and then we'll work on the schedule.

13 MS. MYFANWY BOWMAN: Fair enough. thank
14 you.

15

16 OPENING COMMENTS BY CAC/MSOS

17 MS. MYFANWY BOWMAN: I have filed,
18 yesterday afternoon, an Intervenor Request form. I'm not
19 sure if everybody's received it. I didn't (sic) scatter
20 a few more copies around the room. I don't know if
21 anyone's had a chance to look at it or not.

22 It's a fairly preliminary application
23 because we haven't had an opportunity to review yet the
24 Corporation's Application in any kind of detail. In
25 fact, I don't think all of our advisors have even yet

1 received the Application. It's still winding its way to
2 them. So, I -- I can only make some general comments
3 around the issues that we anticipate will arise and the
4 approach that we expect to take, but that may change once
5 we've had an opportunity to review the material.

6 That being said, we expect to test the
7 evidence to determine whether the proposed rates are just
8 and reasonable and whether the projections for revenues
9 and expenses are reasonable, whether the projected
10 expenses are necessary and prudent and to partic --
11 particularly consider a number of issues including the
12 RSR and what would be the appropriate mechanism for
13 setting the RSR and appropriate target range for the RSR.

14 We'd like to look at some issues related
15 to efficiency and cost control, particularly examining
16 staff growth and information technology expenditures.

17 We'd like to look at PIPP benefits and
18 expenditures, including the new PIPP enhancements that we
19 -- we are hearing tell of.

20 Also, claims control and service quality,
21 I think, are issues that we'd like to have a look at.

22 Road safety, of course.

23 Forecasting -- both revenue forecasting
24 and expense forecasting. Those would include issues such
25 as the investment strategy, vehicle upgrade and volume

1 you.

2 Mr. Robert Dawson from the Manitoba Bar
3 Association. Sir...?

4

5 OPENING COMMENTS BY MR. ROBERT DAWSON:

6 MR. ROBERT DAWSON: Good morning Mr.
7 Acting Chair. I appear on behalf of the Manitoba Bar
8 Association, as you indicated. I can indicate to the
9 panel that the Bar Association on Wednesday morning,
10 before receiving MPI's ultimate package of materials, has
11 filed a request for Intervenor status.

12 And it is my client's intention to take an
13 active role in all steps of these proceedings including
14 making Information Requests, attending throughout the
15 Hearing itself, and cross-examining the MPI panel, and
16 possibly, if there are any, possibly any other witnesses
17 that Intervenors might introduce and to make closing
18 arguments. It is not, at least as of this moment, my
19 client's intention to call any witnesses of its own or
20 file any of its own written evidence.

21 Of course, having not had the opportunity
22 at the time that the Intervenor request was filed, I've
23 simply highlighted the two (2) recurring major points
24 that the Manitoba Bar Association has always been
25 interested, at least since I've had conduct of this

1 matter: One (1) deals with the PIPP Infrastructure Study
2 and its progress. And the other one is the broader and
3 ongoing issue relating to the way in which the Applicant
4 handles personal injury claims. And that of course I
5 always reformulate into the words more familiar to a
6 Public Utilities Board: Is the applicant expending its
7 revenues relating to personal injury claims in a way that
8 the statute requires as well as in a cost effective way?

9 We also may have other lesser grounds, but
10 I reserve my comments on that, simply because, as I say,
11 having been served at 3:16 p.m. on Wednesday afternoon,
12 approximately what, forty-two (42) hours ago, I simply
13 have not gone through with enough detail, and I certainly
14 have no instructions from my client as to those details.
15 And I -- I don't say this by way of incrimination against
16 MPI. I understand the reasons for their late filing, but
17 that late filing has had significant impact as most of
18 us...

19 It certainly will be the intention of the
20 Bar Association to co-operate as usual with other
21 Intervenors to avoid duplication. We have filed as part
22 of our Intervenor request a budget. There are a number
23 of assumptions that are built into that.

24 First, I can indicate that the budget is
25 roughly in line with previous years. It's slightly

1 higher, if only because I'm anticipating a little more
2 time may be needed, in terms of preparation, for the
3 Hearing and reviewing the evidence. As well, I've worked
4 on the assumption that this won't be an extremely long
5 series of hearing days, as well as the fact that there
6 won't be extensive hearing -- or extensive evidence from
7 other Intervenors. Those sorts of issues could of course
8 cause different changes.

9 I do have comments on the timetable at the
10 appropriate moment. And failing any questions, that
11 concludes my opening submission. Thank you, Mr.
12 Chairman.

13 THE CHAIRPERSON: Thank you, Mr. Dawson.
14 Mr. Nick Roberts, from the Manitoba Used
15 Car Dealers' Association...?

16 MR. NICK ROBERTS: Thank you, Mr.
17 Jorgensen. I don't really have any opening remarks. As
18 of this morning we haven't filed for Intervenor status.
19 Seeing as we got the application Wednesday we haven't
20 really reviewed it.

21 But I would think that we will probably
22 apply for Intervenor status just simply to have our foot
23 in the door should we decided we want to proceed, but at
24 this point we're not -- we're still undecided whether
25 we're going to do it or not.

1 THE CHAIRPERSON: A reasonable, timely
2 filing will help us make a decision on issuing Intervenor
3 status.

4 MR. NICK ROBERTS: Yes, thank you.

5 THE CHAIRPERSON: Thank you.

6 Mr. Raymond Oakes, from CMMG...?
7

8 OPENING COMMENTS BY CMMG:

9 MR. RAYMOND OAKES: Thank you, good
10 morning. We have filed our Application of yesterday.
11 Hopefully, MPI and the Board have received that. I don't
12 think it's necessary to go through the statements
13 contained in that Application. Obviously, the most
14 cogent and important facts are that we're applying, that
15 we intend to proceed throughout the hearing, we won't be
16 calling witnesses, we will be seeking an award of costs,
17 and hopefully we can contribute to the Board's
18 understanding of the Application.

19 In that respect, we'll be focussing on
20 some very large increases amounting to some 14 percent in
21 Territory 2. So we'll want to examine the data behind
22 those significant increases, especially in an environment
23 of no general increases. Investment and safety, of
24 course, will be a significant focus of our inquiry. And
25 comments, relative to the rest of the application, I

1 would echo those of my other friends this morning who
2 have experienced the same difficulties in developing a
3 full appreciation of the Application.

4 So those would be my comments this
5 morning. I certainly have some comments relative to the
6 timetable as well. Thanks.

7 THE CHAIRPERSON: Thank you.

8 Mr. Jerry Kruk, from CAA Manitoba...?

9

10 OPENING COMMENTS BY CAA MANITOBA:

11 MR. JERRY KRUK: Thank you, Mr. Chairman.
12 We are, myself and Samantha Charran, are here this
13 morning. We expect that we will be joined by Donna
14 Wankling, so it'll be a -- as -- as per when I walked up
15 the elevator I thought we'd never left. It'll be a
16 continuance, from our perspective, of -- of what we just
17 finished. And the fact that the weather has warmed up is
18 the only difference between when we ended.

19 Anyways, seriously, it's our intention to
20 proceed with a watching brief and asking questions along
21 the way if, as, and when required in doing our -- our
22 argument at the end of the Hearing. We will not be
23 filing for any costs and we thank everyone for being part
24 of this.

25 THE CHAIRPERSON: Thank you.

1 Ms. Kalinowsky, comments?

2 MS. KATHY KALINOWSKY: I have no specific
3 comments. It's the usual cast and crew that MPI is
4 familiar with working from over numerous GRAs and other
5 Hearings in the past.

6 THE CHAIRPERSON: Thank you. At this
7 point then we would look to a discussion on the timetable
8 and I'll go back to Ms. Bowman and -- and she can speak
9 to it.

10 MS. MYFANWY BOWMAN: Thank you, Mr.
11 Chair. I only had a couple of issues that I wanted to
12 raise with respect to the timetable, and they are
13 somewhat dependent on whether or not CA -- MS -- CC --
14 CAC/MSOS chooses to call expert evidence.

15 But if we do then the timeframes, the --
16 the periods between when MPI files its responses to
17 Second Round Information Requests, September the 2nd, and
18 Intervenors file pre-filed testimony on September the
19 9th, which is, I believe, four (4) or five (5) -- four
20 (4) working days, is probably not long enough.

21 Similarly, the timeframe -- or the
22 difference between when Intervenors are to receive
23 Information Requests from all parties, September the
24 16th, and provide responses on September the 22nd, that's
25 four (4) working days, in the event that we're providing

1 expert evidence I don't think the four (4) working days
2 will be sufficient to appropriately respond to
3 Information Requests.

4 If we're not filing expert evidence then
5 it's the moot point. But I raise it now and leave that
6 with the Board.

7 THE CHAIRPERSON: Thank you.

8 Mr. Dawson...?

9 MR. ROBERT DAWSON: I have three (3)
10 points: The first one relates to Item 5 on the proposed
11 timetable. And that is the date for filing the First
12 Round Information Requests.

13 I know that fiddling with that date can,
14 for MPI's perspective, have a consequence. The problem
15 is is that, and again without recrimination, just stating
16 as a fact, the late filing of the actual package has
17 pushed back things and the problem becomes -- and again
18 this is more the problem of specific Intervenors and
19 their clients -- certain people may be on vacation and
20 it's -- there would have been plans made based on this
21 preliminary timetable when it had been circulated
22 earlier.

23 I don't think it's necessary to push back
24 Item 5 significantly. My preference and suggestion would
25 be that it go to Wednesday the 15th. At the very least

1 it would be helpful even to go to Monday the 13th, rather
2 than Friday the 10th. That would give people like me
3 that weekend to prepare it.

4 So that would be my first comment on
5 Item 5. I'm suggesting ideally it go to the 15th to
6 reflect the late filing of the package of materials by
7 MPI. If not the 15th then at least the 13th, which would
8 give us the weekend.

9 The second one is merely a comment and
10 this relates to the usual provision for motions. I know
11 that in the past that we have never needed motions, but
12 there may be an issue that my client raises that might
13 give rise to MPI's reluctance to produce information. So
14 I -- I suggest to the Board that we keep in mind that
15 motions could be used.

16 And my usual comment on sixteen (16), it's
17 very helpful to know when the Hearing starts but it would
18 be even more helpful if we have as many of those actual
19 hearing dates set out as far in advance as possible.

20 And I simply say this -- from my own
21 perspective, as a sole practitioner with a professional
22 practice, there's tremendous pressure, especially at the
23 beginning of the fall, to have my schedule set out as
24 quickly and as -- as fully as possible. I do try and
25 hold dates for the Board but it becomes increasingly

1 difficult to accommodate that.

2 So from my perspective it would be very
3 useful if we could have as many of the actual hearing
4 dates in addition to just the Hearing start. And I
5 realize we can't sift that now, but at some point if I
6 have advance notice that would be very much appreciated.

7 So I think the only point that I'm really
8 somewhat insistent upon is Number 5, in moving that date
9 if we could.

10 Those are my comments. Thank you, Mr.
11 Chair.

12 THE CHAIRPERSON: Thank you. Mr.
13 Roberts, any comments?

14 MR. NICK ROBERTS: No, we're okay with
15 the -- with the schedule the way it is. I'll -- I'll
16 defer, if somebody wants to change some dates, but we can
17 -- we can work around it.

18 THE CHAIRPERSON: Thank you.
19 Mr. Oakes...?

20 MR. RAYMOND OAKES: Thank you. Good
21 morning. I would echo Mr. Dawson's comments, especially
22 with regard to Item Number 5. And I suggest that the
23 dates that he put forward are certainly required in our
24 case as well.

25 I have to -- after digesting the

1 Application and writing the questions I have to meet with
2 my clients to review and get their input. And based on
3 the fact that next week is a national holiday midweek and
4 the rest, I simply am going to require an extension in
5 that regard. And perhaps I'd suggest that Intervenors
6 that don't could have their material in early and the
7 Corporation could work on answering those, and then those
8 that require the extra few days would take that and
9 hopefully that would assist.

10 THE CHAIRPERSON: Thank you.

11 Mr. Kruk...?

12 MR. JERRY KRUK: Mr. Chairman, none --
13 none of this will create a problem for us. It -- it is,
14 however -- it would be helpful if we had an idea of the
15 hearing dates themselves, so on that I agree with Mr.
16 Dawson. Other than that, whatever.

17 THE CHAIRPERSON: Ms. Everard, from Board
18 counsel, any thoughts?

19 MS. CANDACE EVERARD: Not in particular,
20 Mr. Jorgensen. From our point of view, if the Board is
21 inclined to extend the time for the filing of the First
22 Round questions we would go with that, whether it's the -
23 - the 15th as Mr. Dawson suggested or another date. I
24 assume, though, that the Corporation would ask for a
25 little bit of extra time to provide the answers, so it

1 would appear that that should follow from a delay in the
2 filing of the questions, but I'll leave that to Ms.
3 Kalinowsky to speak to.

4

5

(BRIEF PAUSE)

6

7

THE CHAIRPERSON: Ms. Kalinowsky...?

8

MS. KATHY KALINOWSKY: Always on the fly
9 here having to consult with my clients, and they think of
10 the vacation plans, et cetera, that different individuals
11 have established and so on.

12

Obviously, as I mentioned earlier, we want
13 to keep the proposed timetable and so -- intact as --
14 insofar as possible, but we are agreeable to scheduling
15 the Round 1 Information Requests to be filed on Monday
16 the 13th of July. And if we get them -- if we get the
17 questions, the Interrogatories, on that date, we will be
18 able to comply with the responses on August 5th, which is
19 Wednesday.

20

If nothing comes in until the 15th, we
21 will not be able to make the commitment to respond to the
22 First Round Information Requests by August 5th. That
23 poses a huge problem to us. So if I could just reiterate
24 and encapsulate our position, we agree with moving the
25 first round of IRs to be provided to MPI to Monday the

1 13th of July.

2 THE CHAIRPERSON: Thank you.

3 Ms. Bowman, thoughts?

4 MS. MYFANWY BOWMAN: Certainly, that
5 works fine for us. When I look at the two (2) issues
6 that I raised, the -- receiving MPI's Second Round
7 Information Request, which is Item 9A, and the
8 Intervenors filing their pre-filed testimony on September
9 the 9th, that's, I believe, four (4) working days.

10 I think in a perfect world we'd like more.
11 We can probably work with that in a crunch. I think that
12 Items 11 and 13, the time between receiving and
13 responding to Information Requests from other parties, I
14 think that's the one that will be an issue. I think that
15 more than four (4) working days will be needed for that.
16 So that's the one where I -- I think we need a response
17 from MPI.

18 And I don't know if we move this September
19 16th date up or we move the September 22nd date down, but
20 I think we need at least two (2) or three (3) more
21 working days.

22 THE CHAIRPERSON: Your preference? You
23 don't have a preference on movement up or down on either
24 of those, taking into account that there is some fairly
25 tight time frames there?

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(BRIEF PAUSE)

MS. MYFANWY BOWMAN: I don't think I have strong feelings about it one way or the other. If there's -- if MPI has a preference, I think that that's probably fine with us.

THE CHAIRPERSON: Ms. Kalinowsky...?

(BRIEF PAUSE)

MS. KATHY KALINOWSKY: Sorry, I just need to consult with my calendar here.

(BRIEF PAUSE)

THE CHAIRPERSON: Ms. Kalinowsky...?

MS. KATHY KALINOWSKY: I've now consulted once again, and with respect to Ms. Bowman's concerns, MPI, of course, recognizes that, yes, four (4) days is -- it's four (4) working days, so it is over a weekend, but that might be a bit tight for CAC/MSOS if they do have experts that are providing evidence.

I do recognize, however, that there's usually very, very few Information Requests for the

1 experts; it's usually under a dozen, so there's not a
2 huge number of Information Requests there for them to
3 deal with.

4 But what the Corporation is prepared to do
5 is take number 13, which is the date that Intervenors
6 provide responses to all Information Requests, and extend
7 that from September 22nd to the 24th, so that's from the
8 Tuesday to the Thursday which gives an additional two (2)
9 days. And that will then require MPI to move its date to
10 file rebuttal evidence, obviously, because you can't file
11 rebuttal evidence the same day that we get the responses
12 to the Information Requests.

13 So MPI would have to file rebuttal
14 evidence on September 29th, which is a Tuesday, rather
15 than the Thursday. So we've just kind of bumped things
16 along a little bit there. Hopefully, that would be
17 satisfactory to the Board with respect -- and all other
18 Intervenors that if MPI would file rebuttal evidence on
19 the Tuesday, that they'd be ready to commence the Hearing
20 on Monday, October 5th.

21 THE CHAIRPERSON: Ms. Bowman...?

22 MS. MYFANWY BOWMAN: I just need to look
23 at my calendar for a minute to see how that looks.

24 THE CHAIRPERSON: I'll canvass the other
25 Intervenors, then.

1 Mr. Dawson...?

2 MR. ROBERT DAWSON: I have no position on
3 this particular issue, thank you, Mr. Chairman.

4 THE CHAIRPERSON: Mr. Oakes...?

5 MR. RAYMOND OAKES: Not with respect to
6 this issue, and I do note that CAC is not in a position
7 to know whether they actually need the extension because,
8 of course, they don't know yet whether they have a
9 witness, but certainly not on that point.

10 THE CHAIRPERSON: Thank you. Ms.
11 Bowman...?

12 MS. MYFANWY BOWMAN: My concern is simply
13 that that leaves then three (3) working days to sort of
14 digest the -- any rebuttal evidence that MPI might file
15 before the Hearing starts.

16 I'm wondering if it might be better to
17 then instead to move September 16th -- the September 16th
18 deadline up a couple of days, rather than -- than the
19 September 22nd deadline down.

20 Sorry. What if we made, instead of
21 providing Information Requests by September the 16th,
22 what if they are provided perhaps by Monday the 14th? Is
23 that doable?

24 MS. CANDACE EVERARD: Mr. Jorgensen, if I
25 can just interject?

1 THE CHAIRPERSON: Certainly.

2 MS. CANDACE EVERARD: I note that the
3 deadline for the Intervenors to file the pre-filed
4 testimony is the 9th, so if we move up the deadline for
5 Information Requests to the 14th, that significantly cuts
6 into the time to draft those. What I was going to
7 suggest is rather than doing a two (2) day movement at
8 the top end or the bottom end, why don't we just split it
9 and do one (1) day on each side?

10 MS. MYFANWY BOWMAN: That sounds very
11 reasonable.

12 THE CHAIRPERSON: It seems like a
13 reasonable compromise and I see most people nodding their
14 head.

15 Ms. Kalinowsky, for the record...?

16 MS. KATHY KALINOWSKY: I have to agree
17 with Board Counsel's proposal, absolutely.

18 THE CHAIRPERSON: Ms. Bowman...?

19 MS. MYFANWY BOWMAN: It makes good sense
20 to me.

21 THE CHAIRPERSON: Thank you. Ms. Bowman,
22 as I have it, that was the only other scheduling conflict
23 or timetable conflict that you had?

24 MS. MYFANWY BOWMAN: Yes, that's right.
25 Thank you.

1 THE CHAIRPERSON: Mr. Dawson, once again,
2 if you could speak to the issue on filing of motions?

3 MR. ROBERT DAWSON: My comment on motions
4 was simply that we need to preserve that and treat it as
5 if it could really happen. That's all.

6 And I'll take this opportunity to follow-
7 up what counsel for the Applicant has indicated. She's
8 selecting the 13th for Item number 5, 13th of July, and
9 I've indicated that that's the -- the compromise
10 position; ideally the 15th, but if the 13th accommodates
11 us best that's what we'll -- we'll work with. Thank you.

12 THE CHAIRPERSON: Very good. Thank you.

13 And Mr. Oakes, anything further?

14 MR. RAYMOND OAKES: Well, I wonder
15 whether Ms. Everard is like myself, a middle child, and I
16 recommend her compromise, and I wonder if the same
17 compromise perhaps should be put into play with respect
18 to Item 5 and go to the 14th?

19

20 (BRIEF PAUSE)

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22 THE CHAIRPERSON: Ms. Kalinowsky...?

23 MS. KATHY KALINOWSKY: I hate to be
24 somewhat difficult about this, but moving to the 14th
25 creates a lot of difficulty. That's a Tuesday. Usually

1 -- excuse me, when we get deadlines that means that
2 matters -- or the information comes in around four
3 o'clock. We've lost two (2) working days already.

4 We've already agreed to move it from the -
5 - the Friday the thirt -- Friday the 10th to Monday the
6 13th. Getting in the information on the 14th cre -- does
7 create problems for MPI, in terms of getting all those
8 responses to IRs in. The First Round is very, very
9 heavy. There's usually at least a couple of hundred, if
10 not three hundred (300) Information Requests, when you
11 add up the parts of the 'A', 'B', 'Cs' and 'Ds'.

12 That's a massive amount of work. It
13 requires a -- a lot of coordination between different
14 departments, different individuals within depart -- in
15 departments. A lot of the matters have to be dealt with
16 sequentially, and that one (1) department, let's say
17 pricing and economics, will provide part of an answer;
18 depending on that answer then fin -- there's financial
19 implications. It -- it places the Corporation in a very
20 difficult position to try and preserve the providing of
21 the responses to the Information Requests on August 5th.

22 So, yes, I am a middle child also. Also,
23 I'd like to say that the compromise the Corporation has
24 already made was to move it from the 10th, the Friday, to
25 the 13th, the Monday, and would ask that the Board accept

1 that date, please.

2 THE CHAIRPERSON: Mr. Oakes, can you live
3 with the 13th?

4 MR. RAYMOND OAKES: I'll certainly make
5 my best efforts. And if we trail all of the other
6 Intervenor and send it in on the 14th, we'll expect our
7 answers to be a day late and -- or we're fine with that.

8 THE CHAIRPERSON: Thank you. It would
9 appear we have an agreeable schedule to all. At that
10 point are there -- or at this point are there any other
11 comments.

12 Ms. Ever --

13 MS. CANDACE EVERARD: Just one (1) thing
14 to clarify with the timetable. We resolved Item 11 by
15 moving it up a day to the 15th. We resolved Item 13 by
16 moving it back a day to the 23rd. I just want to be
17 clear on number 15 when the Corporation will file any
18 rebuttal evidence. It's now the 25th, can we leave it
19 there? Or -- you had asked for the 29th and Ms. Bowman
20 had said she didn't think that was enough or -- we just
21 want to confirm where we're going to go with that item.
22 At the 28th or...?

23 MS. KATHY KALINOWSKY: The 28th is fine,
24 yes.

25 THE CHAIRPERSON: Thank you.

1 MS. CANDACE EVERARD: Thank you, that
2 settles that. And I don't have anything else on the
3 timetable, but we did have one (1) other question for the
4 Corporation just since we're here, which is when the cost
5 allocation methodology review will be filed.

6 MS. KATHY KALINOWSKY: It will next week,
7 not at the beginning part of next week but towards the
8 end of next week. Sorry, we don't know the actual date.
9 We're working very, very hard with Deloitte on that.

10 MS. CANDACE EVERARD: Thank you.

11 THE CHAIRPERSON: Thank you. That being
12 the -- Ms. Bowman...?

13 MS. MYFANWY BOWMAN: Sorry, I apologize
14 for interrupting.

15 Given that we're only moving Item 13 one
16 (1) day to the 23rd, I'm not sure why we need to move
17 Item 15 four (4) days to the 28th. I'm wondering if we
18 can't leave it at the 24th or move it one (1) day to the
19 25th, therefore, giving everybody a little bit longer to
20 digest any rebuttal evidence, if there is some.

21 THE CHAIRPERSON: The 25th would make it
22 the Friday, the 28th makes it the Monday. You're looking
23 for the timeframe over the weekend to be looking at
24 rebuttal evidence.

25 Ms. Kalinowsky...?

1 MS. KATHY KALINOWSKY: I'm sorry, but
2 that would only give us two (2) days to create rebuttal
3 evidence and that would leave CAC and -- and others with
4 approximately what, nine (9) or ten (10) days to actually
5 look at and digest the rebuttal evidence; that puts us in
6 a bit of a bind. I think people could understand that.
7 If we don't get the responses to the IRs until the 23rd,
8 that's -- we do need the weekend to work on it, quite
9 simply.

10 THE CHAIRPERSON: Thank you. Ms.
11 Bowman...?

12 MS. MYFANWY BOWMAN: We can live with
13 that. I note that the original proposal was for two (2)
14 working days, but it's not a huge deal. The 28th we'll
15 work with.

16 THE CHAIRPERSON: Thank you. Anything
17 further?

18 Well, that being done, business has been
19 completed. We will put out our order in due time and we
20 will look to the Intervenors to provide us with updated
21 budgets, the potential for calling witnesses, and Mr.
22 Roberts, your Application, if you are so inclined, and we
23 will issue our order in a timely fashion.

24 And thank you very much, everyone, and go
25 out and enjoy the rest of the sunshine before it rains.

1 MS. KATHY KALINOWSKY: Thank you very
2 much.

3 THE CHAIRPERSON: Thank you.

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5 --- Upon adjourning at 9:48 a.m.

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7 Certified correct,

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Cheryl Lavigne, Ms.

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