

February 21, 2023

File No.: 50641-001

The Public Utilities Board of Manitoba
400 – 330 Portage Avenue,
Winnipeg, MB R3C 0C4

Attention: Dr. Darren Christle

Dear Dr. Christle:

**Re: Manitoba Public Insurance (MPI) Application to Review Order 4/23
Position of the Coalition of Manitoba Motorcycle Groups (CMMG)**

CMMG has taken an opportunity to review the Application filed by MPI on February 10, 2023. CMMG provides the following brief comments, and where no comment is made regarding any relief sought by MPI, no position is being taken by CMMG:

Directive 12.14 and Appendix A – DSR Changes

MPI has suggested that there was an error or miscommunication in the Corporation's submission to the Board regarding the relief being sought by the Corporation. Based on the information presented to the Board during the course of the hearing, there was no error of fact or law in the Board's decision.

Despite the above, the Corporation has now indicated that it is seeking the creation of DSR levels +18 to +20, and has provided further details that the creation of these levels occurring simultaneously would be the most efficient use of resources. Given this new information that is now available to the Board, the Board may vary Order 4/23 to allow for the creation of these DSR levels. Notably, there were no interveners in the 2023 GRA who indicated opposition to the creation of DSR levels +18 to +20. CMMG is supportive of DSR levels +18 to +20 being included in the Order.

Regarding MPI's suggestion that Appendix A to Board Order 4/23 be rescinded, and a new finding that MPI did comply with Direction 11.15 from Order 134/21, CMMG opposes the relief sought. MPI has pointed to cross examination of Ms. Low during the hearing, where she confirmed that the Corporation was seeking to make changes to the DSR levels in accordance with Scenario 4 in DSR -1. Those changes as proposed fall short of the DSR

Robert R Fabbri*
John M Reimer-Epp*
Kevin D Schur
Emily E Meijer

David R Sellen KC*
Andrea C Dodgson*
Colburne S Poapst
Danielle M Fulford

Norman R Piel*
Dana R Kochan
Jonathan K Boettcher*

Brent C Kaneski*
James M Benson
Charlotte E Meek

Kerry L UnRuh*
Erin C EisBrenner
Alysha R Zorde

* Denotes Law Corporation

KC* Denotes King's Counsel

DFS Kaneski UnRuh LLP
903-386 Broadway Winnipeg MB R3C 3R6
P: 204.957.8191 | F: 204.956.4457
E: cmeeek@dfsku.com | www.dfsku.com



discounts ultimately Ordered by the Board in Order 4/23. The wording of Directive 11.15 was specific:

"In the 2023 GRA, the Corporation shall bring forward a DSR transition plan to manage the required increase in the base rate and year-to-year rate dislocation, while moving the DSR vehicle discounts and driver premiums to actuarial targets in a timely manner" (emphasis added)

The changes to the DSR discounts as proposed by MPI (and as argued by CMMG throughout the hearing) were insufficient to comply with this directive. In closing submissions CMMG stated that a discount increase of 1% was equivalent to approximately \$16¹. CMMG advocated for a base rate increase to move DSR levels to actuarial targets in a 'timely manner' as directed. CMMG maintains that even where this information were properly before the Board in making a determination, MPI would still have been found not to be in compliance with Directive 11.15. There should be no variation to Appendix A of Board Order 4/23 or the Board's finding that MPI was not in compliance with Direction 11.15 of Order 134/21.

Directive 12.15 – DSR Discounts move one-fourth

CMMG is opposing any variation of Directive 12.15. The Corporation has not provided any new information to the Board on this issue and is essentially requesting that the Board make a different finding from the decision in Order 4/23. This relief should be dismissed.

Direction 12.16 – Five-year plan for Rating Models

Despite filing an affidavit of Satvir Jatana in support of this issue, the Corporation has provided very limited information for the Board's consideration. Notably the following information was not provided:

- Correspondence sent by Mr. Triggs to the Office of the Ombudsman of Manitoba on November 15, 2022;
- Correspondence sent to MPI by the Office of the Ombudsman of Manitoba on December 16, 2022;
- The Briefing Note dated December 7, 2022 prepared for the Minister of Justice;

The information in Ms. Jatana's affidavit does not provide any new or further information that was not available to the Board when making a determination on this issue. Further paragraph 4 of Ms. Jatana's affidavit asserts that the concerns that MPI raised were validated by the Ombudsman of Manitoba. The information contained therein is purely speculative; that there could be a potential violation. Further without an opportunity to review the correspondence between the Ombudsman of Manitoba and Mr. Triggs, the Board is forced to consider partial evidence.

¹ Transcript of Proceedings November 9, 2022 Pg 2822 Line 1-2

The potential concerns on this issue had already been noted by the Honourable Madam Justice Steel in her decision at the Court of Appeal level which is referenced in MPI's materials. The Board was aware of these hypothetical concerns and proceeded to include Directive 12.16. Without the provision of more detailed or persuasive evidence, there is no reason for variation this Directive.

Directive 12.23 – Investment Committee Recommendations

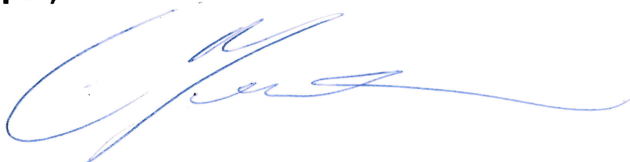
CMMG is supportive of the Corporations requested variation of Directive 12.23, given the new information provided.

CMMG appreciates the opportunity to provide comments responding to MPI's Application for Review and Variation of Order 4/23.

Yours truly,

DFS Kaneski UnRuh LLP

per;



CHARLOTTE MEEK

Cc: PUB Counsel
MPI Counsel
2023 Interveners