

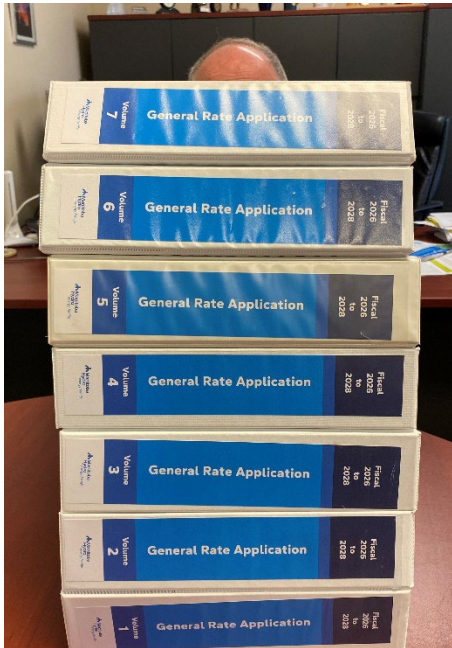


In the last Spotlight edition, we discussed how transparency is a cornerstone of the PUB's approach to both protecting the public interest and in maintaining institutional integrity. We reviewed the PUB processes that relate to rate application hearings, and how the PUB strives to educate Manitobans about its processes as part of its commitment to transparency.

Today we will introduce the panel of board members who work on the electricity portfolio and some of the important work they will be undertaking in 2025.

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## A Message from the Board Chair About the Year Ahead



Board Chair, Robert Gabor, K.C, behind binders containing Manitoba Hydro application

*Dear Readers,*

*The PUB fiscal year, which started April 1st, will be very busy. A four-week hearing for [The Centra Gas General Rate Application](#) has been set to begin on May 12th. In addition, Manitoba Hydro filed a General Rate Application on March 28th requesting a rate increase of 3.5% on January 1st of each of the next three years (2026-2028). The Manitoba Hydro application fills seven 6" binders and can be viewed online here: [General Rate Application 2026-2028](#).*

*The next step is for interveners to file information requests, which results in even more binders.*

*The process continues through the summer and ends with a four-week hearing (starting on November 17<sup>th</sup>) in which Manitoba Hydro, approved interveners and members of the public will participate. The Board's Order will be issued within 60 days from the end of the hearing.*

*We understand that Manitoba Hydro will file its Integrated Resource Plan with the Manitoba Government in the fall of this year. Under The Manitoba Hydro Act the Government may request the PUB review the application and provide a report with*

*recommendations to the Government. If we receive a request for review, the hearing will likely occur in 2026.*

*Finally, the annual General Rate Application of Manitoba Public Insurance will be filed in June of this year. The normal pre-hearing process will then commence and result in a three-week hearing starting October 6th.*

*The above processes are the knowns. In addition, each year the PUB faces the unknowns, those applications, requests or directions from government that are not expected but appear and require our (often immediate) attention.*

*These processes require considerable effort of the applicant utilities/Crowns, participating interveners as well as PUB members, staff, and advisers. The PUB follows the same hearing processes and makes decisions based on the evidence presented at the hearings.*

*We anticipate the year ahead will be challenging as we continue to balance the interests of ratepayers with the financial health of the utilities.*

*- Robert Gabor, K.C.  
PUB Chair*

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## **The Electricity Panel**

In uncertain times, there is a level of comfort to be found in knowing who is making the decisions that affect you in your day-to-day life. In today's day and age of misinformation and disinformation, soundly established and transparent regulatory processes can help provide stability, credibility, and guidance when navigating complex or unpredictable situations. Those processes were discussed in our last edition of Spotlight, and today we are looking at the people making the decisions and some of the complex matters they will be reviewing in 2025.

Board members at the PUB are assigned to regulatory portfolios based on a number of factors including regulatory understanding, governance competencies, financial and performance management, technical knowledge, representational attributes and personal attributes. The 2025 panels will work on making regulatory decisions and reviewing information filed on: electricity, natural gas (including propane), basic automobile insurance, water & wastewater, and efficiency plans proposed by Efficiency Manitoba.

The members of the Electricity Panel are a small group of Manitobans who have spent most, if not all, of their careers dedicated to serving our province and our country:

- **Robert Gabor, K.C.**, practiced law for 36 years prior to becoming chair of the PUB. His legal practice focused on administrative, corporate-commercial and

technology law, including intellectual property, cyber security and privacy law. Robert has served Manitobans as Chair of the PUB since September 2016. He is currently Canada's longest serving chair of an energy regulator.

- **Carol Bellringer** is a Chartered Public Accountant with extensive knowledge in public sector auditing and oversight and has a long history of service to both Manitobans and Canadians. Carol was the former Auditor General for the provinces of BC and Manitoba and City Auditor at the City of Winnipeg. Carol served as President and CEO of the Canadian Audit & Accountability Foundation, and held management positions with KPMG in Montreal, Toronto and Winnipeg. Carol joined the PUB in October 2022.
- **Jim Hrichishen** is an economist who joined the PUB in July 2024 after a long career with the Manitoba government. Before his retirement as a civil servant in 2020, Jim served Manitobans as Deputy Minister of Finance (2013-2020) and Associate Clerk of the Executive Council (2017-2020). Jim previously held positions such as Assistant Deputy Minister of Taxation, Economic and Intergovernmental Fiscal Research at Manitoba Finance, and as an economic advisor to departments of Finance and Energy, Mines and Petroleum Resources, Government of the Northwest Territories. Before joining the civil service, Jim had worked in the energy industry in Alberta.
- **Marilyn Kapitany** is an economist who served Canadians in the federal government as Assistant Deputy Minister of Western Economic Diversification (and most senior federal civil servant in Manitoba), Regional Director General at Indian and Northern Affairs Canada (Manitoba), and as Director of Industry Services at the Canadian Grain Commission. Marilyn joined the PUB in July 2012 and was appointed Vice Chair in July 2018.
- **Kurt Simonsen** is a civil engineer who previously spent ten years as Associate Secretary at the PUB before retiring in 2018. Prior to his career at the PUB, Kurt spent approximately 20 years in private consulting engineering and was also a senior energy policy advisor with the Manitoba government where he advised elected officials on matters related to federal, provincial, and U.S. energy issues. Kurt rejoined the PUB in March 2024.

If you would like more information about our board, its structure, or its members, we encourage you to visit our [website](#).

## Electricity Rates

Knowing who makes decisions regarding electricity rates, and how those decisions are made is important for several reasons:

- **Transparency and Accountability:** The PUB makes decisions based on data, expert analysis, and legal frameworks. Understanding who is responsible for setting rates and [how the process works](#) allows you to hold those decision-makers accountable. If rates increase or policies change, you can direct your questions or concerns to the right people. The PUB's commitment to transparency and accountability to Manitobans is stated in its

[Strategic Plan](#), and actioned in a variety of ways, including through its public hearing process and in the sharing of information on its [website](#).

- **Advocacy and Public Participation:** Decisions about rates are made through public hearings and other regulatory processes. If you know who is involved, you can participate in the process, voice your concerns, and advocate for fair and affordable rates. This might include actively participating in public hearings or submitting comments during a rate review process.
- **Understanding the Drivers of Costs:** Knowing who makes the decisions and how they are made helps you understand the underlying factors that affect your rates, such as costs associated with building, operating and maintaining facilities, costs associated with financing debt, and costs associated with providing affordable and reliable services to Manitobans.

## Update on MPI



MPI filed a General Rate Application on July 5, 2024, which requested an overall rate increase to Basic insurance premiums of 3.0%, even though calculations supported a request closer to 6.15% in order for the corporation to break even. Despite filing an

updated rate indication on October 15, 2024, that indicated an increase from 6.15% to 6.77%, MPI maintained its request for 3.0%.

After considering the evidence presented during the public hearing (October 21- November 7, 2024) the PUB rejected the rate requested by MPI. On January 7, 2025, the PUB issued [Board Order 2/25](#) which ordered an increase of 5.7% for Basic rates. The Order noted several things, such as:

- MPI has never previously requested an overall Basic rate that was less than the actuarial calculations to break even.
- Approving an artificially low rate would result in much higher rates in future years.
- An increase of 5.7% does not mean that rates for all motorists will increase by that amount. There are several factors that determine individual rates, including driving record and actual claims experience, the make, model and year of the vehicle, the purpose for which the vehicle is driven, and the territory in which the vehicle is registered.

In addition to ordering the rate increase, the PUB noted that it has previously expressed concern about the progress and cost of Project Nova and again ordered MPI to closely monitor the progress of Project Nova in terms of scope, progress and cost. The Board also directed MPI to provide an update on Project Nova and its IT plan at an IT summit in early 2025 rather than wait for the filing in June 2025 and the General Rate Application hearing in October, 2025.

During the public hearing, information received by PUB raised concerns about the way MPI handles traumatic brain injuries. The information alleged, among other things, that MPI does not use current scientific knowledge, proven medical best practices, and best practicable technology, and uses inappropriate and discredited sport medicine guidelines to address traumatic brain injuries. The information presented during the hearing was neither sworn evidence nor subject to cross-examination, and as a result the PUB was unable to make a finding. Order 2/25 (pages 134-136) recommended the Government of Manitoba appoint an independent external expert to prepare a report that sets out current scientific knowledge and proven medical best practices and best practicable technology to diagnose, assess and manage brain injuries, and compare them to the current practices and procedures of MPI.

## **In Other News**

In an [earlier Spotlight](#) we shared how the PUB stays up to date on current regulatory issues and best practices in other jurisdictions by holding ongoing educational sessions, reviewing articles and discussions from other jurisdictions on best practices, and by maintaining memberships and actively participating in regulatory associations.

The British Columbia government recently made two important decisions, which we share for reader's interest:

1. The BC government granted BC Hydro an [increase in electricity rates](#) of 3.75% in each of the next two years. This meant that BC Hydro would not be required to file a general rate application which would be subject to the scrutiny of the BC Utilities Commission.
2. BC was the first jurisdiction to introduce a carbon tax, which they introduced in 2008. The BC government has [eliminated the carbon tax for consumers](#) effective April 1<sup>st</sup>, which removed 17 cents per litre from the cost of gasoline and 15 cents per cubic metre off the cost of natural gas in homes and businesses. It also means the climate action tax credit will not be available to eligible BC residents.