



“When You Talk - We Listen!”



MANITOBA PUBLIC UTILITIES BOARD

Re: MANITOBA PUBLIC INSURANCE CORPORATION (MPI)
2022/2023 GENERAL RATE APPLICATION
HEARING

Before Board Panel:

Irene Hamilton - Board Chairperson
Robert Gabor, Q.C. - Board Chair
Michael Watson - Board Member

HELD AT:

Public Utilities Board
400, 330 Portage Avenue
Winnipeg, Manitoba
October 22, 2021
Pages 1935 to 2045

1 APPEARANCES
2
3 Kathleen McCandless) Board Counsel
4 Robert Watchman) Board Counsel
5 Kara Moore (by Teams)) Board Counsel
6 Darren Christle)
7 Kristen Schubert)
8 Roger Cathcart (by Teams)) PUB advisor
9 Kevin Yang (by Teams)) PUB advisor
10 Blair Manktelow (by Teams))
11
12 Anthony Guerra) Manitoba Public
13 Steve Scarfone (by Teams)) Insurance
14
15 Katrine Dilay) CAC (Manitoba)
16 Chris Klassen (by Teams))
17
18 Antoine Hacault (by Teams)) Taxi Coalition
19
20 Charlotte Meek) CMMG
21 Doug Houghton (np))
22
23
24
25

1	TABLE OF CONTENTS	
2		Page No.
3	List of Exhibits	1937
4	List of Undertakings	1938
5		
6	CONTINUED MPI VEHICLES FOR HIRE/DRIVER SAFETY	
7	RATING/CERP PANEL	
8	CURTIS PRYSTUPA, Previously Sworn	
9	SATVIR JATANA, Previously Sworn	
10	TAI PHOA, Previously Sworn	
11		
12	Cross-examination by Mr. Antoine Hacault	1940
13	Re-direct examination by Mr. Anthony Guerra	2016
14		
15		
16		
17		
18		
19		
20	Certificate of Transcript	2045
21		
22		
23		
24		
25		

1	LIST OF EXHIBITS		
2	EXHIBIT NO.	DESCRIPTION	PAGE NO.
3	MPI-75	Driver Safety Rating, Vehicle for Hire,	
4		and CERP product panel	
5		presentation	2042
6	MPI-76	Response to PUB-MPI Pre-ask 4	2042
7	MPI-77	Response to Undertaking 11	2042
8	MPI-78	Response to Undertaking 17	2043
9	MPI-79	Response to Undertaking 26	2043
10	MPI-80	Response to Undertaking 33	2043
11	MPI-81	Response to Undertaking 34	2043
12	MPI-82	Response to Undertaking 12	2043
13	MPI-83	Response to Undertaking 16	2044
14	MPI-84	Response to Undertaking 20	2044
15	MPI-85	Response to Undertaking 29	2044
16	MPI-86	Response to Undertaking 28	2044
17			
18			
19			
20			
21			
22			
23			
24			
25			

1	LIST OF UNDERTAKINGS	
2	NO.	PAGE NO.
3	45	MPI to provide a high-level sizing of
4		what it would cost at that time to
5		implement the primary driver model and
6		how long it would take 1996
7	46	MPI to provide an update to Figure RM-
8		20 of MPI Exhibit 37, pages 7 and 8,
9		adding in the \$69 million capital
10		release provision that was included in
11		the 2021/'22 rates, based on the errors
12		in the implementation of the capital
13		release provision 2039
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

1 --- Upon commencing at 9:01 a.m.

2

3 THE PANEL CHAIRPERSON: Good morning,
4 everyone. Good morning, Mr. Hacault. There you are.
5 So we will continue this morning with the cross-
6 examination by the Taxi Coalition of the panel on VFH
7 and DSR. Thank you, Mr. Hacault. Please proceed.

8

9 CONTINUED MPI VEHICLES FOR HIRE/DRIVER SAFETY

10 RATING/CERP PANEL

11 CURTIS PRYSTUPA, Previously Sworn

12 SATVIR JATANA, Previously Sworn

13 TAI PHOA, Previously Sworn

14

15 CROSS-EXAMINATION BY MR. ANTOINE HACAULT:

16 MR. ANTOINE HACAULT (by Teams):

17 Merci. Thank you, Madam Chair. Members of the panel,
18 my name's Antoine Hacault, and I act on behalf of the
19 Taxi Coalition in this matter.

20 As was the case for my previous cross-
21 examinations, if there's one person particularly
22 suited to answer my questions, that person can answer.
23 I suspect that most of the questions will be answered
24 by Mr. Prystupa. Hopefully I've got your name right,
25 sir.

1 In any event, just by way of
2 background, if Ms. Schubert could bring up Order 1/21
3 of the Board at Directive 8, which is page 97 of 106.
4 What I intend to do is ask for an update as to the
5 status with respect to each of these directives.

6 So what I propose to do is go one at a
7 time, and I may have a couple of questions with
8 respect to an update.

9 I have a couple of other questions with
10 respect to how VHF review or -- will work seamlessly
11 with IT and Nova issues, but those are the two (2)
12 areas I intend to ask questions on. The other areas
13 have been covered quite extensively by other counsel.

14 So with that, could someone update me
15 as to whether MPI is at a stage at this point where it
16 can identify any regulatory or municipal by-law
17 changes required in order to collect relevant
18 information from Vehicles for Hire. Has that issue
19 been addressed?

20 MR. CURTIS PRYSTUPA: We are -- we're
21 still in the process of -- of working -- working
22 through that. And, you know, it's -- it's being
23 considered, but I don't have a final answer on that
24 for you, Mr. Hacault.

25 MR. ANTOINE HACAULT (by Teams): Okay.

1 Have you been able to identify areas and types of
2 information that are relevant which might require
3 regulatory or municipal by-law review?

4 MR. CURTIS PRYSTUPA: From a
5 regulatory perspective, certainly.

6 MR. ANTOINE HACAULT (by Teams): Okay.
7 And what are those areas which might require changes?

8 MR. CURTIS PRYSTUPA: Just -- just
9 give me one (1) -- one (1) moment, please.

10

11 (BRIEF PAUSE)

12

13 MR. ANTOINE HACAULT (by Teams): For
14 the record, we are reviewing Directive 8(a) on page
15 97.

16 MR. CURTIS PRYSTUPA: Mr. Hacault,
17 just for a clarifying question, is this around the --
18 the regulatory municipal by-law changes in order to
19 collect relevant information for the VFH rate design?

20 MR. ANTOINE HACAULT (by Teams): Yes.
21 It's my understanding, and correct me if I'm wrong,
22 I'll take it in little steps.

23 The review is ongoing, correct?

24 MR. CURTIS PRYSTUPA: That is correct.

25 MR. ANTOINE HACAULT (by Teams): So I

1 didn't anticipate that you would be able to identify
2 specific regulatory or municipal by-law changes that
3 were required, but my question -- in order to collect
4 relevant information, my question is: If the areas of
5 -- that might be relevant have been identified.

6 MR. CURTIS PRYSTUPA: Sure. Thank you
7 for the clarification. So -- so we have determined,
8 specifically to -- for the purpose of collecting
9 relevant information for the VFH rate design, we do
10 not anticipate the need for any changes to regulatory
11 or municipal by-laws.

12 MR. ANTOINE HACAULT (by Teams): Okay.
13 The reason the question was asked is because, for the
14 TNCs like the Ubers, it was thought that perhaps there
15 might need to be some municipal by-law changes 'cause
16 it's -- that sector is regulated by the City of
17 Winnipeg.

18 And there are certain reporting
19 requirements, but the reporting requirements might
20 have needed to be enhanced for you to collect relevant
21 data. Has that been considered?

22 MR. CURTIS PRYSTUPA: Just one (1)
23 moment, please.

24

25

(BRIEF PAUSE)

1 MR. CURTIS PRYSTUPA: Thank you for
2 that time. Specific to collecting relevant
3 information, to restate, we -- we do not believe that
4 -- that MPI specifically requires any changes to
5 regulatory or municipal by-law changes.

6 The information that we may need to
7 collect as -- as part of any -- any redesign can be
8 collected by -- by MPI specifically and would not --
9 would not require changes to municipal by-laws or --
10 or the regulatory environment.

11 MR. ANTOINE HACAULT (by Teams): Okay.
12 Thank you very much for that, sir. I'll move on to
13 (a) -- to (b) as in Bob.

14 There has been a long discussion on the
15 record yesterday with respect to driver safety models.
16 Specific to the Vehicle for Hire framework review, is
17 there any model which, at this time, MPI believes best
18 reflects risk and incentives to reduce risk in the
19 Vehicles for Hire?

20 MR. CURTIS PRYSTUPA: This is being
21 considered as part of the -- part of the framework
22 review, and we have not -- we have not made, you know,
23 final determinations on this at this point.

24 MR. ANTOINE HACAULT (by Teams): Okay.
25 And your answer seems to then indicate that this

1 specific area, being Vehicle for Hire area, may be
2 viewed in a different lens than DSR generally across
3 the other major classes. Is that correct?

4 MR. CURTIS PRYSTUPA: You know, I
5 think I would say that there -- you know, the -- the
6 Vehicle for Hire overall market certainly has some
7 unique -- unique characteristics that -- that at the
8 very least require consideration in relation to the
9 general -- the general public.

10 Whether that takes the account of any -
11 - any type of move away from -- from DSR or another
12 model, you know, I don't have comments for that at
13 this point.

14 MR. ANTOINE HACAULT (by Teams): Okay.
15 I don't know whether you have -- and this may be just
16 a general question that applies to a lot of these
17 categories.

18 Apart from what was set out in the
19 presentation, is MPI able to provide any kind of
20 target, I'm going to say dates, with respect to trying
21 to achieve certain results including what we're
22 discussing about DSR models which might best reflect
23 risk and incentives to reduce risk?

24 MR. CURTIS PRYSTUPA: Beyond what we
25 shared on slide 29 in our panel presentation yesterday

1 with, you know, kind of the present and into the near
2 future, the 2022 view and for April 1st, 2023, and our
3 intentions, I don't have any more to share than what's
4 -- what's here at this point, Mr. Hacault.

5 MR. ANTOINE HACAULT (by Teams): Okay.
6 Thank you. Next, moving on to 8(c) as in Charlie,

7 Has MPI made any progress in evaluating
8 whether the Fleet Program or some variation of that
9 program, which takes into account the claims of --
10 claims experience of multiple vehicles and multiple
11 drivers, is appropriate for corporately owned VFH
12 fleets of two (2) or more vehicles?

13 MR. CURTIS PRYSTUPA: To -- to refer
14 to our response in the -- in the Vehicle for Hire or
15 our -- our Vehicle for Hire chapter, page 90 of the --
16 of the DSR, MPI indicated that under the current
17 model, allowing corporately owned VFH fleets of two
18 (2) or more vehicles into the Fleet Program would
19 impose a heavy administrative burden on -- on MPI.

20 As previously stated, MPI is exploring
21 alternative models that consider the claim experience
22 of -- of multiple drivers. That -- that remains
23 consistent at this point.

24 MR. ANTOINE HACAULT (by Teams): Okay.
25 I understood from the previous testimony last year

1 that one (1) of the reasons why MPI was of the view
2 that it would have imposed administrative burdens was
3 that a lot of these calculations were done, I'm going
4 to say, manually by staff, as opposed to being able to
5 be computer generated.

6 Will that change with the IT
7 initiatives and Nova initiatives, that being this area
8 being more integrated into use of software and
9 technology?

10 MR. CURTIS PRYSTUPA: At this point, I
11 can't comment on -- on the specifics, simply because I
12 don't have the knowledge. You know, I -- I could only
13 speculate at this point, and I don't -- I don't feel
14 that's in -- that's in -- that's what --

15 MR. ANTOINE HACAULT (by Teams): Okay.
16 That brings me to a general question. I think it
17 falls fairly nicely.

18 With respect to the Vehicle for Hire
19 review and any IT and Nova issues, who speaks to who
20 between the Vehicle for Hire people and the IT or Nova
21 people? Is there some communication on these issues
22 and with whom?

23 MR. CURTIS PRYSTUPA: So what I can
24 share is that the -- the product team, the pricing
25 team, we are in regular communication with our IT

1 teams, our regulatory teams, and -- and various
2 individuals who would be involved in any potential
3 changes to the -- to the VFH framework.

4 MR. ANTOINE HACAULT (by Teams): Okay.
5 Thank you. I had asked some fairly specific questions
6 of the IT team, as to whether certain things have been
7 put on their agenda or whether they had received
8 communications on specific issues.

9 On the issue 8C, as in Charlie, and the
10 directives on multiple experiences -- or vehicles and
11 multiple drivers, do you know whether that issue of
12 administrative burden has been brought to the IT team
13 attentions -- or the attention of the IT team?

14 MR. CURTIS PRYSTUPA: Just one (1)
15 moment, please.

16

17 (BRIEF PAUSE)

18

19 MR. ANTOINE HACAULT (by Teams):
20 Perhaps, sir, while you're asking -- I can't see who
21 you're asking, but the back row or whoever -- can you
22 make the inquiry generally? I don't intend to repeat
23 that question with respect to each of the
24 subcategories.

25 Has anything been put on the agenda of

1 the IT team and Nova team with respect to resource
2 implementation or software flexibility or capability
3 in -- in the new IT initiatives and Nova initiatives?

4 Just, first, you can answer this
5 question, but then generally, please, sir.

6 MR. CURTIS PRYSTUPA: I'm sorry, I
7 didn't follow your -- your specific question, Mr.
8 Hacaault.

9 MR. ANTOINE HACAULT (by Teams): Okay.
10 I had asked a specific question as to whether or not
11 there was communication with the IT and Nova team on
12 Item 8C, which is the multiple vehicle and multiple
13 drivers issue.

14 But while you were asking questions of
15 your back row or whoever you're asking, I can't see,
16 sir, unfortunately, was there -- a second question
17 that I was hoping you were able to ask while you were
18 making those inquiries, is whether any of the Vehicle
19 for Hire issues have been put on an agenda or
20 communicated with the IT team or Nova team.

21 MR. CURTIS PRYSTUPA: So -- so
22 specific to 8C, the -- the Fleet Program and the
23 claims experience and multiple experience and multiple
24 drivers, not to my knowledge have we had discussions
25 specifically around that particular issue with the IT

1 team. But when it comes to, you know, in general
2 terms, VFH design and VFH issues, we've certainly had
3 many conversations with the IT team around those.

4 MR. ANTOINE HACAULT (by Teams): And
5 are you able to share in which areas or what subjects
6 there have been discussions with the IT team?

7 MR. CURTIS PRYSTUPA: I would suggest
8 that all of the models that we had brought to the VFH
9 technical conference for discussion and -- and general
10 design of any potential changes would have all been
11 brought -- were all brought to the IT team for
12 discussion.

13 MR. ANTOINE HACAULT (by Teams): Okay.
14 Thank you for that, sir.

15 We can move on to 8D, as in Donald. As
16 of this date, I know what the IR responses were, but,
17 as of this date, has the thought process of MPI
18 evolved as to whether any one (1) or more other
19 metrics, such as time on the road or kilometres driven
20 or driver risk are appropriate for designing Vehicles
21 for Hire premiums?

22 MR. CURTIS PRYSTUPA: There's been no
23 further evolution aside from our IR response.

24 MR. ANTOINE HACAULT (by Teams): Okay.
25 So at this time no other metrics have been identified,

1 firstly?

2 MR. CURTIS PRYSTUPA: Correct.

3 MR. ANTOINE HACAULT (by Teams): And
4 at this time there hasn't been a choice of the
5 appropriate metrics to be used for designing Vehicle
6 for Hire premiums.

7 Is that correct?

8 MR. CURTIS PRYSTUPA: That's correct.

9 MR. ANTOINE HACAULT (by Teams): Okay.
10 I'll move on to 8E, whether time bands should be
11 adjusted to better reflect the business operations and
12 risk of Vehicles for Hire. In the slides, you had
13 reported that there was a desire to have those time
14 bands adjusted to better reflect, at least for the
15 taxis, their business operations.

16 What's the status of MPI's review of
17 those requests?

18 MR. CURTIS PRYSTUPA: You know, in
19 development, you -- you know, we have had various
20 consultations with all VFH stakeholders, and what I
21 would suggest is likely the most in-depth
22 collaboration with -- with taxi groups specific to --
23 to time bands.

24 So, you know, updated status, what I
25 would say is -- is -- you know, there has been further

1 -- further collaboration and discussion since -- since
2 the GRA has been filed. But as -- as far as our
3 statement around this item on the GRA, you know, we're
4 currently -- we're still in the process of revising
5 the -- the VFH framework and we continue -- continue
6 to assess the efficacy of the time bands.

7 MR. ANTOINE HACAULT (by Teams): Okay.
8 So at this time you're just in the assessment stage
9 and haven't come to any recommendations or resolutions
10 or suggested changes to the existing time bands.

11 Is that correct?

12 MR. CURTIS PRYSTUPA: That -- that's
13 correct, no -- no fin -- what I would suggest is no --
14 and what -- what I would say is that, you know, we
15 have a lot of -- a lot of information at this stage
16 based on customer choice previously that most
17 customers with -- you know, across VFH are choosing
18 all four (4) time bands.

19 So the effectiveness of the time bands
20 which we have introduced into evidence are, you know,
21 fairly low in general.

22 And, you know, stakeholder feedback is
23 -- is telling us, you know, fairly -- fairly similar.
24 But when it comes to, you know, any particular changes
25 or models, you know, we're definitely going to be

1 bringing that forward to the next GRA.

2 And -- and, as we committed to
3 yesterday, in advance of that, bringing any
4 recommended changes to our -- to our stakeholders in
5 advance of that.

6 MR. ANTOINE HACAULT: Okay. Thank you
7 very much, sir. That's a useful piece of information.

8 I'll move on to 8F, as in Frank, the
9 collection of an analysis of relevant data in order to
10 better understand the causes of high relativities of
11 Vehicles for Hire and, in particular, taxicabs and
12 their major class.

13 I understood, from asking questions
14 generally, that there has not been the collection of
15 data such as time on the road, kilometres driven, time
16 of day of accidents, and things like that.

17 Am I correct in understanding that MPI
18 has not been able to address its mind to the
19 collection of relevant data?

20 MR. CURTIS PRYSTUPA: I would submit
21 that we have not yet collected relevant data.

22 MR. ANTOINE HACAULT: Okay. And how
23 does complying with this directive of collection of
24 relevant data fit into your thought process and review
25 of the Vehicle for Hire framework?

1 MR. CURTIS PRYSTUPA: I'm sorry, can
2 you repeat -- repeat the question, Mr. Hacault?

3 MR. ANTOINE HACAULT: Okay. How does
4 the collection of relevant data fit into your Vehicle
5 for Hire framework review process? Is it going to be
6 part of it? When is it going to be done? You know,
7 because that's, kind of, independent of consultation.
8 It's the collection of data.

9 MR. CURTIS PRYSTUPA: So -- so you're
10 asking about, in general, the collection of data. But
11 you're referencing 8F, which references the collection
12 and analysis of relevant data specific to the high
13 relativities of VFH and, in particular, taxicabs.

14 This question is really about the --
15 the claims experience, the high claims of -- of VFH.
16 And, as it is asked in 8F, in particular, of taxicabs.
17 That specific aspect is something that MPI has not
18 collected the data for at this point.

19 What I can share -- that you will be
20 aware of, Mr. Hacault, is that MPI is -- is
21 collaborating with various stakeholders in determining
22 the best root causes of -- or, pardon me, the best
23 root data to collect and the best methods to collect
24 this data in order to conduct this study.

25 MR. ANTOINE HACAULT: Okay. And we

1 thank you for initiating that discussion with the
2 taxicabs. So I'll get back -- and perhaps my question
3 wasn't that clear.

4 What's the time line and how does that
5 fit into how you design the Vehicle for Hire
6 framework, which is going to be presented?

7 MR. CURTIS PRYSTUPA: I don't have a -
8 - a time frame that I can share at this point with you
9 on that, that I would be willing to commit to.

10 MR. ANTOINE HACAULT: Okay.

11 MR. CURTIS PRYSTUPA: But your
12 question on how it relates to the overall design --
13 high relativities is a -- is an issue that has existed
14 for quite some time, specific to -- to VFH and, in
15 particular, of taxi cabs.

16 The -- it is obviously an important
17 issue to MPI and to our stakeholders. And it's
18 obviously a -- you know, a driving -- or a -- a
19 consideration when it comes to the overall -- overall
20 design. And that's -- That's what I would share on
21 that.

22 MR. ANTOINE HACAULT: Okay. We've
23 heard, on the record, that there's about nine hundred
24 (900) odd -- I think it was nine-hundred-and-thirty-
25 three (933) private Vehicles for Hire.

1 Where is MPI at with respect to the
2 collection of relevant data to better understand the
3 causes of the high relativities in the private
4 Vehicles for Hire?

5 MR. CURTIS PRYSTUPA: In a similar
6 manner with taxis, MPI is collaborating with
7 stakeholders to -- to conduct the same level of
8 analysis to understand the causes of the high
9 relativities.

10 MR. ANTOINE HACAULT: Okay. And apart
11 from consultation, has MPI identified the type of
12 relevant data that it needs to better understand the
13 causes of high relativities for private Vehicles for
14 Hire?

15 MR. CURTIS PRYSTUPA: We're in the
16 process of trying to -- trying to refine that in
17 greater detail through this collaboration.

18 MR. ANTOINE HACAULT: Are you able to
19 give me a little bit more information on that? I'm
20 just trying to refine it. I'm looking, you know, for
21 example, does MPI consider relevant data kilometres
22 driven? Does it consider time on the road? When the
23 accidents occur?

24 What does MPI view as relevant data
25 that it needs to collect?

1 MR. CURTIS PRYSTUPA: What I would
2 say, Mr. -- Mr. Hacault, is MPI is in the process
3 right now in collaboration to trying to determine --
4 kind of in -- kind of in parallel -- what information
5 is available through our -- through our stakeholders,
6 as well as what might be some target areas of focus.
7 And those -- those activities are happening in
8 parallel to determine, like, what types of information
9 could be practically used in this type of study.

10 MR. ANTOINE HACAULT: Okay. I'm going
11 to press you a little bit more for -- at least
12 identifying for the record, which areas of data you're
13 exploring, sir.

14 MR. CURTIS PRYSTUPA: I -- I can't
15 answer that at this point.

16 MR. ANTOINE HACAULT: Okay. I'll move
17 on to 8G, as in 'good', analyze and report on whether
18 it continues to be appropriate to have passenger
19 Vehicles for Hire and private delivery services in
20 different major classes.

21 Has, as of this date, MPI managed to
22 analyze whether it continues to be appropriate to have
23 passenger Vehicles for Hire and private delivery
24 services in different major classes?

25 MR. TAI PHOA: No, we have not looked

1 -- sorry. No, we have not looked at this matter.

2 MR. ANTOINE HACAULT: Okay. Mr. Phoa
3 -- and hopefully I'm pronouncing your name correctly -
4 - do you have any information which you can share with
5 us or the Board as to a plan on when MPI expects to
6 analyze and report on whether it continues to be
7 appropriate to have passenger Vehicles for Hire and
8 private delivery services in different major classes?

9

10 (BRIEF PAUSE)

11

12 MR. TAI PHOA: Mr. Hacault, given how
13 we are defining the major classes, private delivery
14 major class -- 'private delivery' being in the
15 commercial major class is appropriate. It is --
16 within the major class, we have an insurance use
17 called common carrier local. And that is --

18 MR. ANTOINE HACAULT: Yes.

19 MR. TAI PHOA: -- and that is for the
20 delivery of goods and services -- sorry -- sorry, the
21 delivery of goods. And that fits within the -- the
22 whole -- whole definition of a -- the commercial major
23 class, which includes other vehicles used for
24 commercial purposes, like tow trucks and -- and some
25 farm -- farm -- heavy farm trucks.

1 So -- so there's definitely no issue in
2 terms of the private delivery being in the commercial
3 major class.

4 MR. ANTOINE HACAULT (by Teams): Okay.
5 And just for clarification -- sorry, I'll let you
6 continue, but for clarification, before you move on to
7 the next one, private delivery services would include
8 services like Uber Eats, SkipTheDishes? That would
9 have been included in the private delivery services
10 category?

11 MR. TAI PHOA: That's my understanding
12 right now. It's --

13 MR. ANTOINE HACAULT (by Teams): Okay.

14 MR. TAI PHOA: -- it's also the
15 delivery of goods, whether it be parcels or -- whether
16 it be parcels or food.

17 MR. ANTOINE HACAULT (by Teams): Okay.
18 Thank you.

19 Sorry to have interrupted. Please,
20 continue. You were going to address passenger
21 Vehicles for Hire.

22 MR. TAI PHOA: Absolutely. In -- in
23 terms of the passenger Vehicle for Hire, the -- it --
24 it is -- it is appropriate, based on, again, the
25 definition of -- in -- in our -- in our opinion it is

1 -- it is -- it could -- it could flow between the --
2 the private passenger major class and the public major
3 class, that's for sure.

4 At this point in time, you ask me do we
5 have a plan to look at whether that particular group
6 should be moved from one major class to another. I
7 don't have -- this -- this is something that we
8 haven't considered and, unfortunately, I don't have
9 appropriate timelines to provide right now, in
10 response to your question.

11 MR. ANTOINE HACAULT (by Teams): Okay.
12 I guess it is what it is.

13 So, to summarize, MPI's view at this
14 point is that private deliver services such as Uber,
15 Eats, SkipTheDishes, who are getting paid to deliver
16 goods, are appropriately put in the commercial class.

17 And MPI has not yet started its
18 analysis as to whether it continues to be appropriate
19 to have passenger vehicles for hire in the public
20 class or remaining in the passenger class, or private
21 vehicle class, generally.

22 Is that correct?

23 MR. TAI PHOA: Yeah, that is correct.
24 We will -- we'll -- we'll consider -- we'll consider
25 this as we are -- we -- we delve more in -- delve more

1 into this whole VFH framework. We'll -- we'll
2 certainly look at it.

3 We'll -- I -- I hate throwing this on
4 Mr. Prystupa, but we'll -- we'll put a spot) on the
5 about the VFH framework that he's considering right
6 now.

7 MR. ANTOINE HACAULT (by Teams): Okay.
8 And in that context -- sorry, I'm trying to pin you
9 down -- am I going to get something before the next
10 GRA?

11

12 (BRIEF PAUSE)

13

14 MR. ANTOINE HACAULT (by Teams): Or,
15 alternatively, in the filing of the next GRA?

16

17 (BRIEF PAUSE)

18

19 MR. TAI PHOA: Yeah, we'll -- we'll
20 look at this. Like I say, the -- I -- I threw this to
21 Mr. Prystupa in spite of the -- the strict work. So -
22 - so, we will look at this and present something at
23 the next GRA.

24 MR. ANTOINE HACAULT (by Teams): Thank
25 you very much, sir. And thank you very much, Mr.

1 Prystupa.

2 The next one, 8-H, as in Harry:

3 "Analyze and report on the relative
4 probability as between Passenger
5 Vehicle for Hire, and other vehicle
6 for hire classifications, as to
7 whether there will be serious loss
8 claims experienced in the future."

9 Let me start -- I don't want to repeat
10 all the questions that I had asked, as to whether or
11 not MPI actually analysed and dissected the data with
12 respect to serious losses generally.

13 So my understanding is that MPI has not
14 analyzed the serious loss claims at this point, and
15 that would include that it has not analyzed the
16 serious loss claims and -- between the passenger
17 Vehicles for Hire and other vehicle for hire
18 classifications, to be able to report on the relative
19 probability as to whether or not there will be a
20 serious loss claims in those classifications in the
21 future.

22 Is that correct?

23 MR. TAI PHOA: Yes, that is correct.

24 MR. ANTOINE HACAULT (by Teams): Okay.

25 Thank you. Does MPI have any plans to dissect and

1 analyze data on serious loss claims and file its
2 analysis and report in the next GRA?

3 MR. TAI PHOA: I think it's quite
4 clear that, based on some of the questions asked at
5 this -- this hearing, that we -- the MPI's takeaway is
6 that we should give a little bit more focus on this
7 and to have a deeper look at what this year's loss
8 claims are. Again, serious loss claims are -- are
9 very random and they represent only 1 percent of the
10 incidents that are happening.

11 So we'll -- we'll commit to taking a
12 look at it. I'm -- I'm -- in terms of priorities, I -
13 - I can't comment right now on -- on where this falls
14 because there are -- there -- there seems to be a lot
15 of other things that we are taking away from this
16 hearing.

17 MR. ANTOINE HACAULT (by Teams): Okay.
18 So am I understanding your answer, Mr. Phoa, that you
19 are unsure at this time whether you would be able to
20 comply with this Directive 8-H by the time of the next
21 GRA filing?

22 MR. TAI PHOA: Again, like I said, it
23 depends on priorities. One (1) of the -- one (1) of
24 the bigger things that seems to be a subject of issue
25 is generalize lin -- linear models that we have been

1 discussing. We have admitted that that's a -- a
2 better way of doing -- dealing with relativities.
3 That one will certainly use up a lot of our capacity,
4 and that would be a bigger priority at this point.

5 So, we will -- we will look at all the
6 priorities and all the takeaways from this hearing.
7 And -- and our new leadership as you guys, has -- has
8 been informed to the -- to PUB Interveners, our new
9 leadership will definitely have to look at all the new
10 actuarial requirements and -- and prioritize them as
11 to what's more important in terms of ensuring that we
12 have appropriate rates for every vehicle out there on
13 the road.

14 MR. ANTOINE HACAULT (by Teams): Okay.
15 Sorry to try to pin you down again.

16 So, am I understanding of your answer,
17 sir, is that you're -- MPI is unable to commit, that
18 it will analyze and report as directed in Directive
19 'H' -- 8-H at or prior to the next GRA?

20 Am I correct in understanding you can't
21 commit to that because you can't say whether it's a
22 priority?

23 MR. TAI PHOA: Yes, I can't commit to
24 that, given -- this -- this is something that needs to
25 be reviewed by senior leadership.

1 MR. ANTOINE HACAULT (by Teams): Okay.

2 Thank you, sir. I'll move on to --

3 MR. CURTIS PRYSTUPA: Mr. -- Mr.

4 Hacault, if I -- if I may --

5 MR. ANTOINE HACAULT (by Teams): Yes.

6 MR. CURTIS PRYSTUPA: -- just go back

7 for a -- a quick moment. If we could scroll up back

8 to 'D' and 'F', I think we can fit both of those --

9 fit both of those here.

10 I just wanted to add, you know, we had
11 a couple of conversations around metrics and relevant
12 data on high -- high -- on relativities, as well as
13 metrics for designing VFH premiums. I -- I just
14 wanted to point out, also, MPI's position that
15 historical claims experience is the most appropriate
16 metric in determining the appropriate relativities, as
17 well as designing -- designing rates.

18 MR. ANTOINE HACAULT (by Teams): Yes.
19 I understand that. But you'll agree with me, sir,
20 that relativities -- I think you've defined it in your
21 material -- is the relative position, let's say, for
22 example, the taxi cabs, in relation to the class in
23 which it finds itself?

24 Am I getting the concept of relativity
25 correct, sir?

1 MR. CURTIS PRYSTUPA: Yes.

2 MR. ANTOINE HACAULT (by Teams): Okay.

3 So relative to other vehicles in the public major
4 class, taxis have relatively high claims, correct?

5 MR. CURTIS PRYSTUPA: Correct.

6 MR. ANTOINE HACAULT (by Teams): And
7 that's what relativities tell us, but relativities
8 don't tell us which metric: such as time on the road,
9 kilometres driven, driver risk, for example, is it DSR
10 minus 5, people that are doing this or who -- you
11 know, what elements and what factors of risk are
12 appropriate for designing VH -- VFH premiums, correct?

13 Relativities tell us there are higher
14 claims, but they don't tell us the reasons for those
15 higher claims.

16 MR. CURTIS PRYSTUPA: I would submit
17 that the -- the overarching reason for the high -- the
18 high premiums and the high relativities are a high
19 claims experience.

20 But MPI's intention is, especially
21 surrounding (d) and (f), is to try to work with our
22 stakeholders in -- in a very collaborative way to try
23 to -- try to determine some of the underlying causes
24 of the high -- the high historical claims.

25 MR. ANTOINE HACAULT (by Teams): Yes,

1 and -- and we thank you that for, sir -- for that,
2 sir. We really appreciate, as a taxi coalition, the
3 collaboration which we see from MPI.

4 Does that complete what you wanted to
5 add, sir, with respect to items 8(d) and (e) in the
6 directives?

7 MR. CURTIS PRYSTUPA: (d) -- (d) and
8 (f), Mr. Hacault, but --

9 MR. ANTOINE HACAULT (by Teams):
10 Sorry, (f).

11 MR. CURTIS PRYSTUPA: Yeah. Yes.

12 MR. ANTOINE HACAULT (by Teams): Okay.
13 Ms. Schubert, could we then go back to Directive 8(I)
14 as in igloo?

15 Is MPI able to report as to whether it
16 has been able to collect, firstly, the relevant data
17 on the composition of and characteristics of passenger
18 Vehicle for Hire class, including time available for
19 share -- fares, number of fares taken, time of day --
20 example, weekends and evenings -- on the road, and
21 kilometres driven?

22 MR. CURTIS PRYSTUPA: In line with our
23 -- our response on this matter, we have not collected
24 this data on the passenger VFH class at -- at this
25 point, although we do hope to address some of these

1 characteristics when we refine the proposed models and
2 in collaboration with the TNCs.

3 MR. ANTOINE HACAULT (by Teams): Okay.
4 So -- sorry to try to pin you down again on a time
5 line, but you expect to be able to comply with
6 Directive 8(I) at least by the time of filing the next
7 GRA. Is that correct?

8 MR. CURTIS PRYSTUPA: I think that --
9 MPI is going to determine that there are -- I mean,
10 this particular directive is fairly -- you know, we're
11 talking about time -- time available for fares, number
12 of fares taken, time of day, you know, metrics as time
13 per week, time per month.

14 I think that MPI will be in a position
15 to be able to provide some guidance on the composition
16 and characteristics of the class, and I do expect
17 we'll be able to provide some -- some additional
18 context by the 2023 GRA.

19 MR. ANTOINE HACAULT (by Teams): Okay.
20 But that, based on your answer, will fall short of
21 actually collecting that data in a meaningful way,
22 input it into software, and then analyze it under a
23 general realized linear model or other software model?

24 Am I understanding that correctly?

25 MR. CURTIS PRYSTUPA: For 2023 in

1 general, yes.

2 MR. ANTOINE HACAULT (by Teams): Okay.
3 so MPI won't be able to comply by collecting all that
4 data and inputting it -- inputting it into risk
5 analysis software by the next GRA.

6 Is that what I'm understanding, sir?

7 MR. CURTIS PRYSTUPA: I'm going to
8 refer to Mr. -- Mr. Phoa on this.

9

10 (BRIEF PAUSE)

11

12 MR. TAI PHOA: Mr. Hacault, can you --
13 sorry. Mr. Hacault, can you repeat that question
14 again?

15 MR. ANTOINE HACAULT (by Teams): I'm
16 not sure if I'll phrase it exactly the same way, but
17 the essence was, firstly, there's a collection of data
18 issue.

19 To your knowledge, will MPI be
20 collecting the data? That's the first question.

21 MR. TAI PHOA: Mr. Hacault, so -- so
22 first of all, just -- within the MPI framework right
23 now, some of these data requested is -- is not
24 actually being collected. And -- and some of this --
25 this particular directive refers to only for one (1)

1 particular insurance use.

2 So again, we -- we didn't -- given our
3 current systems right now, we're not collecting
4 information like time available for fares, number of
5 fares taken, you know, and -- and, you know, so on and
6 so forth.

7 Mr. Prystupa has testified that we are
8 looking at the VFH framework. We're looking at it as
9 a whole, you know. We're looking at passenger VFH,
10 we're looking at what we're doing -- what we're doing
11 for taxicab VFH, and the other two (2) VFH that we
12 have not mentioned very much, the accessible VFH and
13 limousine VFH as well.

14 So once we have had a chance to look at
15 the VFH framework, and -- and if there's any further
16 data requirements, then we can sort of go back to the
17 system and say we need to start collecting this data.

18 But as of this point, we -- we are not
19 collecting this data in the system, and until such a
20 point when the VFH framework review is complete, we
21 are not -- we -- we probably will not be changing the
22 system.

23 MR. ANTOINE HACAULT (by Teams): Okay.
24 I'll suggest to you, sir, that the directive was
25 asking MPI to collect and analyze relevant data if it

1 was available at this time, which would help us better
2 understand the risk of that particular class, being
3 the passenger Vehicle for Hire class. And it would be
4 independent of a framework.

5 If I'm understanding your answer
6 correctly, MPI does not intend to deal with this
7 directive independently, but only deal with this
8 directive if, in the particular design it chooses,
9 metrics such as time, available for fares, number of
10 fares taken, time of day is part of the model.

11 Am I understanding that correctly?

12 MR. TAI PHOA: Yeah. I think that's
13 sort of -- that's sort of what I said in my last
14 response. But again, some of this -- some of this
15 information that -- some of this information certainly
16 involves our collaboration with the taxicab VFH group
17 and also, you know, the -- the Ubers, the -- the other
18 TNCs.

19 And -- and some of this involves the
20 data sharing that -- that could take place as a result
21 of the VFH framework.

22 So Mr. Prystupa has clearly stated that
23 we are working in collaboration with all the groups
24 involved in designing this new VFH framework. We
25 definitely want to help -- to help to under -- we

1 definitely want to understand, you know, given --
2 given that pricing is to understand all these aspects,
3 we definitely want to understand, you know, what
4 they've got and willing to share, what sort of
5 collaboration we can have in -- in terms of the data
6 that we could share with them, how we could work on
7 the, you know, prices, so -- and any other -- and any
8 other thing that could be involved as a result that
9 could out from this collaboration.

10 So -- so, yes, we see this directive.
11 Yes, we do want to work on it, but we would like to
12 work on it -- we are working collaboratively with the
13 stakeholders in regards to this directive on -- on
14 what will work for them and that can assist MPI and
15 assist the stakeholders at the same time.

16 MR. ANTOINE HACAULT (by Teams): Okay.
17 Thank you for that, sir.

18 My next question, or aspect of the
19 question, was on the ability of MPI to analyze risk
20 coefficients and -- and the significance of the
21 metrics being used in that analysis.

22 Does MPI's current software allow it to
23 input the metrics shown in 8-I and 'C', what the
24 significance of those metrics are with respect to risk
25 of collisions and the risks caused and losses caused

1 by passenger Vehicles for Hire?

2 MR. TAI PHOA: MPI's current system
3 does not have fields to collect this data. And -- and
4 some of the data seems to require that it comes from,
5 either the TNC or the Taxicab Coalition itself,
6 something that we have been working with both groups
7 to sort of see whether that data is available.

8 One (1) example would be the time
9 available for fares. Certainly, MPI cannot just rely
10 on the self-reporting of certain individuals; that
11 would have to come from the larger group that covers
12 them. Even number of fares taken, MPI would not have
13 that data. MPI will certainly rely on the -- again,
14 the interested -- the -- the stakeholders for that
15 information.

16 But as of this point, our system does
17 not collect that information, nor is there something -
18 - nor is there a field right now that allows us to
19 collect that information.

20 MR. ANTOINE HACAULT (by Teams): Okay.
21 Thank you, sir.

22 Can MPI share what plan it has, if any,
23 on ensuring that its software system can allow the
24 input of these metrics and allow the analysis of the
25 coefficients of significance of those metrics, so as

1 to better assess risk?

2 MR. TAI PHOA: Yeah. So, this is,
3 like I said earlier, all part of the -- you know, the
4 whole VFH framework re-design.

5 The collaboration between us and the
6 stakeholders is very important. We would like to
7 know, you know, what -- what the stakeholders can
8 provide.

9 It's -- it's really -- it's really hard
10 for -- for me as -- and -- a pricing actuary --
11 actuarial analyst, to sort of say, okay, I'm going to
12 create all these fields right now, and I'm going to
13 examine the -- the relation between these fields and
14 how that affects rate, and then I go back to the VFH
15 or -- or the TNCs and they say, sorry, we can't
16 provide you that data. So, then what use -- then --
17 then where -- where does my analysis go from there?
18 So --

19 MR. ANTOINE HACAULT (by Teams): Okay.

20 MR. TAI PHOA: -- so -- so, that's --
21 that's kind of what I'm saying. Like, you know, we
22 are looking at it from the VFH framework, we are
23 working with the stakeholders, and if we are able to
24 get this data, we will create -- we will put that in -
25 - in within the system, and then that would allow us

1 to price differently, to sort, of reflect these
2 characteristics.

3 MR. ANTOINE HACAULT (by Teams): Okay.
4 Do you have any impediments from an IT perspective?
5 In other words, you know, is it software that's going
6 to take a year to implement and -- and integrate into
7 the system?

8 What, if any, impediments are there
9 from a software integration or software modification
10 aspect? Do you know?

11

12 (BRIEF PAUSE)

13

14 MS. SATVIR JATANA: Perhaps, I can
15 assist Tai with that answer.

16 Anytime -- it starts with the need,
17 what is the need, and then it goes to solutioning as
18 part of a solutioning. As part of a solutioning, if
19 it's an IT solution, obviously, we, as a Crown
20 corporation, have a rigour to follow, whether it's our
21 RFP process or selecting a vendor, and then proper
22 implementation, and that all takes time. Without kind
23 of knowing what the need is and what the solution is,
24 it would not be fair for us to estimate a time to how
25 long that solution could take.

1 MR. ANTOINE HACAULT (by Teams): Okay.
2 Thank you. That's a useful answer.

3 Basically, as we can't tell you whether
4 we're going to be able to do this and whether there's
5 any -- if there are software issues, how long it's
6 going to take to resolve them.

7 Is that a fair summary?

8 MS. SATVIR JATANA: I think the fair -
9 - fair summary that you have heard, Mr. Hacaault, a few
10 times here is that, you know, we're working closely
11 with the stakeholders, TNC, whether it's Uber or
12 whether it's Taxi Coalition.

13 And I happened to be in those
14 conversations and have been in these conversations for
15 the last, you know, six (6) to eight (8) months
16 personally myself. And we understand there is a need
17 to have a better understanding what's the root cause
18 behind high collision or a high risk for a certain
19 group. That information, that data is not in MPI's
20 databank. We need to collect that data. So,
21 therefore, you know, it's, like the team has
22 indicated, that there needs to be a close
23 collaboration, as to collecting that data, analyzing
24 that data.

25 And then comes the -- what -- what is

1 MPI's capability? Without that data, regardless of
2 what MPI's capability may be, from a resourcing or
3 from IT, if we don't have the data, we don't have the
4 data.

5 So that's where the focus needs to be,
6 that we work together to have access to that data and
7 -- so that we can have a better understanding and help
8 these stakeholders because that is mutual --
9 absolutely. I'll say we all want the same thing.

10 MR. ANTOINE HACAULT (by Teams): Thank
11 you. I'll move to the last area, being Directive 8-J,
12 as in jump. And this is the last area which I'm
13 covering, which then will complete my cross-
14 examination.

15 In slide 29, it was reported that MPI
16 hoped to present its revised Vehicle for Hire model to
17 the PUB in the 2023 GRA and that the government, in
18 2022, would make the necessary legislative changes.

19 I just want a bit of clarification on
20 that. Is it thought that, firstly, the model will be
21 recommended and considered by the PUB, following which
22 MPI would go to the government to make necessary
23 legislative changes, including any regulatory changes?

24 MR. CURTIS PRYSTUPA: That -- that
25 could happen in any -- in any particular -- in any

1 particular order. We have to -- you know, as time has
2 gone on this year, and even previous, we've had many
3 discussions with our regulatory teams to understand
4 what would be required for the various potential --
5 potential models that we would -- that we could
6 potentially implement.

7 So there's -- there's conversations
8 around the regulatory -- regulatory framework that
9 have been happening -- happening all -- all year and
10 will happen cont -- continually through.

11 The -- the reference to next year is
12 really about, you know, regulation changes will be --
13 will be proposed through -- through legislation in
14 2022.

15 MR. ANTOINE HACAULT (by Teams): And
16 I'd be interested in knowing whether MPI believes that
17 it can also share the general request for regulatory
18 or legislative changes with the stakeholders, in
19 advance of submitting them to the government for those
20 changes?

21 I ask that question in the context that
22 usually the regulatory changes are kind of a general
23 principle and say, well, we would like to have a
24 regular -- regulatory change that would achieve
25 Objective A or Objective B, and this is what we'd like

1 to see.

2 Is that something that can also be
3 provided and shared to stakeholders in advance of the
4 request?

5 MR. CURTIS PRYSTUPA: I -- I think
6 that, you know, what we -- our intention of, you know,
7 presenting the revised framework model to our
8 interested stakeholders in advance of the 2023 GRA is
9 to collect feedback on the models themselves.

10 The -- the level of -- of detail and
11 rigour, and being relatively -- relatively new to MPI,
12 understanding the regulatory framework, is -- is
13 daunting. To come -- to come through and say we're
14 going to go through, you know, the proposed regulation
15 changes and all the details of -- of what need -- what
16 might need -- need to change in regulations, I -- I
17 don't personally see that as practical in
18 collaboration with our -- with our stakeholders. But
19 that's just my view.

20 So I -- I don't know if I would be
21 willing to commit to that, Mr. Hacault.

22

23 (BRIEF PAUSE)

24

25 MR. CURTIS PRYSTUPA: I'm hear --

1 hearing from my back row that apparently Mr. Hacault
2 is speaking, but he -- apparently he's on mute
3 watching the -- watching the feed.

4 MR. ANTOINE HACAULT (by Teams): Oh,
5 sorry. I don't know whether the last part where I had
6 -- I don't know how it -- I got shut off, but anyways.

7 I was trying to put on the record that
8 the Taxi Coalition is requesting that it be consulted
9 with respect to proposed regulatory changes, at least
10 at a principled level, if we can't get into greater
11 detail. I appreciate it can't be part of an
12 undertaking, but it'd like to make it known, for the
13 public record, that this is something the Taxi
14 Coalition would like to see.

15 So did this get recorded this time?

16 THE PANEL CHAIRPERSON: Yes, it did,
17 Mr. Hacault. Thank you.

18 MR. ANTOINE HACAULT (by Teams): Okay.
19 Sorry about that.

20 And with that, I think -- when I was
21 told my mic was off, I was in the process of thanking
22 all the panellists for their helpful answers and for
23 the collaboration which they've shown in the
24 stakeholder review, and also to thank the Board for
25 allowing us to participate to date in cross-

1 examinations and the testing of MPI evidence. Thank
2 you.

3 THE PANEL CHAIRPERSON: Thank you, Ms.
4 Hacault.

5 It's ten o'clock. I believe the Board
6 will have a few questions. So we'll break now until
7 10:15, and come back then with Board questions,
8 followed by re-direct by MPI.

9

10 --- Upon recessing at 10:02 a.m.

11 --- Upon resuming at 10:20 a.m.

12

13 THE PANEL CHAIRPERSON: Thank you.
14 The Board now has some questions for this panel.

15 Mr. Gabor...?

16 THE CHAIRPERSON: Thank you, Madam
17 Chair.

18 I guess, the first one, Mr. Prystupa,
19 I'm not sure -- I'm not sure the answer to Mr.
20 Hacault's questions, whether the PUB would review
21 proposed changes to the regulatory framework before it
22 went to government, I believe he posed that question
23 to you and I -- I don't know if I actually understood
24 what your answer was to that question.

25 MR. CURTIS PRYSTUPA: I believe -- I

1 don't think Mr. Hacault's question was whether we
2 would pose the regulatory changes to the PUB. I
3 believe his question was would we bring, you know --
4 what we think would need to change for the regulatory
5 packages when we come to the full stakeholder group
6 before the 2023 GRA. He was asking would we bring the
7 exact regulatory --

8 THE CHAIRPERSON: Okay. The --

9 MR. CURTIS PRYSTUPA: -- at that
10 point.

11 THE CHAIRPERSON: Okay. The exact
12 wording of the regulation?

13 MR. CURTIS PRYSTUPA: Right.

14 THE CHAIRPERSON: Okay. Okay. Mr. --
15 Ms. Jatana -- Kristen, can you pull up CMMG-2-13.
16 Okay. Can you scroll -- the page before this?

17 Now, Ms. Jatana, this was from the --
18 the presentation of MPI in 2019, correct?

19 MS. SATVIR JATANA: That is correct.

20 THE CHAIRPERSON: Okay. So you have
21 the preferred model for setting the vehicle and driver
22 premiums here.

23 And then, the next page, Kristen,
24 please.

25 And then, you have the -- if I call it

1 the -- I don't know -- do you call it the fairness
2 table, or whatever, which shows that, I guess, 83
3 percent of the people thought the primary driver model
4 was fair and 82 percent thought the registered owner
5 model was fair.

6 Is that correct?

7 MS. SATVIR JATANA: That is correct.

8 THE CHAIRPERSON: Okay. Kristen, can
9 you go to MPI-75, page 6?

10

11 (BRIEF PAUSE)

12

13 THE CHAIRPERSON: There. Thank you.
14 This is your public consultation feedback. There's
15 nothing in your presentation that talks about the
16 fairness model.

17 Is that correct?

18 MR. CURTIS PRYSTUPA: Just to support
19 here, I would consider the -- there's a bullet that
20 says:

21 "Customers consider both models
22 equally fair."

23 That was, you know, a cut down version
24 of saying that, you know, 82 percent on -- on
25 registered owner and 83 percent on primary driver.

1 THE CHAIRPERSON: I guess, Mr.
2 Prystupa, I'd ask you do you consider the two (2) to
3 be equivalent, the earlier presentation and this one,
4 because you've put in that one (1) bullet point?

5 MS. SATVIR JATANA: I can respond.
6 This was a summary of -- this is not meant to be a
7 total readout of that consultation, as we had done
8 that a number of years ago. This was a reference
9 point and, obviously, it's not replicating everything
10 that was given in details.

11 THE CHAIRPERSON: Right. But you put
12 forward, as one (1) of the reasons for the registered
13 owner model was because the customer preference, based
14 on this table, which was in the earlier presentation,
15 showed that 44 percent...

16 MS. SATVIR JATANA: My -- my sentiment
17 behind reviewing this was that this was a summary of
18 what we learned a few years back. And, like I said, I
19 wasn't repeating -- if I was reviewing the entire
20 consultation, I would have definitely spent a lot more
21 time in discussing each of the slides. But this was
22 just to give a bit of a background as to what we had
23 learned and really a summary.

24 THE CHAIRPERSON: I believe the
25 evidence -- and I don't know who wants to answer this

1 -- is that -- that good drivers who are registered as
2 owners subsidize poor drivers who are not owners?

3 MR. TAI PHOA: That is correct, Mr.
4 Gabor.

5 THE CHAIRPERSON: Okay. In terms of
6 -- and I haven't seen the questions, and I know you're
7 providing the questions behind this survey -- or the
8 script.

9 MR. CURTIS PRYSTUPA: Yeah, it was
10 already filed into evidence as part of --

11 THE CHAIRPERSON: Okay.

12 MR. CURTIS PRYSTUPA: -- pardon me,
13 I'll just get the reference -- CMMG-1-11. The entire
14 public consultation, including all of the -- all of
15 the questions --

16 THE CHAIRPERSON: Okay.

17 MR. CURTIS PRYSTUPA: -- is in the --
18 is in this year's GRA.

19 THE CHAIRPERSON: Thank you. Do you
20 -- if you know by memory, were -- were the people
21 interviewed for this survey told that good drivers who
22 are registered as owners subsidize poor drivers who
23 are not registered as owners?

24 MR. CURTIS PRYSTUPA: I don't know.
25 We'd be happy to check -- check on that and give you a

1 full answer on that --

2 THE CHAIRPERSON: Yeah, if you could,
3 please.

4 Next issue is on motorcycles. Kristen,
5 if you could go to the -- the transcript for last
6 year.

7 This is an ongoing peeve of mine, and I
8 guess I'll repeat it again because I didn't get any
9 happier as I got older.

10 You got seven thousand (7,000) licensed
11 drivers who can drive motorcycles. You have seventeen
12 thousand (17,000) registered owners. You don't give a
13 discount because you're concerned about the fact that
14 you've got such a discrepancy.

15 Is that correct?

16 MR. CURTIS PRYSTUPA: Sorry, Mr.
17 Gabor. I have to make an admission that I was trying
18 to get support for the -- for the question you asked
19 earlier, and I -- and I did not hear your question.
20 Can I respectfully --

21 THE CHAIRPERSON: Oh, okay. Yeah,
22 that's fine.

23 We've got seven thousand (7,000) people
24 who are licensed to drive or ride motorcycles. We've
25 got seventeen thousand (17,000) people who are

1 registered owners of motorcycles.

2 MR. CURTIS PRYSTUPA: Correct.

3 THE CHAIRPERSON: One (1) of the
4 questions I asked -- and there's an undertaking -- is
5 how many people -- if you could calculate how many
6 people are registered owners who can't -- aren't
7 licensed to drive motorcycles?

8 MR. TAI PHOA: Mr. Gabor, I'll just
9 respond to that question.

10 THE CHAIRPERSON: Yeah.

11 MR. TAI PHOA: It will be in the
12 official response to the undertaking. Our data
13 currently shows that about 8 percent of motorcycles,
14 the registered owner does not have a motorcycle
15 licence.

16 THE CHAIRPERSON: Eight percent.

17 Thank you.

18 MR. CURTIS PRYSTUPA: Further to that,
19 I believe there's going to be a black line correction
20 to our pres -- our presentation from yesterday because
21 we said 9 percent yesterday. But those -- those
22 numbers were old, but 8 --

23 THE CHAIRPERSON: Okay.

24 MR. CURTIS PRYSTUPA: -- to 9 percent.

25 THE CHAIRPERSON: And would I be

1 correct that there isn't a discount given to
2 motorcycle drivers because you don't know -- sorry, to
3 the registered owners -- because of that discrepancy?

4 MR. CURTIS PRYSTUPA: Could you expand
5 on that, Mr. Gabor?

6 THE CHAIRPERSON: Well, can -- can we
7 go to page 1,632? And there was a reference right at
8 the end. I said -- and right at the bottom, in the
9 print, is:

10 "Other merit eligible vehicle types
11 not used, motorhomes -- and
12 motorhome and motorcycles."

13 Now, would I be correct that they don't
14 use motorcycles because of the issue that the
15 registered owner -- the driver may not be the
16 registered owner of the motorcycle? That's on 1,633,
17 do you see, at the top?

18 MR. TAI PHOA: Yes, I do.

19 THE CHAIRPERSON: Okay.

20 MR. TAI PHOA: Just -- just to discuss
21 a little bit about the data that we -- that we did not
22 use in terms of the DSR analysis.

23 Mr. Gabor, if you just permit me one
24 (1) minute to go to the actual reference?

25 THE CHAIRPERSON: Sure.

1 (BRIEF PAUSE)

2

3 MR. TAI PHOA: So, I believe the
4 question was asked in respect of the driver safety
5 rating pricing review. And I stand corrected if I
6 made the wrong assumption.

7 And in -- in that review, we sort of
8 said that we use data for private passenger and --
9 sorry, we use data for passenger vehicles and light
10 trucks only.

11 And in the review, we also said that we
12 excluded the other -- some -- certain eligible
13 vehicles, for example, motorcycles and motorhomes.

14 In that review -- so -- so, what we
15 were trying to do for the review is we all -- we -- we
16 only have one (1) skill in terms of the driver
17 discount and driver surcharges. We have one (1) set
18 of discounts applicable to all.

19 So, the review was focussed on what we
20 call typical insurance -- typical vehicles, being
21 passenger vehicles and light trucks.

22 In part 6, DSR appendix 1, we stated
23 that -- and -- and I quote from page 4:

24

25 "MPI did not use the data for merit

1 eligible motorcycles and merit
2 eligible motorhomes. These vehicle
3 types are not typical vehicle use
4 types; that is they are insured by a
5 smaller subset of Manitobans.
6 But given their seasonal nature,
7 these vehicle types do not reflect
8 the same rates as vehicles used year
9 round.
10 Finally, the risk potential of these
11 vehicles types is different enough
12 than the more general passenger
13 vehicles and light trucks; for
14 example, higher proportion of PIPP
15 to total losses or motorcycles."

16 So, that is -- that is really the --
17 the reason for not using the data. We -- again, we --
18 if we had separate -- if we had separate discount
19 factors for motorcycles and for -- for passenger
20 vehicles and light trucks, we would have analyzed them
21 separately, but we have one (1).

22 And -- and we use -- and we use data
23 for the more typical uses to sort of come up with the
24 -- for the pricing review.

25 So, it's -- it's not -- so, to -- maybe

1 -- maybe I -- I did answer your question, Mr. Gabor,
2 but it's -- it's not because of the -- the statistics
3 that you said that -- that was cited a while ago about
4 -- about 9 percent, about licence and licensed drivers
5 and unregistered -- and registered vehicles. It's more
6 about what we needed to exclude from the pricing
7 examination.

8 THE CHAIRPERSON: Okay. If I could go
9 to page 1,634 of the transcript, the next page. I
10 quoted from an MPI document.

11 "Motorcycles registered for road use
12 by those without valid class 6
13 licences [I guess it's now 8
14 percent] are assumed to be
15 registered on behalf of someone
16 else.

17 This may result in a DSR discount
18 being applied to -- to (some)
19 motorcycle policies based on the
20 driving record of someone who was
21 not licenced to operate a
22 motorcycle.

23 This registration practice may be
24 used by customers in order to obtain
25 a higher -- higher DSR vehicle

1 premium discount; however, this
2 practice can result in inappropriate
3 pricing risk."

4 And then my comment:

5 "That goes to the issue of trying to
6 tie the risk to the person who's
7 actually driving the motorcycle
8 question?

9 MR. JOHNSTON: Yeah. And this one -
10 - there's really no dispute who the
11 -- well, who isn't the primary
12 driver."

13 MR. TAI PHOA: I would agree with Mr.
14 Johnston's comment, that this is one (1) of the -- the
15 sort of weaknesses of the registered owner model.

16 THE CHAIRPERSON: Yeah. Okay. A few
17 other short questions. There was some discussion
18 about ICBC and the -- the model -- the sort of
19 combined model they use, which is different from ours.

20 Mr. Prystupa, has ICBC indicated to you
21 that they plan to go a registered owner model?

22 MR. CURTIS PRYSTUPA: Has ICBC
23 indicated that they're going -- that they're planning
24 on going to a registered owner model? No.

25 THE CHAIRPERSON: Okay. There was

1 also a discussion about -- I don't know -- I think a
2 number of people commented on this, well, we're going
3 with the registered owner model now. We'll take a
4 look at five (5) years. This is -- Nova's in place
5 and -- and all, and if we need to change it at that
6 point, we need -- we'll change it then.

7 Is that feasible? You've got Nova in
8 place. There was talk about disruption now. Can you
9 explain the disruption five (5) years from now if you
10 change?

11 After the system's in place,
12 everything's integrated, you're going to look at
13 potentially dismantling it to change the -- the model?

14 MS. SATVIR JATANA: Yeah, if I may.
15 And my colleagues can definitely add to this. I don't
16 know what's meant by 'disruption'. But as we change
17 the legacy system, it's not once and done. You know,
18 there's going to be an ongoing need to enhance and
19 update our products, policies, programs.

20 So, it's not to say once the systems
21 are in place, they will never be interrupted or
22 touched again.

23 What we do know, that rushing to adopt
24 a model that is not fully understood yet and that we
25 believe has the same weakness as the current model, to

1 get that into a system without proper rigour and due
2 diligence would not be the best decision on behalf of
3 the Company or for Manitobans.

4 What we are saying that, right now, all
5 hands on deck are obviously focussed on Nova and the
6 transformation. That does not preclude us from
7 looking at any other models, including the ones that
8 have been in discussions here, but the implementation
9 timing needs to be considered.

10 And I hesitate to commit to saying
11 that, you know, MPI is in a position to come forward
12 with what that solution could be next year because the
13 -- you know, the analysis could take us some time.

14 So, what we are asking, that let us
15 focus on Nova and the transformation while we take a
16 closer look at the weakness of -- of current model and
17 whether it can be improved upon, but also look at what
18 maybe other models that needs to be explored.

19 So, landing on a primary driver model
20 does not solve the issue that -- that has been
21 discussed here in detail.

22 THE CHAIRPERSON: Okay.

23 MR. CURTIS PRYSTUPA: I would -- I
24 would also add to -- to Ms. Jatana, is that, in -- in
25 conversations with our IT folks, the ability to

1 collect driver information is inherent in the -- in
2 the -- in the Duck Creek system. It's -- it's
3 available. It's built in. It's -- it comes -- comes
4 with the package.

5 So, that capability will be there when
6 -- when Nova goes live. So, the -- the changes -- the
7 changes later, you know, the -- the -- it's all going
8 to be built in at the time that Nova -- Nova launches,
9 so it's -- it's already there.

10 THE CHAIRPERSON: Okay. I hate to do
11 this, but I'm going to ask perhaps for an undertaking.

12 At a very high level, could you ask
13 your IT team what is required -- what would be
14 required in terms of timing and cost, a timing as in
15 duration, to -- to move from a registered owner model
16 to a primary driver model using current dollars once
17 it's in place approximately five (5) years from now?

18 And I -- you know, I -- I'm just
19 talking high level, 'X' millions of dollars, because
20 I've worked on some of the largest projects in -- in
21 Winnipeg, and it's -- we're talking millions of
22 dollars to -- to change, how -- and long it would it
23 take because, you know, this is a concern that I've
24 personally expressed for years, which is when does it
25 get into the decision making?

1 And we're going to have to go through
2 the evidence here because there seems to be some
3 difference of opinion.

4 MR. CURTIS PRYSTUPA: To -- to make --
5 to make sure I understand your request, it's, you
6 know, five (5) years from now Nova is in place. What
7 you're looking for as an undertaking is a high-level
8 sizing of what it would cost at that time to implement
9 the primary driver model?

10 THE CHAIRPERSON: And how long it
11 would take.

12 MR. CURTIS PRYSTUPA: And how long it
13 would take.

14 THE CHAIRPERSON: Yeah. Okay.

15

16 --- UNDERTAKING NO. 45: MPI to provide a high-
17 level sizing of what it
18 would cost at that time to
19 implement the primary
20 driver model and how long
21 it would take

22

23 MS. SATVIR JATANA: Mr. Gabor, your --
24 your ask of understanding the IT implications or the
25 cost, I, you know, respect kind of your ask here. But

1 I also want to highlight that that's one (1) of many
2 things that need to be considered.

3 Of course, IT cost is one (1) cost.
4 What -- what other things that need to be considered
5 is that do we have the right model, do we consider the
6 resourcing constraint of making that decision with
7 Nova now versus doing that when we have the capacity
8 post-Nova? Some of those --

9 THE CHAIRPERSON: I appreciate that.
10 That's one (1) of the reasons I'm saying that this is
11 -- the idea of, well, we can change it in five (5)
12 years is -- is not quite as easy as it is. There --
13 there are other implications, including the ones you
14 just raised right now, and there's, you know, inertia
15 and that. So if -- just sort of those general
16 questions.

17 Finally -- and I don't know. This --
18 this really is just sort of a throw-away question for
19 you to consider. What is MPI's position on off-road
20 vehicles and golf carts being driven by people under
21 the -- under sixteen (16) years of age?

22 MR. ANTHONY GUERRA: So before --
23 before we get to that question --

24 THE CHAIRPERSON: Sure.

25 MR. ANTHONY GUERRA: -- I'd like to

1 address the undertaking issue, just so we have it
2 nicely wrapped up. So I guess the issue that we're
3 concerned about is what type of response or what kind
4 of quality response can we provide to the Board I'm
5 guessing prior -- prior to or -- or around Monday?
6 Because that when --

7 THE CHAIRPERSON: Yeah.

8 MR. ANTHONY GUERRA: -- we're going to
9 be having some people coming back for the undertaking
10 panel. And -- and I'm just -- I'm concerned that the
11 -- there won't be a lot of time to give it the
12 credibility or the -- the weighting that should be due
13 to that type of question.

14 So we can do our -- our best, but I
15 think you'd have to appreciate that it's -- there's
16 going to be a lot of caveats and maybe a lot of --

17 THE CHAIRPERSON: Mr. Guerra, I
18 understand it. I -- I -- you know. I just -- I just
19 -- I'd like to understand the thinking behind it.
20 It's -- it's -- the concern I have, it's easy to say,
21 well, we can change it in five (5) years. I'd like to
22 see what the IT people say is required.

23 I always had a -- quite frankly, when I
24 was practising, I had a difference if I was talking to
25 the person selling the IT versus the person creating

1 the IT. And so just a high level beyond that.

2 On this one --

3 MR. ANTHONY GUERRA: So we'll give the
4 undertaking.

5 THE CHAIRPERSON: Yeah, that's fine.

6 There -- just sort of, from a personal
7 point -- point, you know, and I'm not -- I'd just like
8 to understand the area.

9 In the last few years, at least where
10 we have our cottage, there is a raft of over-the-road
11 vehicles, and now the newest craze is golf carts.

12 I don't know if they're allowed to be
13 on the road or not. They're on the road and they're
14 being driven by twelve (12) and thirteen (13) year
15 olds.

16 I'd like to understand MPI's position
17 on that in terms of what is the coverage, what is the
18 liability? Because I'm concerned that there is a
19 black hole there that -- and I'm not sure if it's your
20 responsibility or the government's responsibility
21 under statute, but there's -- there are a lot of
22 people doing this, and I'm just concerned about it.

23 MS. SATVIR JATANA: Yeah. The topic
24 is live, and it's I'll say in its initial stages of --
25 of those conversation. And -- and we have been asked

1 to have a position or -- or give some early thoughts
2 on this.

3 From a -- you know, MPI, while we
4 insure vehicles, we also have the responsibility for
5 road safety.

6 THE CHAIRPERSON: Right.

7 MS. SATVIR JATANA: And I'll put on my
8 road safety cap for a second here.

9 And, you know, based on the data, based
10 on our understanding with just a high level of
11 overview of this is that there are some risks of
12 allowing those type of vehicles on the main roadways
13 without a lot of rigour and restrictions put in place.
14 Absolutely there are risks, and we -- we are voicing
15 those concerns.

16 From an insurance provider, of course
17 none of those types of vehicle that you -- off-road
18 vehicles that you mentioned are -- have the coverage
19 today. They're not insured. They don't have the PIPP
20 coverage.

21 So some of the concerns would be what
22 happens, you know, as a Manitoban if I'm -- I'm hit by
23 a golf cart or off-road vehicle? How is that coverage
24 provided to me? And there is -- there is absolutely
25 some concerns of that.

1 I would hope that, you know, MPI's
2 position from road safety is -- is considered as -- as
3 the regulators and -- make those decisions to allow or
4 -- or not allow. I would hope that would be the case.

5 THE CHAIRPERSON: I appreciate your
6 comment, Ms. Jatana. I guess -- let me just put a
7 hypothetical to you.

8 Someone is walking down a road and they
9 are hit by one of these vehicles. There's no coverage
10 for anything for anybody, is there?

11 MS. SATVIR JATANA: One (1) of these
12 vehicles.

13 THE CHAIRPERSON: Sorry.

14 MS. SATVIR JATANA: You mean golf
15 carts?

16 THE CHAIRPERSON: Golf cart --

17 MS. SATVIR JATANA: Okay.

18 THE CHAIRPERSON: -- or over-the-road
19 vehicle.

20 MS. SATVIR JATANA: So, yeah, if it's
21 -- if a golf cart hits me, there is no PIPP coverage.

22 THE CHAIRPERSON: Okay. Off-the-road
23 vehicle, there is coverage. Is there coverage for the
24 pedestrian walking on the road?

25 MS. SATVIR JATANA: Let me just check

1 that.

2

3

(BRIEF PAUSE)

4

5

MR. CURTIS PRYSTUPA: If you can just
6 give us a moment, we want to be absolutely --
7 absolutely clear in our answer. There's some debate
8 here.

9

10

(BRIEF PAUSE)

11

12

BOARD MEMBER WATSON: So just to be
13 clear, Mr. Prystupa, for example, I had a quad and I
14 had a Manitoba license plate for off-road vehicle, so
15 I was covered. But if they have a quad that is not --
16 does not have a plate that's registered through MPI,
17 then there is no coverage. That's probably what your
18 back row's going to go -- just for everybody's
19 clarification.

20

MR. CURTIS PRYSTUPA: But I'm just
21 trying to understand the question, the -- the example
22 you gave, you had a quad that you --

23

BOARD MEMBER WATSON: And I had a
24 plate.

25

MR. CURTIS PRYSTUPA: Yeah. You had -

1 - you had a plate, had registered. Now -- and you say
2 you were covered, but covered for what?

3 BOARD MEMBER WATSON: PIPP. If we ran
4 into someone, we would be covered, but if someone had
5 a quad that wasn't registered and drove on the road
6 and hit someone, there would of course be no coverage.
7 That would be a personal claim or through their
8 household.

9 MR. CURTIS PRYSTUPA: Okay.

10

11 (BRIEF PAUSE)

12

13 THE CHAIRPERSON: You know -- sorry.
14 Instead of wasting --

15 MS. SATVIR JATANA: Yeah.

16 THE CHAIRPERSON: -- everybody's time,
17 just a quick answer on Monday would be just fine.
18 This is -- I hate to say it, this is a pet peeve of
19 mine. Ms. Jatana, you hit it for the reasons -- I'm
20 concerned about the safety reasons.

21 There -- this line of questioning may
22 be -- may be there for the next GRA when we hit the
23 issue of safety, so.

24 MS. SATVIR JATANA: Absolutely.

25 THE CHAIRPERSON: -- thank you.

1 MS. SATVIR JATANA: We'll take that
2 back.

3 THE CHAIRPERSON: Those are my
4 questions.

5 THE PANEL CHAIRPERSON: Thank you.
6 Mr. Watson...?

7 BOARD MEMBER WATSON: Thank you. I
8 think the first question's for Mr. Prystupa.

9 At the start of your presentation
10 yesterday on page -- on one of the first couple of
11 pages, it was models explored. It was the registered
12 owner model, the primary, all-household.

13 And part of your presentation -- it's
14 not written there, but part of your presentation,
15 you'd talked about maybe if there wasn't an insured --
16 they didn't have an insure -- insured vehicle in their
17 name, there could be some sort of surcharge.

18 And I do believe that, years ago, if
19 someone had an at-fault accident and you don't have a
20 vehicle registered in your name, there was actually a
21 surcharge.

22 But I believe by memory it's been
23 removed now, and it's been quite a few years since
24 that. And then you referenced it yesterday that it
25 could be one of the things that MPI could implement.

1 MR. CURTIS PRYSTUPA: I think what I
2 said and -- and what you're referencing in the
3 presentation is the driver premium model. So on --

4 BOARD MEMBER WATSON: Yeah.

5 MR. CURTIS PRYSTUPA: -- on slide 5 of
6 the presentation.

7 BOARD MEMBER WATSON: Yeah.

8 MR. CURTIS PRYSTUPA: So, you know, we
9 highlighted that that was one of the -- one of the
10 models that was -- that was explored as a -- as a
11 potential -- as a potential.

12 BOARD MEMBER WATSON: Okay. But can
13 you answer, if my memory serves me right, that if
14 there would -- there was a surcharge in place a number
15 of years ago and it has been eliminated?

16 So if you had an at-fault accident and
17 you don't have a vehicle registered, that there was
18 actually a driver -- a driver surcharge added to your
19 licence if you do not have a Manitoba registered
20 insured vehicle?

21 MR. TAI PHOA: Mr. Watson -- and if
22 memory serves me right, that was before the
23 introduction of the current DSR system and -- and,
24 subject to check, I believe that's how we used to do
25 it.

1 BOARD MEMBER WATSON: Okay. Do you
2 know the reason for eliminating it?

3 MR. TAI PHOA: I -- I believe it -- it
4 just has to do with the introduction of the new driver
5 -- the new DSR, where we said -- you know, where --
6 where we are moving people along the scale, and we --
7 instead of having the driver surcharge, if somebody
8 happened to move down the scale and went into the
9 negative side of things, the surcharge will be placed
10 on their driver's licence.

11 BOARD MEMBER WATSON: Okay. Thank
12 you.

13 For Mr. Phoa. Mr. Watchman asked you a
14 question yesterday in regards to the -- I would call
15 the pricing strategy of the DVR -- DSR model, and you
16 answered that people gaming the system would -- are
17 already on the program and -- and it wouldn't expand;
18 I believe was your answer.

19 MR. TAI PHOA: Yes, I remember that
20 conversation.

21 BOARD MEMBER WATSON: Okay. After
22 that, there was another slide that came forward in
23 regards to the vehicle premium discounts and what's
24 proposed. So at the DSR rating of fifteen (15) in
25 2021, it would be 33 percent, and then it goes all the

1 way up to '26/'27 up to 56 percent.

2 In regards to that strategy, aren't you
3 enticing people? And it'll -- I'll word the question
4 a little differently than Mr. Watchman did. But isn't
5 that strategy that -- where you have greater discounts
6 and greater savings, isn't it going to drive more
7 people to register under the person with the highest
8 rating?

9 MR. TAI PHOA: I think it's -- Mr.
10 Watson, I think my comments refer to the fact that --
11 so -- so, first of all, I believe my -- my comments is
12 that -- it relates to the fact that, if you are
13 insuring under with -- if you are looking for somebody
14 who's higher rated than you, you are probably already
15 there. You're -- you're probably already using the --
16 the -- sort of the mechanism that's in place right
17 now, and -- and -- to get the higher discount.

18 So -- so, again, the -- the sort gaming
19 the system suggests that there's somebody that you
20 could just step on their shoulder and say, hey, could
21 you insure my registered vehicle.

22 And -- and, yes, it could potentially
23 happen with the higher discounts that we are
24 proposing, but I believe that, based on my knowledge
25 of our current systems right now, it is such a -- such

1 a -- such a request is not so easy because the person
2 actually has to be -- the -- the particular vehicle
3 has to be -- the -- the ownership of the particular
4 vehicle has to be transferred to -- to this person
5 that's insuring the vehicle.

6 So while it could happen at a household
7 level because we are talking about house -- husbands
8 and wife, so there are some certain relationships that
9 are -- that are easier. You know, if that's already
10 taking place, it's already taking place. And -- and
11 certainly, it's -- it's not going to change
12 significantly where -- where people are going to start
13 tapping the shoulders of their friends to -- to sort
14 of say could you register your -- my vehicle under
15 your name? I -- I don't -- I don't believe that's
16 going to happen at --

17 BOARD MEMBER WATSON: But -- but
18 within the same household, if -- if someone has a
19 spouse that has plus 15 DSR and they have another --
20 their spouse and children, you can transfer those
21 vehicles without paying the PST because anyone within
22 the household you can transfer for a small charge. I
23 believe it's thirty-nine dollars (\$39) or twenty
24 dollars (\$20) or there's -- or if it's even free now,
25 that you can transfer a vehicle from a spouse to a

1 spouse, no charge, and then -- especially if the
2 spouse has a zero rating and the other one has fifteen
3 (15).

4 A 56 percent savings in '26/'27,
5 wouldn't that entice people on that strategy to --

6 MR. TAI PHOA: I agree, Mr. Watson.
7 It was -- certainly, the enticement is greater at --
8 with the -- certainly, the discount percentages are --
9 are greater in terms of the difference, but I would be
10 enticed by a 37 percent difference, too.

11 So -- so, what I'm saying is that, if
12 that's already taking place, it's already taking place
13 now, the higher discounts is not going to change the
14 fact that -- that people are doing this. So -- so
15 that's -- it just is -- the -- the effect of this may
16 -- I'm not going to say it's absent, but I would say
17 it's minimal.

18 MS. SATVIR JATANA: Just to support
19 that also. I know we're -- we're focussing on that
20 this system -- our DSR system alone may allow access
21 to poor choices on -- on some customers a -- side.

22 But what we're also missing, Mr.
23 Watson, that you could be a good driver today and
24 you're benefiting from this discount, and you make the
25 right choices behind the wheels because you enjoy the

1 discount that you get and you want to further
2 discount. So should MPI penalize you or should we
3 reward you for continuing to drive safely and -- and
4 increase your discount, right?

5 So, it's -- it's on the both sides,
6 although there's a perception that a smaller
7 percentage of population might be gaming this and --
8 and using this and -- and -- to their advantage. But
9 we also know that this tool is one (1) of the better
10 tools of what we have today to promote better
11 behaviours behind -- behind the wheel and -- which is
12 an important component. In the absence of this, how
13 do we -- how do we entice people to -- to make better
14 choices, as well?

15 BOARD MEMBER WATSON: Okay. Thank
16 you. Just one (1) question on Vehicle for Hire and
17 with the private delivery services.

18 How do you get classified as a private
19 delivery service when someone is taking out the
20 insurance? And I'll give you an example. If my son
21 wanted to deliver pizza at his favourite pizza place
22 on the weekend, Fridays and Saturdays, is that exempt
23 under that, if he's just working for one (1) location
24 and he's sixteen (16) and he's just -- will deliver
25 some pizzas on the weekend?

1 What takes him to -- that would -- my
2 understanding is that wouldn't be allocated as a
3 private delivery service, is that correct, unless the
4 person declares that they work for Uber Eats or
5 SkipTheDishes, then it would be classified as a
6 private delivery service?

7 MR. TAI PHOA: I'm going -- I'm going
8 to take a shot at that one. When -- when you go to
9 your broker and, you know, register -- insure your
10 vehicle, there is a question on the -- on the list
11 that says are you using your vehicle for delivery. It
12 does not say are you using your vehicle for delivery
13 on Saturday and Sunday.

14 So to -- if the vehicle is correctly
15 insured, it should be insured as a common carrier
16 local.

17 BOARD MEMBER WATSON: Okay. So
18 there's no -- so if one (1) person delivers to one (1)
19 pizza place, it's -- it should be classified as a
20 private delivery service.

21 Is that correct?

22 MR. TAI PHOA: My understanding is
23 that if you are using your own vehicle for that
24 purpose, then you should be classified as a delivery.
25 If you are using a vehicle registered by the pizza

1 shop, then it's a totally different question.

2 BOARD MEMBER WATSON: Okay. Thank
3 you.

4 MR. CURTIS PRYSTUPA: Just -- just to
5 add to that. We got some support from the back row.
6 With our Basic policies, anything more than four (4)
7 days a month of commercial activity is -- is
8 considered common carrier.

9 BOARD MEMBER WATSON: Okay. Thank you
10 for that.

11 In regards to, let's say, comparing a
12 vehicle insured as a taxi to one that's insured as a
13 Vehicle for Hire. If you have a claim on a taxi, and
14 doesn't matter how it happens, for example, it could
15 be actually just parked in the backyard and there
16 could be a break-in, that would be classified under
17 the claims allocation as a taxi, correct?

18 MR. TAI PHOA: Yes, it is.

19 BOARD MEMBER WATSON: Now, if I was
20 delivering for Uber Eats and I'm driving down Main
21 Street and my window gets broken, it really relies on
22 the person that's been taking the claim to ask you,
23 you know, what were you doing. I -- if I say I was
24 just driving down Main Street, it may not be
25 classified in the claims category as a Vehicle for

1 Hire.

2 Is that correct?

3 MR. TAI PHOA: No. Once -- once you
4 insure your vehicle as a vehicle, whatever the
5 insurance used is, the claims is attached to -- the --
6 the claims is attached to the insurance use.

7 So -- so as -- what -- what I mean by
8 that is every vehicle is assigned an insurance use
9 based on how he was insured at the time of -- at the -
10 - when -- when it's insured. Thereafter, you know, if
11 a -- if a claims happened, we -- we do not then say,
12 This belongs to the (INDISCERNIBLE), it just belongs
13 to the insurance use of the vehicle that was involved
14 in the claim.

15 BOARD MEMBER WATSON: So it does
16 capture every claim if the vehicle was registered as a
17 Vehicle for Hire, doesn't matter how it happens, it
18 would be in that category.

19 MR. TAI PHOA: Yeah. Doesn't matter
20 when it happened. So the guy could be parked at -- on
21 his driveway, on his property and somebody comes and
22 vandalize it, it is a Vehicle for Hire claim.

23 BOARD MEMBER WATSON: Okay. Okay.
24 Thank you. That's it.

25 THE PANEL CHAIRPERSON: Thank you. I

1 have a couple of questions.

2 First, could you tell if you know what
3 registration model private insurers use in Canada?

4 MS. SATVIR JATANA: It's our
5 understanding it's a number of models. There's no one
6 specific model that is preferred in any -- for us to
7 highlight.

8 THE PANEL CHAIRPERSON: Do you know if
9 any of them use the registered owner model, similar to
10 what MPI uses?

11 MS. SATVIR JATANA: Other than SGI,
12 I'm not familiar with others.

13 MR. CURTIS PRYSTUPA: I don't have a
14 full jurisdictional scan -- scan in front of me. I'm
15 sure we could give you a better -- a better indication
16 of that in short order.

17 THE PANEL CHAIRPERSON: Thank you.
18 That would be appreciated. Are you looking for that
19 now or can I carry on?

20 MR. CURTIS PRYSTUPA: Go ahead. I was
21 just sending a message to the back row. But go ahead,
22 I'll give you my attention.

23 THE PANEL CHAIRPERSON: Okay. Thanks
24 very much.

25 And this is a question for you, Mr.

1 Prystupa. With regard to the stakeholder consultation
2 that you've been engaged with, with regard to Vehicles
3 for Hire, did you consult with TappCar, who, as you
4 may remember, has appeared here a couple of times on
5 this issue?

6 MR. CURTIS PRYSTUPA: We reached out
7 to TappCar and did not receive a response on multiple
8 -- multiple occasions.

9 THE PANEL CHAIRPERSON: Okay. Thank
10 you very much. Those are my questions.

11 MS. SATVIR JATANA: May I just answer
12 Mr. Gabor's couple of questions while we were able to
13 get the answers.

14 So it's my understanding that ORV, off-
15 road vehicles, do not have PIPP coverage.

16 And your other question was around
17 public consultation. Did we ask a follow-up question
18 when somebody used registered model and the --
19 remarked around that poor drivers are benefiting from
20 good drivers.

21 We don't ask all of those specific
22 questions. And, as you know, when you're doing any
23 type of a public consultation or a feedback, you
24 provide context so they have an understanding. But,
25 you know, our intent is not to persuade people to

1 answer a certain way. So, you know, that could be
2 perceived as if we're manipulating the data.

3 So all those detailed -- those followup
4 -- our perception would not play a part in collecting
5 that information.

6 THE CHAIRPERSON: Thank you.

7 THE PANEL CHAIRPERSON: Mr. Guerra,
8 any re-direct?

9

10 RE-DIRECT EXAMINATION BY MR. GUERRA:

11 MR. ANTHONY GUERRA: Thank you, Madam
12 Chair. I do have a few questions. I'll just wait for
13 my -- my panel to be ready.

14 So the first actual questions I'm going
15 to ask are actually on behalf of my friend, Ms. Meek,
16 who did ask them yesterday, but wasn't able to get a
17 response in time. And so, just for her benefit and
18 for the benefit of her client, I think we should deal
19 with those.

20 The first specific question that Ms.
21 Meek asked the panel yesterday was: Were the
22 individuals participating in the public consultation
23 who indicated that they thought the current model was
24 fair and worked, were they informed that it is MPI's
25 view that the current registered owner model does not

1 accurately price risk and that the primary driver
2 model would be more actuarially sound?

3 MR. CURTIS PRYSTUPA: No, they were
4 not.

5 MR. ANTHONY GUERRA: Okay. And the
6 second question posed by Ms. Meek is: What information
7 were participants in the public consultation given
8 outside of the description of each DSR model on page 6
9 of the public consultation report?

10 MR. CURTIS PRYSTUPA: Referencing 2022
11 GRA, pages 3625 and 2626, in response to CMMG-MPI-1-
12 11, the models were explained in more detail to the
13 survey participants compared to the summary that we
14 used (AUDIO CUTS OUT) but what was in the -- what was
15 directly asked of survey participating was consistent
16 with the -- the models we displayed in our
17 presentation yesterday.

18 MR. ANTHONY GUERRA: Okay. Thank you,
19 Mr. Prystupa.

20 Now, just a few questions from myself.
21 So if we can go -- Kristen, if we can go to Board
22 Order 1-21.

23

24 (BRIEF PAUSE)

25

1 MR. ANTHONY GUERRA: And in
2 particular, page 67, please.

3

4 (BRIEF PAUSE)

5

6 MR. ANTHONY GUERRA: Scroll down.
7 Scroll down, please. Okay. You can leave it there.

8 And we had some questions earlier, by
9 the Board, about this example here. And, just for
10 reference, in the middle of the page, the last
11 sentence says:

12 "By way of example, there are
13 approximately seventy thousand
14 (70,000) motorcycle licences for
15 seventeen thousand (17,000)
16 registered motorcycles, which makes
17 clear the need for a rating system
18 based on the primary driver."

19 With regards to that particular
20 example, Mr. Prystupa, would -- would you agree that
21 that's a fair example to -- to cite to -- to come to
22 that conclusion, that there is a clear need for a
23 rating system based on primary driver?

24 MR. CURTIS PRYSTUPA: I -- personally,
25 with all due respect, I don't believe that the

1 correlation between the number of motorcycle licences
2 and the registered motorcycles drives home the need
3 for a rating system that's based on primary driver.

4 No.

5 MR. ANTHONY GUERRA: And why is that,
6 sir?

7 MR. CURTIS PRYSTUPA: You know, what
8 we see in this example -- and, you know, we talked a
9 little bit about this yesterday -- is we have
10 seventeen thousand (17,000) registered motorcycles.
11 Seventy thousand (70,000) motorcycle licences.

12 What this actually means in practice is
13 that there are more individuals that are qualified to
14 drive motorcycles compared to motorcycles that are
15 actually on -- on the road.

16 And, you know, we -- we've looked and
17 said that -- you know, we filed yesterday that it was
18 9 percent, but we've since corrected it to 8 percent
19 of motorcycle policies are -- are registered by a
20 policyholder that does not have a class 6 or a
21 motorcycle licence.

22 So, to me, that's more of a clear -- a
23 clear indicator towards the need for a rating system
24 based on the primary driver, rather than -- rather
25 than this. I don't think that this information makes

1 that correlation.

2 Something else that we see -- just
3 looking into this. This has been something that's
4 been a personal interest to me since I came here.

5 When we look at those individuals that
6 have motorcycle licences that do not register a
7 motorcycle, in a -- in a study -- admittedly, a fairly
8 dated study from 2008 to 2017 -- 20 percent of all
9 claims, including physical damage and bodily injury,
10 involved a motorcycle driver who did not have a
11 motorcycle registered to them at any point during --
12 during the insurance year.

13 So that -- that, to me, are some
14 concerning -- concerning aspects. But, you know, just
15 to answer, I don't see a correlation between seventy
16 thousand (70,000) motorcycle licences for seventeen
17 thousand (17,000) registered motorcycles that drives
18 home the need for a rating system based on the primary
19 driver.

20 MR. ANTHONY GUERRA: Thank you. And
21 in terms of the class itself, you'd agree that the
22 motorcycle class is a small percentage of the entire
23 MPI fleet?

24 MR. CURTIS PRYSTUPA: Yes, very small.

25 MR. ANTHONY GUERRA: With respect to -

1 - you've heard a lot of questions or a lot of
2 references to the -- the term 'gaming the system'.

3 Do you recall those questions --
4 references?

5 MR. CURTIS PRYSTUPA: Yes. Yeah.

6 MR. ANTHONY GUERRA: And I think what
7 has been missing throughout all of this is -- is some
8 type of definition of the term 'gaming the system'.

9 So this is a question posed to the
10 entire panel. How -- how would you define the term
11 'gaming the system'?

12 MR. CURTIS PRYSTUPA: What I would say
13 -- you know, looking at today's -- today's model,
14 there are -- it would be hard for me to come up with a
15 succinct legal definition of gaming the system.

16 But the model that we shared yesterday,
17 which I would suggest is probably the most common
18 method of gaming the system -- just for reference --
19 if Satvir's and I are members of a household. Satvir
20 has a plus fifteen (15) DSR rating; I have a plus five
21 (5) DSR rating. When we decide who's going to be the
22 registered owner of the vehicle, we -- we could take
23 steps to make sure that that is -- that is Satvir. So
24 that's one (1) method.

25 I would suggest another method of

1 gaming the system would be, kind of, related to some
2 of the earlier questions between Mr. Watson and Mr.
3 Phoa is, you know, possibly, you know, going to, you
4 know, a member outside of the household or a friend or
5 something like that, to say, Hey, you have a great
6 discount. Can you insure a vehicle on -- on my
7 behalf?

8 Essentially, it's -- what I would say
9 'gaming the system' is looking for loopholes other
10 than the general intention of the policy for -- for
11 personal gain.

12 MR. ANTHONY GUERRA: So in other
13 words, would it be fair to say that someone who seeks
14 to gain -- game the system is somebody who seeks to
15 pay less for their motor vehicle premiums than
16 otherwise they might have to pay?

17 MR. CURTIS PRYSTUPA: I'd say that's
18 fair, yes.

19 MR. ANTHONY GUERRA: And -- and they
20 do that by having somebody who has a better driving
21 record be the -- the person who is the policyholder?

22 MR. CURTIS PRYSTUPA: Correct.

23 MR. ANTHONY GUERRA: And so to be able
24 to be in a position to even do that, first of all,
25 they'd have to find somebody who has a -- a better

1 driving record than them, correct?

2 MR. CURTIS PRYSTUPA: Yes.

3 MR. ANTHONY GUERRA: And you'd agree
4 that not everyone can do that?

5 MR. CURTIS PRYSTUPA: Yeah, that's
6 fair.

7 MR. ANTHONY GUERRA: And if they are
8 able to find somebody who has a better driving record,
9 that person also has to agree to -- to be the
10 registered owner of the vehicle, correct?

11 MR. CURTIS PRYSTUPA: Correct.

12 MR. ANTHONY GUERRA: And that may
13 require something like a transfer of ownership?

14 MR. CURTIS PRYSTUPA: Yeah,
15 potentially, for sure.

16 MR. ANTHONY GUERRA: And that may also
17 require an acknowledgment on the part of that person
18 that person that this is a scheme, this is not in fact
19 an accurate representation of the -- the ownership
20 status of the vehicle?

21 MR. CURTIS PRYSTUPA: That would be
22 fair, yeah.

23 MR. ANTHONY GUERRA: And we've --
24 we've heard about evidence in the case of the plus 15
25 drivers, that there were approximately 41 percent of

1 those drivers in the 15 -- plus DSR 15 level, where
2 the accidents didn't involve somebody that had that
3 same record who was driving the vehicle.

4 Do you recall that evidence?

5 MR. CURTIS PRYSTUPA: Yes.

6 MR. ANTHONY GUERRA: Would it be
7 possible in those instances, those 41 percent of
8 incidents, that the other driver -- the driver of the
9 vehicle itself, although not having a plus 15 DSR
10 level, had something like a plus 14 DSR level?

11 MR. CURTIS PRYSTUPA: Yeah, that's
12 possible.

13 MR. ANTHONY GUERRA: Or a plus 13 DSR
14 level?

15 MR. CURTIS PRYSTUPA: For sure.

16 MR. ANTHONY GUERRA: Or a plus 12?

17 MR. CURTIS PRYSTUPA: Yes.

18 MR. ANTHONY GUERRA: And in terms of
19 using the primary driver model to -- to fix those
20 loopholes, would it be possible for somebody to
21 declare themselves as a primary driver who is not in
22 fact the primary driver?

23 MR. CURTIS PRYSTUPA: Yes.

24 MR. ANTHONY GUERRA: And to drive the
25 vehicle?

1 MR. CURTIS PRYSTUPA: Yeah.

2 MR. ANTHONY GUERRA: And to be
3 involved in an accident?

4 MR. CURTIS PRYSTUPA: Yes.

5 MR. ANTHONY GUERRA: And for MPI to
6 not have the ability to determine with 100 percent
7 accuracy whether or not that person was in fact the
8 primary driver of the vehicle at the time of the
9 accident?

10 MR. CURTIS PRYSTUPA: Yes.

11 MR. ANTHONY GUERRA: Isn't the -- the
12 bigger issue, Mr. Prystupa, the fact that MPI may not
13 necessarily be able to determine who was driving the
14 vehicle at every point in time and -- and price the
15 risk accordingly?

16 MR. CURTIS PRYSTUPA: That -- that is
17 -- like I would say DSR issue is not simple. There's
18 no one (1) single root of the issue. It's -- it's
19 complex. But I would -- I would agree with you that
20 that's one (1) of the major issues, yes.

21 MR. ANTHONY GUERRA: And moving to a
22 primary driver model wouldn't fix that in -- in any --
23 in any case, correct?

24 MR. CURTIS PRYSTUPA: In -- in no
25 large way, no.

1 MR. ANTHONY GUERRA: In other words,
2 the primary driver model doesn't make the overall DSR
3 system more accurately sound, correct?

4 Or doesn't completely fix the issue
5 with the actuarial soundness? I'm sorry.

6 MR. CURTIS PRYSTUPA: Right. I would
7 -- I would agree it doesn't completely fix the issue.

8 MR. ANTHONY GUERRA: Okay. We heard
9 some testimony about conducting a study on the primary
10 driver model to collect more information about
11 drivers. Can you explain, for the purposes of the
12 Board, what would actually go into that study, whether
13 it be a 10 percent study or an entire -- entire fleet
14 study, what would -- in fact would we actually be
15 talking about doing?

16 MR. CURTIS PRYSTUPA: You know, I -- I
17 would submit that, you know, there would -- there
18 would have to be an -- an essential project designed
19 around doing this work.

20 And what I would say is, you know, in a
21 general sense, you have to find what type of system or
22 -- or data collection area that you're going to
23 collect this information in, whether it's in, you
24 know, MPI's systems or whether it's on a spreadsheet
25 or a website or something that you would have to

1 determine where to -- where to collect that
2 information. So that's kind of the -- you know, the
3 IT aspect.

4 And then you would have to have, you
5 know, all kinds of rigour around, you know, educating
6 customers on the reason that you're collecting this
7 information, the legalities of collecting this
8 information, privacy, in terms of collecting
9 additional information, you know, a project to how are
10 we actually going to go about collecting it, and
11 communicating to customers how we're going to do it.

12 And then you get into the collection
13 itself where you have to determine: Do you get this
14 by customers calling in? Do you get it by customers
15 going to their broker, which of course that collection
16 itself takes -- takes both resources from the customer
17 and -- and from MPI?

18 I -- I would suggest that what it would
19 involve is a -- is a fairly involved project that's --
20 that's not small in scope. And to expand on that, I
21 know there was some good discussion yesterday led by
22 Mr. Watchman about, rather than finding out the
23 primary driver for every single registered owner,
24 could we maybe do it for 10 percent?

25 I -- I believe that the effort overall

1 to collect it for 10 percent would be relatively the
2 same as far as an overall project as -- as it would be
3 to do it for a hundred percent, although of course the
4 duration would be much -- much shorter to get a 10
5 percent sample.

6 MR. ANTHONY GUERRA: And what about
7 reference to the off-road vehicles annual statement
8 sample and -- and to the infrastructure already in
9 place to -- to collect information of similar nature
10 in the case of off-road vehicles? Why can't that be
11 extrapolated in the case of -- of other vehicles?

12 MR. CURTIS PRYSTUPA: You know, I
13 would say that that hasn't been examined in -- in
14 close -- in close detail. But what I can -- what I
15 can say from, you know, the discussions we have had
16 with our IT team is that particular collection method
17 and -- and rating policy and everything else was built
18 twenty (20) years ago. It was built in -- in 2001.
19 It was built, it was kind of put on the shelf, and it
20 runs its own way around -- around ORVs. And it's
21 built specific to ORV comprehensive and collision
22 coverage. It's attached to those two (2) products.

23 You know, there could be some snippets
24 of code that could be, you know, utilized to be able
25 to collect for the -- for the bigger population in --

1 in Basic, rather than on the Extension policies them -
2 - themselves. But, you know, it's -- it's not just a
3 simple, okay, that, you know, full functionality
4 already exists.

5 The func -- functionality exists
6 specific to those particular ORV policies, but there
7 would be work to -- to determine, you know, what it
8 would take from the IT side to collect it for, you
9 know, the general -- the general population, and --
10 and then again, you know, a entire project to actually
11 go about the means of collecting and all of the other
12 concerns we were talking about earlier.

13 MR. ANTHONY GUERRA: Thank you.
14 Kristen, if we can stay on the same page now, but if
15 we can scroll down just a bit, please.

16 So the top of the paragraph that
17 begins:

18 "Further, given the evidence that
19 the primary driver model would be --
20 would more accurately reflect risk
21 in the 2022 GRA, the Corporation
22 must bring forward a plan, including
23 timelines, major milestones, an
24 implementation date for any changes
25 to the DSR model, including the date

1 by which MPI file an application for
2 any such changes with the Board."

3 Can you please comment further on -- we
4 heard evidence that this -- that this was an issue
5 that -- that Interveners felt was outstanding. Like,
6 I want you to further comment on that so that it's --
7 it's clear exactly what MPI's position is on whether
8 or not it complied with this particular direction.

9

10 (BRIEF PAUSE)

11

12 MS. SATVIR JATANA: Thank you. From
13 this, we were -- we were asked to provide a timeline
14 and milestone concerning the DSR and -- and how MPI --
15 what MPI's position or how it would approach.

16 We -- we have said in -- in these
17 discussions and in our filing that we are remaining
18 with the current model and that we would improve the
19 current model as it stands and without -- you know,
20 again, adopting a new model for sake of adopting a new
21 model does not serve -- does not address the issue.

22 So, you know, in our -- we view that we
23 have complied with this Order by stating our position.

24 MR. ANTHONY GUERRA: Thank you.
25 Kristen, if we can go to page 97, please. Thank you.

1 And we can scroll down to 8. Thanks.

2 And these questions -- or questions
3 regarding this -- this direction were put to you by
4 Mr. Hacault this morning.

5 Do you recall that line of questioning?

6 MR. CURTIS PRYSTUPA: Yes, I do.

7 MR. ANTHONY GUERRA: And Ms. Jatana,
8 I'd like you to further comment on, just in -- in
9 general terms, the response of -- of MPI as -- as to
10 why it would appear that certain things that were --
11 were directed in this direction here were -- were not
12 -- were not done at this point.

13

14 (BRIEF PAUSE)

15

16 MS. SATVIR JATANA: I'm sorry, can you
17 -- can you repeat that question? Am I to just -- is
18 the question why there was a lot of questions around
19 analysis and data or is the question why we have not
20 done the three (3) things that are in front of me
21 here?

22 MR. ANTHONY GUERRA: Yes. And I'm
23 sorry, I should -- I should clarify that. And it's
24 not just 3. You'll see that 8 is actually comprised
25 of, I believe it's subparagraphs (a) to (j).

1 And if you recall, there was a line of
2 questioning from Mr. Hacault this morning about all
3 the things that were -- were directed to be done
4 within these subparagraphs and the replies from MPI as
5 to -- as to them not being done.

6 But I -- I think it -- it warrants
7 further consideration as to the -- the reasons why MPI
8 has -- has not complied with these, or -- or its
9 position with respect to compliance.

10 MS. SATVIR JATANA: Thanks for that
11 clarification. I would say, you know, MPI has done a
12 lot when it comes to all of these sub-bullet.

13 What I can say -- what we had been
14 doing, we got a lot closer to our stakeholders. We're
15 having regular ongoing discussions with these
16 stakeholders, whether it's TNC, whether it's taxi and
17 -- and other Vehicle for Hire type of companies, to
18 understand their needs and what's not working, what
19 could work in the future.

20 And from those conversation, we are
21 developing a new framework which we, you know, hope to
22 bring forward at the next GRA. And that'll be, you
23 know, the evidence that we're listening to our
24 customers and work -- we're working with them very
25 closely to meet the needs of -- of their business.

1 The picture that kind of perhaps was
2 being painted, that why is MPI not doing more analysis
3 in understanding what is the root cause of -- of a
4 certain group to have a high collision or -- or is
5 considered a high risk.

6 And for that, MPI needs the cooperation
7 and collaboration of -- of these stakeholder groups.
8 And now being very close to this side and being in
9 those conversation, there's challenges to get that
10 cooperation and that collaboration from that group.

11 For example, you know, one (1) group,
12 we know that that group has a high collision and a
13 high risk and we need to better understand driver
14 behaviour behind the wheel as to what is unique about
15 that group that causes them to be where they are.

16 And the -- MPI does not have that data.
17 Some of that data could be requested from city of
18 Winnipeg. And when those questions are being posed,
19 that this is the data MPI will use, you know, the
20 stakeholder -- there just isn't alignment. We believe
21 that data will serve us well, whereas the stakeholder
22 would view, well, no, there's flaws in that data.

23 Then furthermore, you know, when the
24 question's asked, what data can be provided from the
25 stakeholder, we're still waiting for what that looks

1 like. We -- we would hope that, you know, we can come
2 to some consensus.

3 Another suggestion has made for that
4 group, that whether we can do more of a, I'll say,
5 thorough study by using telematics to be installed in
6 vehicles and to be able to understand exactly what
7 happens when a driver is behind the wheel.

8 And in that very conversation, you
9 know, in that stakeholder group there is eight (8)
10 individuals, and -- and 50 percent would say, yeah, we
11 could look at this, and the other 50 would say, no, we
12 -- or, you know, if we're going to agree to this, that
13 our drivers would have to volunteer. Well, that's not
14 a study we can rely on.

15 So, the sum of this -- this
16 conversation is that MPI is invested and wants to
17 understand the root cause because we're not just an
18 insurance provider. We also have a road safety
19 mandate.

20 And there's nothing more than we would
21 want our roads to be safer. For us to do that, we
22 need to better understand, again, driver behaviour.
23 And for that to occur, everyone in the room needs to
24 have same intention and same understanding and a
25 willingness to be vulnerable but willingness to also

1 participate in those type of studies and those type of
2 analysis.

3 And that's -- that's been one (1) of
4 the most difficult conversation that -- that we're
5 having. Everyone wants a lower rate. I want a lower
6 rate as -- as a Manitoban, as well, but I know there's
7 certain choices I have to make behind the wheel for me
8 to continue to enjoy the safe and the low and the
9 predictable rate that MPI is able to offer.

10 MR. ANTHONY GUERRA: Thank you very
11 much. I have no further questions.

12 THE PANEL CHAIRPERSON: Thank you, Mr.
13 Guerra. I have one (1) further question for Mr.
14 Prystupa arising from your questions around the
15 primary driver model. And perhaps this could be in
16 conjunction with the research you're asking your back
17 row to do, about whether there are other jurisdictions
18 that employ primary driver model.

19 If that's the case, do they require a
20 certification from the person who is registering the
21 vehicle that they, in fact, are the primary driver?

22 MR. CURTIS PRYSTUPA: Okay. We'll --
23 we'll take that away --

24 THE PANEL CHAIRPERSON: Thank you very
25 much.

1 MR. CURTIS PRYSTUPA: -- Madam Chair.

2 THE PANEL CHAIRPERSON: Okay. Thank
3 you. At this point, I thank the panel for your
4 evidence. And I would ask that, Ms. McCandless, you
5 advise what our Monday might look like. Thank you.

6 MS. KATHLEEN MCCANDLESS: Thank you,
7 Madam Chair. So, we have had some discussions offline
8 amongst counsel. I understand from MPI that the bulk
9 of the outstanding under -- undertakings will be
10 answered by end of day today.

11 MR. ANTHONY GUERRA: Yes. And I
12 actually have a number I can read off into the record
13 when -- when appropriate.

14 MS. KATHLEEN MCCANDLESS: Okay. So,
15 taking that into account then, the intention is to
16 resume on Monday morning first with questions on
17 cross-examination arising out of answers to
18 undertakings.

19 So, from the Board counsel perspective,
20 we would ask that Mr. Giesbrecht and Mr. Phoa be
21 available on Monday morning. I can't speak for the --
22 for the Interveners in terms of who they might need.

23 My suggestion might be that we have a
24 number of MPI witnesses available on Teams as need be.
25 So, that's the intention with respect to Monday. I

1 don't know that we're going to take a lot of time on
2 follow-up cross.

3 So, following that then, we will
4 proceed with the Taxi Coalition expert -- experts.
5 And if they do not finish -- if we do not finish all
6 the Intervener evidence on Monday, because there will
7 be Taxi Coalition and CAC witnesses, then the CAC
8 witnesses -- or witness will continue into Tuesday,
9 but I -- I don't expect we will take all of Tuesday.

10 So, that's sort of the -- the general
11 overview. And -- sure. And for the rest of the week,
12 so, if we -- we will sit part -- maybe part of the day
13 on Tuesday. Wednesday then is scheduled for MPI's
14 closing arguments and CAC's closing arguments.

15 Then we're not sitting on Thursday.
16 And then Friday is scheduled for CMMG and Taxi
17 Coalition arguments in the morning and MPI's reply in
18 the afternoon. And that would close the proceedings.

19 THE PANEL CHAIRPERSON: Thank you, Ms.
20 McCandless. With regard to Wednesday, I believe it's
21 MPI close and PUB closing and CAC. So, is that likely
22 to be concluded all on Wednesday?

23 MS. KATHLEEN MCCANDLESS: Yes.

24 THE PANEL CHAIRPERSON: Thank you.

25 MS. KATHLEEN MCCANDLESS: And just

1 before we hear from the Interveners with respect to
2 any follow-up cross, I wanted just to check up on
3 something that Mr. Phoa and Mr. Guerra and I had
4 discussed yesterday.

5 There was a question about an
6 undertaking with respect to RM20.

7 MR. TAI PHOA: Yes.

8 MS. KATHLEEN MCCANDLESS: And, Mr.
9 Phoa, have you been able to get confirmation from your
10 team as to whether that can be provided?

11 MR. TAI PHOA: We will provide
12 hopefully by the end of the day.

13 MS. KATHLEEN MCCANDLESS: Okay. So I
14 just wanted to confirm then, for the record, so it's
15 clear.

16 The undertaking is going to be an
17 update to Figure RM-20 of MPI Exhibit 37, pages 7 and
18 8, and that would be adding in the \$69 million capital
19 release provision that was included in the 2021/'22
20 rates, based on the errors in the implementation of
21 the capital release provision?

22 MR. TAI PHOA: Ms. McCandless, can I
23 just clarify that you only want RM-20 and not RM-19?
24 So just the percent distribution?

25 MS. KATHLEEN MCCANDLESS: That's

1 right. Thank you.

2 MR. TAI PHOA: Thank you.

3

4 --- UNDERTAKING NO. 46: MPI to provide an update
5 to Figure RM-20 of MPI
6 Exhibit 37, pages 7 and 8,
7 adding in the \$69 million
8 capital release provision
9 that was included in the
10 2021/'22 rates, based on
11 the errors in the
12 implementation of the
13 capital release provision

14

15 MS. KATHLEEN MCCANDLESS: Okay. So I
16 believe that's everything from Board counsel's
17 perspective. Perhaps we could hear from Intervener
18 counsel in terms of what and who they would want to
19 hear from for follow-up cross.

20 THE PANEL CHAIRPERSON: Yes. Thank
21 you.

22 Ms. Dilay, can you advise?

23 MS. KATRINE DILAY (by Teams): Good
24 morning, Madam Chair. At this point in time, we are
25 still in the process of reviewing undertakings, but I

1 -- I believe, if I do have any questions, it will be
2 on Undertaking 28, which I believe would be probably
3 Mr. Phoa and his team.

4 THE PANEL CHAIRPERSON: Thank you.
5 Ms. Meek...?

6 MS. CHARLOTTE MEEK (by Teams): Thank
7 you, Madam Chair. I don't expect to have any further
8 questions on undertakings at this time.

9 THE PANEL CHAIRPERSON: Thank you.
10 Mr. Hacault...?

11 MR. ANTOINE HACAULT (by Teams):
12 There's a couple of, what I consider key undertakings,
13 which we have not received yet, so I'm unable to
14 comment as to whether or not I would have any
15 questions on them.

16 There may be a couple questions with
17 respect to the rate stabilization and impact of
18 putting the 60 millions and the -- 50 million and 53-
19 odd million in DVA instead of Basic, because there has
20 been one (1) response on that but not a complete
21 response yet.

22 THE PANEL CHAIRPERSON: Thank you.
23 And, Mr. Guerra, could you advise by when you expect
24 the undertakings to have been responded to?

25 MR. ANTHONY GUERRA: Yes, we expect

1 the undertakings to be answered by the end of today's
2 business day.

3 I can advise that I do think there will
4 be a number of questions the Taxi Coalition will want
5 to have on the undertakings, so I do think we will
6 need a fair bit of time. I don't want to
7 underestimate the amount of time. I do think it's
8 going to be at least a half-day.

9 THE PANEL CHAIRPERSON: Okay. Thank
10 you very much.

11 So, Mr. Hacault, when you receive the
12 response, if you could, please, consider which panel
13 you might want to direct questions to and advise Mr.
14 Guerra accordingly.

15 MR. ANTOINE HACAULT (by Teams): Yes,
16 I will do that, Madam Chair.

17 THE PANEL CHAIRPERSON: Thank you very
18 much.

19 I believe that that concludes the
20 business of the panel for today. And thank you very
21 much for your participation. We'll see you on -- are
22 you reading an undertaking?

23 MR. ANTHONY GUERRA: Yeah, sorry. If
24 you don't mind. It just becomes a lot easier to know
25 what we've done.

1 And so I do have a number of them,
2 starting with MPI Exhibit number 75, which is the
3 Driver Safety Rating, Vehicle for Hire, and CERP
4 product panel presentation.

5

6 --- EXHIBIT NO. MPI-75: Driver Safety Rating,
7 Vehicle for Hire, and CERP
8 product panel presentation

9

10 MR. ANTHONY GUERRA: MPI Exhibit
11 number 76, which is its response to PUB-MPI Pre-ask
12 number 4.

13

14 --- EXHIBIT NO. MPI-76: Response to PUB-MPI Pre-
15 ask 4

16

17 MR. ANTHONY GUERRA: MPI Exhibit
18 number 77, which is its response to Undertaking number
19 11.

20

21 --- EXHIBIT NO. MPI-77: Response to Undertaking 11

22

23 MR. ANTHONY GUERRA: MPI Exhibit
24 number 78, which is its response to Undertaking number
25 17.

1 --- EXHIBIT NO. MPI-78: Response to Undertaking 17

2

3 MR. ANTHONY GUERRA: MPI Exhibit
4 number 79, which is its response to Undertaking number
5 26.

6

7 --- EXHIBIT NO. MPI-79: Response to Undertaking 26

8

9 MR. ANTHONY GUERRA: MPI Exhibit
10 number 80, which is its response to Undertaking number
11 33.

12

13 --- EXHIBIT NO. MPI-80: Response to Undertaking 33

14

15 MR. ANTHONY GUERRA: MPI Exhibit
16 number 81, which is its response to Undertaking number
17 34.

18

19 --- EXHIBIT NO. MPI-81: Response to Undertaking 34

20

21 MR. ANTHONY GUERRA: MPI Exhibit
22 number 82, which is its response to Undertaking number
23 12.

24

25 --- EXHIBIT NO. MPI-82: Response to Undertaking 12

1 MR. ANTHONY GUERRA: MPI Exhibit
2 number 83, which is its response to Undertaking number
3 16.

4

5 --- EXHIBIT NO. MPI-83: Response to Undertaking 16

6

7 MR. ANTHONY GUERRA: MPI Exhibit
8 number 84, which is its response to Undertaking number
9 20.

10

11 --- EXHIBIT NO. MPI-84: Response to Undertaking 20

12

13 MR. ANTHONY GUERRA: MPI Exhibit
14 number 85, which is its response to Undertaking number
15 29.

16

17 --- EXHIBIT NO. MPI-85: Response to Undertaking 29

18

19 MR. ANTHONY GUERRA: And MPI Exhibit
20 number 86, which is its response to Undertaking number
21 28.

22

23 --- EXHIBIT NO. MPI-86: Response to Undertaking 28

24

25 THE PANEL CHAIRPERSON: Thank you very

1 much, Mr. Guerra. And thank you. With that, I
2 believe we're concluded for today. And see -- see you
3 on Monday.

4

5 --- Upon adjourning at 11:34 a.m.

6

7 Certified Correct,

8

9

10

11 _____

12 Wendy Woodworth, Ms.

13

14

15

16

17

18

19

20

21

22

23

24

25