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# MANITOBA PUBLIC UTILITIES BOARD

Re:

MANITOBA PUBLIC INSURANCE CORPORATION (MPI)

2027 MPI GRA PRE-HEARING

Before Board Panel:

Irene Hamilton, K.C.- Panel Chairperson

Patrick Ireland - Board Member

Kim Sharman - Board Member

Serge Scrafield - Board Member

Tannis Mindell - Board Member

HELD AT:

Public Utilities Board

400, 330 Portage Avenue

Winnipeg, Manitoba

July 2, 2026

Pages 1 to 48

Day 1 of 1

APPEARANCES

| | |
|---|---|
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| Robert Watchman | ) Board Counsel |
| Jennifer Dubois | ) Board Staff |
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| Eric Wishnowski (Counsel) | ) Insurance |
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--- Upon commencing at 9:05 a.m.

PANEL CHAIRPERSON: Good morning, everyone. And welcome to the pre-hearing conference for Manitoba Public Insurance's 2026/'27, '27/'28 General Rate Application filed June 24th, 2026. I am Irene Hamilton, the Chair of this Panel of the Public Utilities Board.

Joining me today in the hearing room are Board members Patrick Ireland, Tannis Mindell, and Serge Scrafield. The Board acknowledges that we are gathered on the ancestral lands of the Anishinaabe, Cree, Anisininew, Dakota, and Dene peoples and the homeland of the Red River Metis Nation.

The Panel is assisted in this General Rate Application by Board Secretary Rachel McMillin, Associate Secretary Jennifer Dubois, and Judicial Hearing Assistant Catherine Paige. Todd Andres, Robert Watchman, and Simran Joura will act as Board counsel.

As in prior hearings, the Board is also assisted by technical advisors from Cathcart Advisors, Ecklar Partners, and Paradigm Consulting. The Public Utilities Board's mandate is to set just and reasonable rates that are in the public interest.

The public interest has been defined by the Manitoba Court of Appeal as balancing the impacts of rate increases on consumers with the fiscal health of the Utility.

In order to set just and reasonable rates that are in the public interest, the Board will need to hear and consider all of the evidence that is adduced on the record of this proceeding and hear submissions from Manitoba Public Insurance and all approved Interveners.

Manitoba Public Insurance is applying to the Board for approval of its premiums charged with respect to compulsory driver and vehicle insurance. This General Rate Application will be conducted in accordance with the provision of the Crown Corporation's Governance and Accountability Act and the Public Utilities Board Act.

We will employ, throughout the process, the Board's Rules of Practice and Procedure, which can be viewed on the Board's website. Any questions in terms of locating the rules can be posed to the Board office.

In its Application, MPI proposes an overall 2.38 percent increase to compulsory vehicle insurance premiums to take effect on April 1st, 2027.

MPI proposes no changes to miscellaneous permits and certificates, basic service and transaction fees, or fleet rebates and surcharges.

Among other things, MPI is applying to move all driver safety rating discounts one half of the way toward their actuarially indicated percentages for the 2027/'28 policy year.

MPI is requesting consideration for recovery from Basic ratepayers of initiative -- in initiative expenses forecast to be incurred in the 2027/'28 rating year, as well as a declaration that the balance in MPI's regulatory deferral account as of March 31st, 2027 is of no value and not recoverable from Basic ratepayers.

MPI is seeking approval to expand the number and range of vehicle rate groups under the Canadian Loss Experience Automobile Rating System by adding rate groups 46, 47, 48, 49, and 50 subject to a maximum capping increase of plus two (2) rate groups for any vehicle.

As always, MPI bears the onus in this proceeding of satisfying the Board that its Application should be granted on the whole of the evidence that it provides.

Our objectives for today's pre-hearing

conference are to identify prospective Interveners, to learn the reasons for their intervention, to hear submissions on the issues to be included in the scope of the General Rate Application, more particularly any variations from the preliminary issues list, which was approved by the Board on June 2nd, 2026, in its interim procedural Order number 75/'26, to hear requests from MPI or any proposed Interveners for pre-qualifications of expert witnesses they intend to call at the public hearing, to discuss the process for commercially sensitive information, and the new money yield or other updates to be filed by MPI in October, to discuss and arrive at a timetable for the orderly exchange of evidence and the information throughout this GRA process.

The Board welcomes public participation. Individuals or groups may submit written comments to be made to the Board. Individuals wishing to submit a brief or express comments at the hearing should contact the Board through its online comment -- online comment tool.

The Board will consider what weight, if any, should be attached to information received from members of the public, which may be sworn or subject to cross-examination.

All parties and their representatives and consultants should be aware that the Board intends to livestream the public hearing proceedings through a link accessible on the Board's website. As such, the use of acronyms is to be discouraged. This would be not only for the benefit of persons watching the livestreaming of the proceedings, but also for the benefit of Board members. It will assist in the Panel's and the public's understanding of the issues and evidence if acronyms are avoided.

The Board appreciates that some potential Interveners who will be seeking cost awards may not have provided detailed budgets at this time as the approver -- approval of Intervener status and approval of the issues for each Intervener has not yet been given.

After the Board has issued its procedural Order approving Intervener status and issues, approved Interveners will be required to file their detailed budgets within the time prescribed by the Board.

Prospective Interveners should familiarize themselves with the Board's Intervener cost policy, which is available on the Board's website and which has previously been circulated to

Interveners of record.

The Manitoba Ombudsman has issued privacy guidelines for administrative tribunals. The PUB is mindful of its obligations under those guidelines. Its decisions in respect of the Application being considered will be sensitive to them.

Personal information will not be disclosed unless it is appropriate and necessary to do so. However, the PUB advises participants that these proceedings are public and that as a result, personal information protections are reduced.

I will now call upon Board counsel for introductions followed by MPI's counsel, Mr. Scarfone, to introduce the representatives of MPI that are present, after which I will call upon the prospective Interveners present to introduce themselves. Once we have heard all introductions, I will call upon Board counsel to make any opening comments.

Mr. Andres...?

INTRODUCTIONS:

MR. TODD ANDRES: Thank you, Madam Chair. Todd Andres, of Pitblado, counsel to Public Utilities Board. And with me are my co-counsel,

Simran Joura and Robert Watchman.

PANEL CHAIRPERSON: Thank you. Mr. Scarfone...?

MR. STEVE SCARFONE: Good morning, Madam Chair. Steve Scarfone, counsel for Manitoba Public Insurance. And to my left is Eric Wishnowski, my co-counsel. And joining us today is Lily da Silva, one (1) of the analysts from Regulatory Affairs.

PANEL CHAIRPERSON: Thank you. Mr. Williams...?

DR. BYRON WILLIAMS: Yes. An unfamiliar face. Ms. Dilay and Ms. Cloutis send their regrets, so they sent in a frail replacement. We're -- - Byron Williams, appearing on behalf of the Consumers Association of Canada, Manitoba Branch, as well as the Manitoba Seniors Equity Action Coalition, together, the Consumers Coalition.

PANEL CHAIRPERSON: Thank you. Ms. Meek...?

MS. CHARLOTTE MEEK: Yes. Good morning. Charlotte Meek of the firm, DFS Kaneski UnRah LLP. I'm here on behalf of the Coalition of Manitoba Motorcycle Groups, or CMMG.

PANEL CHAIRPERSON: Thank you. Mr. Andres, could you please give us your opening

comments?

BOARD COUNSEL OPENING REMARKS:

MR. TODD ANDRES: Thank you, Madam Chair. First, the agenda is up on the screens in front of everyone in this room and only one (1) comment to make about that. We do note that there is a -- at number 6, filing in support of the October indicated rate update.

While we understand that, generally speaking, MPI will not be filing a complete rate update as was done in previous years, we anticipate receiving an update to the new money yield. And, of course, if things arise that cause it to be warranted for there to be additional filings, that remains a matter to be discussed, but that's the reason for number 6 to be present.

And then on behalf of the Public Utilities Board, we'd like to enter the following exhibits for the record. As PUB number 1, Board Order 75/'26, dated June 2, 2026, which set out the preliminary issues list and commercially sensitive information process for this GRA.

--- EXHIBIT NO. PUB-1: Board Order 75/'26,

dated June 2, 2026

MR. TODD ANDRES: PUB number 2, letter from the Associate Secretary Jennifer Dubois to MPI and all prospective Interveners dated June 24, 2026 with attachments. And that letter addressed such issues as Intervener responsibilities, minimum filing requirements, pre-hearing workshop, today's pre-hearing conference, the format to be used for Information requests, et cetera.

--- EXHIBIT NO. PUB-2: Letter from the Associate Secretary Jennifer Dubois to MPI and all prospective Interveners dated June 24, 2026 with attachments

MR. TODD ANDRES: As PUB number 3, a letter from Jennifer Dubois to MPI and all prospective Interveners dated June 24 of 2026. And this letter related to the pre-qualification process for expert witnesses.

--- EXHIBIT NO. PUB-3: A letter from Jennifer Dubois to MPI and all prospective Interveners dated June 24 of 2026

MR. TODD ANDRES: And then as PUB number 4, we will enter the Manitoba -- the Public Utilities Board's Rules of Practice and Procedure effective July 1 of 2025.

--- EXHIBIT NO. PUB-4: The Public Utilities Board's Rules of Practice and Procedure effective July 1 of 2025

MR. TODD ANDRES: And prior to hearing from prospective Interveners, I can confirm that each should provide the following information to the Board in order that it can deliberate on and decide intervention.

First, an indication of their constituency and interests.

Second, an outline of the areas of MPI's Application that they intend to test.

Third, their reasons for requesting

Intervener status.

Fourth, their plans to call evidence at the hearing.

And fifth, whether they seek -- pardon me, whether they intend to seek an award of costs, bearing in mind that the proposed budget is to be provided to the Board in accordance with the Board's Intervener cost policy.

As always, the Board will apply the criteria set out in the Board's Intervener cost policy with respect to the awarding of costs, such decisions being at the sole discretion of the Board.

Finally, at the workshop on June 26th, 2026, the preliminary issues list was discussed. and the panel will be asked to issue as a part of the order following this pre-hearing conference the final issues list for this GRA.

Those are my comments. Thank you, Madam Chair.

PANEL CHAIRPERSON: Thank you, Mr. Andres. Mr. Scarfone...?

MPIC OPENING COMMENTS:

MR. STEVE SCARFONE: Thank you. With respect to opening comments, Madam Chair, they would

largely mirror what the Board just indicated in their opening statement with respect to the relief being sought by MPI, so I won't repeat those here, only to add that with respect to the one (1) issue, there's been some lengthy discussions with respect to the recovery of initiative expenses in this upcoming General Rate Application of 10.1 million.

Appreciating that everyone just received the application about a week ago, I would add that if it wasn't made note of, there is an appendix that is forthcoming to be filed that will be attached to the expenses chapter, which is the evidence in support of that requested relief.

And what I mean by that is for each of those initiative expenses, the Corporation intends to provide an appendix that supports how each of those initiative expenses meet the prudency test under regulatory law.

So, that along with a number of supplemental filings will be received by the Board throughout the course of the process, but most of them are expected to be done with MPI's responses to Round 1 Information Requests.

So, having said that, MPI doesn't have any comments with respect to the issues list. It was,

as Mr. Andre said, canvassed at the meeting last week.

And I do understand his comments with respect to number 6. As the Board is aware, for the first time this year, MPI wouldn't be required unless the Board requested it to file an updated rate indication or an update to its financial forecast, but rather just an update to the new money yield based on data from August 31.

I might also add, because intuitively people might wonder what impact the hailstorm late last month will have on the updated -- or on the rate indication and whether that needs to be updated, I've had some discussions with -- both Mr. Andres and Mr. Watchman can advise that Ms. Lowe and her team tell me that it won't have any impact.

It may have some impact on the 2028 General Rate Application, much like the storm of 2023 impacted the 2025 General Rate Application, but a storm in June of 2026 has no impact on the 2027 GRA.

And also bearing in mind that, given the severity of that storm, it would trigger reinsurance almost undoubtedly, but the Corporation is still taking in those claims and it's too early to know the full impact of the storm at this stage.

Let me just also do what Mr. Andres did

before I forget: read in the exhibits filed to date. Exhibit number 1 is the filing of the 2027 General Rate Application with the cover letter.

--- EXHIBIT NO. MPI-1: Filing of the 2027 General Rate Application with the Cover letter

MR. STEVE SCARFONE: Exhibit number 2 is a 2027 GRA letter, Manitoba Public Insurance to the PUB and the notice thereunder.

--- EXHIBIT NO. MPI-2: 2027 GRA Letter, Manitoba Public Insurance to the PUB and the notice thereunder

MR. STEVE SCARFONE: Exhibit number 3 is RMF Appendix number 4, a summary of changes as of June 24, 2026.

--- EXHIBIT NO. MPI-3: RMP Appendix number 4, a Summary of Changes as of June 24, 2026

MR. STEVE SCARFONE: MPI Exhibit

number 4 is RMF Appendix 5, the Risk Appetite Statement approved by the board of directors on June 24, 2026.

--- EXHIBIT NO. MPI-4: RMF Appendix 5, the Risk Appetite Statement Approved by the Board of Directors on June 24, 2026

MR. STEVE SCARFONE: Exhibit number 5 is RMF Appendix number 6, the Risk Appetite Statement, the black-line version.

--- EXHIBIT NO. MPI-5: RMP Appendix number 6, the Risk Appetite Statement, the Black-line version

MR. STEVE SCARFONE: Exhibit number 6 is the Investments Appendix 9, a Performance Attribution Report.

--- EXHIBIT NO. MPI-6: Investments Appendix 9, a Performance Attribution Report

MR. STEVE SCARFONE: And lastly, Exhibit number 7 is an Appendix E to the expenses chapter, a compensation report, the disclosure thereunder of salaries from MPIC.

--- EXHIBIT NO. 7: Appendix E to the Expenses Chapter, a Compensation Report, the Disclosure thereunder of salaries from MPIC

MR. STEVE SCARFONE: And subject to any questions the Board might have, MPIC is here again largely to answer any questions people might have with respect to the Application, and also to hear the submissions from the prospective Interveners.

PANEL CHAIRPERSON: Thank you, Mr. Scarfone. Any questions from the Board? Thank you. Mr. Williams...?

OPENING COMMENTS BY CONSUMERS COALITION:

DR. BYRON WILLIAMS : Thank you. And if I could ask Ms. Paige to pull up Attachment A to the Intervener Application of the Consumers Coalition. It's a voluminous sixteen (16) pages. I think we'll

start at page 3 of 6. That's perfect.

And it's a great pleasure to be here on behalf of the Consumers Coalition and those two (2) organizations, volunteer organizations grounded in listening to community.

And our clients are obviously here to seek to protect and reconcile the interests of all Manitoba ratepayers, but they do have a particular interest in the private passenger class. And their members clearly have a substantial interest in the outcome of this proceeding.

And as -- as you mentioned, Board Chair, at the outset of your comments, obviously our role here is to assist the Board in its key determination, which is whether rates are just and reasonable.

And on page 3 and moving on to page 4 -- 4, 5, and 6, you'll see some background information on the Consumers' Association as well as the Manitoba Seniors Equity Action Coalition.

The Consumers Coalition has been around these rate proceedings for a long time. Indeed, they go back to the very first MPI GRA and they bring that substantial expertise that flows from that, and they've been here through the duration.

The Manitoba Seniors Equity Action Coalition may be less familiar to the Board. Fantastic organization founded after extensive community consultation in the north -- in the north, in southwest Manitoba, in Winnipeg with significant funding support from the Manitoba Law Foundation and the Winnipeg Foundation, and obviously here representing the particular interests of Manitoba seniors, many of whom are reliant on fixed incomes and -- and find the rate -- rate pressures from MPI or other large monopolies to be significant.

If we go to page 7 and 8 of the Application, you'll see our clients' reasons for intervening, and we talk about just and reasonable rates. Well, what does that mean? And that's really highlighted on page 7, the Board's own words in those five (5) -- five (5) bullets there.

What are we actually doing? Our clients will be here to look at the reliability of MPI forecasts, the prudence and reasonableness of their expenditures and operations, look at the overall risks to the Corporation, whether the expected costs are reasonably allocated to consumers, and ultimately whether those rates proposed are just and reasonable.

And Manitoba consumers are going to be

significantly affected by this Application -- are -- always our eyes are dawn -- drawn to the magnitude of the Rate Application, in this case, a proposed 2.38 percent.

But there's also important long-term decisions at play here: the development of the corporate strategic plan and its linkage to key performance indicators, something that our clients have been talking about in particular the last three (3) or four (4) years; the management of the investment portfolio, billions of dollars, which are essential for the well -- long-term stability of the -- of the Corporation; the IT strategy, the information technology strategy; and the aftermath to the closure of Project NOVA.

And in terms of fairness among consumers, the evolution of Driver Safety Rating, and there are important proposals in this GRA. And again, this is one of those hearings where road safety will be in play, and that's obviously of long-term importance for ratepayers.

If we go to pages 11 and 12, you'll get a sense of the specific issues that our clients are interested in. Always our clients -- and that's great there, Ms. Paige -- the -- the accuracy of MPI claims

and expense forecasts; the aftermath of the -- and follow-up to the organizational review undertaken by Ernst & Young; MPI's Corporate Strategic Plan, including the status of its implementation and its implications for key performance indicators; the Corporation's financial forecast and, as always, the reasonableness of projected full-time equivalence; MPI's information technology strategy.

It's a big year for investments, including the 2026 Asset/Liability Management Study as well as inflation hedging and proposed changes to CLEAR and -- and its impacts on rates. If you don't mind going to the next page as well, Ms. -- Ms. Paige.

Again, I've already mentioned road safety, and that's really some of the key focuses for our clients.

If we can go down a bit further on this page, our clients will be seeking to recover costs. At this point in time, we don't propose to bring forward expert evidence, but we -- our clients always make that call after the First Round Information Requests. And there is potential, but at this point -- - potential perhaps on Corporate Strategic Plan and KPIs, perhaps on asset/liability management, some of those issues.

But at this point in time, the clients do not intend to call expert evidence, but they have assembled an -- an outstanding team of experts to assist them. And this team of experts would be very similar to the type that the Board has approved in its last three (3) Orders, going back to 2024, 2025, and 2026.

It includes Peter Dyck, obviously a former MPI comptroller with expertise in regulatory accounting, and some of the matters Mr. Scarfone adverted to near the end of his comments will be of interest to Mr. Dyck.

Valter Viola, great roots in the Canada Pension Plan and Ontario Teachers, here to talk about investments or to advise on investments.

A new member of the team is Mr. Munna Zaman on IT issues. And obviously for five (5) years, the chief information officer for the Province of Manitoba.

The excellent consulting team of Risk Consulting Services who've formally appeared here is Oliver Wyman. And if you want to move to the next page, Mavis Johnson is back bringing her fifty-five (55) years of -- of road safety experience.

And Mr. Rainkie will be someone who the

Board's familiar with from the Public Utilities. And of course, boards across Canada are familiar with Mr. Rainkie as well who brings both senior executive experience as well as significant regulatory experience, including from ICBC.

Our clients have worked carefully and closely with other parties. We're collaborating with our friends from CMMG in terms of the investment advice that we're going to get. So the costs for Mr. Viola are being shared between our clients and CMMG.

There's also been close collaboration discussion related to road safety, and Ms. Johnson will be available to assist both.

And our clients, obviously, are mindful of the need to be prudent and reasonable with their own costs. The budget they've presented is quite consistent with the range that you will have seen and approved in 2024 decisions, 2025 decisions, and 2026 decision.

Most of the experts -- all of the experts have carefully delineated terms of retainer, and we've worked carefully to -- consistent with past practice, to minimize duplication and bring their particular expertise to the issues we've retained them for.

Our clients are, as I've said, seeking an award of costs. They'll participate throughout the hearing, already have in the technical conferences all the way to closing, and obviously will do our best to assist the -- the Board in its essential job: determining just and reasonable rates for service.

The last note I'll make is that our clients, as always -- I started with talking about how they listen carefully to Manitobans. For a number of years, now four (4) or five (5), we've had our own Consumer Advisory Panel drawn from both community members, experts within Manitoba, and our clients continue to rely on that to get feedback from a broader spectrum of Manitobans for the hearings, and that process will continue this year.

Thank you. I'm happy to take any questions you may have.

PANEL CHAIRPERSON: Thank you, Mr. Williams. Any questions? Yes.

BOARD MEMBER IRELAND: Mr. Williams, quick -- quick question. Could you expand on the Consumer Advisory Council that you just referenced, who they are and how involved they are?

DR. BYRON WILLIAMS : Yeah. And I'll call them the Consumer Advisory Panel, I think is what

we -- we call them. And without sharing the names of the folks, there'll be economists from the University of Manitoba, there'll be former members of the Public Utilities Board, there'll be citizens that we've met who've -- obviously, the Public Interest Law Centre and our clients have been in this business for a long time, and there's been a group of citizens who've expressed a deep-seated interest in these issues.

So in terms of their preparation for any specific hearing, our clients provide them with a pretty significant briefing note at a high level, similar to what we'd provide to our clients.

We meet with them prior to the -- to the hearing to get initial feedback and insights on perspectives. And then as our clients come closer to the end of the hearing, they'll -- they'll meet with them again to get insights on recommendations.

And for -- for the panel, they get a briefing on this hearing, but they're building on briefings from prior hearings. And indeed, some of the panel members might have been expert witnesses before this Board on different issues as well.

So that's what we try to do. And it's just our clients, obviously, the Consumers' Association and the seniors -- I always struggle with

that acronym, the Equity and Action Coalition.

They do their own focus groups. They do their own quantitative and qualitative survey, but this is a chance to dig deeper into a broader spectrum of expertise for Manitobans. Just one more source of information. No cost to the Board.

PANEL CHAIRPERSON: Thank you. Ms. Meek...?

OPENING COMMENTS BY CMMG:

MS. CHARLOTTE MEEK: Thank you. Good morning, again, to the Board, MPI, fellow Interveners, and members of the public. My name is Charlotte Meek representing, again, the Coalition of Manitoba Motorcycle Groups, or CMMG.

I'll begin with just a brief summary of who CMMG is and why they're seeking to intervene in this application, and then I'll do a -- a review of the expected areas of our proposed intervention.

So, CMMG is a volunteer-run nonprofit organization, which advocates for motorcycle safety and promotes motorcycle ridership in the Province of Manitoba. CMMG has approximately three-hundred (300) members and is governed by a Board of Directors.

CMMG has four (4) main stated

objectives:

First, to promote the safety of motorcyclists in Manitoba.

Second, to promote legislative reform and consult with government officials and representatives.

Third, to disseminate information to aid in the continued safe enjoyment of motorcycle transportation.

And fourth, to participate in the Public Utilities Board Hearings and ensure just and reasonable rates for motorcyclists in the province.

Similar to our friends at CC, CMMG has participated in the rate application process for over thirty (30) years. CMMG is also very active in various stakeholder engagements, or other groups, where our members advocate for motorcycle safety and awareness. And they also provide specific insight regarding issues affecting the motorcycle class, in particular.

From my client's perspective, the Motorcycle Class experience is distinct from that of the Private Passenger Class or any other class of vehicle and, as a result, requires a specific examination in the rate application process.

CMMG intends to provide the Board and MPI with a specific analysis of factors that affect motorcyclists specifically.

CMMG will also seek to highlight and draw attention to the needs of motorcycle riders in this application.

As indicated, CMMG has been advocating for motorcycle safety for several decades and intends to share the experience of their membership with MPI and the Board throughout the hearing.

CMMG intends to participate throughout the hearing, including the Discovery process and the hearing itself. And CMMG has already participated in the technical conferences relating to Road Safety, as well as the investments.

As in previous years, CMMG intends to be efficient and prudent in their intervention, examining issues that are of -- only of specific interest to our members and motorcyclists generally.

CMMG has already, and will continue to, collaborate with other Interveners to promote cost savings and avoid duplication.

So, now I'll go through, at a high-level, the issues that CMMG intends to canvas in this year's application, which are outlined more

specifically in our written submissions.

CMMG intends to examine the requested Vehicle Rate and any changes to those fees or discounts.

CMMG will look at ratemaking, again, with a specific focus on the Motorcycle Class.

CMMG notes that MPI is seeking a balance indicated rate change for motorcyclists of 3.88 percent and after DSR impact, that would be an increase of 8.22 percent.

So, CMMG intends to examine the Ratemaking Methodology employed by the Corporation to ensure just and reasonable rates for the Motorcycle Class.

CMMG will review MPI's compliance with previous Board Orders, ensuring follow through with the directives of this Board.

We will look at the Capital Management Plan, with a specific interest in how capital transfers from the Extension Line of Business have been used by MPI and what impact that has to the rate being sought by the Corporation in this application.

CMMG has taken a keen interest in MPI's investment portfolio. As I said, we participated -- participated fully in the ALM Technical Conference

held in April, and CMMG intends to further examine this issue before the Board and provide commentary on MPI's progress towards an improved investment strategy.

Claims Forecasting, CMMG will review whether the forecasting methodology used is reasonable and properly determined for the Motorcycle Class specifically.

The DSR or Driver Safety Rating will be examined by CMMG with specific commentary for the Corporation's future plans to move the model towards actuarily accurate discounts.

Road Safety, CMMG will examine the issue of road safety with a particular focus again on issues affecting the Motorcycle Class. And CMMG, again, actively participated in the Road Safety Technical Conference and provided the specific perspective of motorcycles for various road safety issues.

Given that the application was only filed a week ago, CMMG is still in the process of reviewing the GRA. So, it's possible that other issues may arise that we determine are of interest, but that is a high-level summary of the issues we anticipate at this time to be focusing on.

In this year's application, CMMG is again intending to retain two (2) expert consultants, as we have in previous years, to assist our members with the review of the application.

Those consultants are Mr. Jason Wong of Dion Strategic Consulting, who is an actuarial consultant and Mr. Valter Viola, a consultant to provide insight on investment strategy.

As Mr. Williams noted, Mr. Viola is also retained by their clients and so we expect some cost savings in the sharing of -- of that expert and our budgets provide for a sharing of the anticipated cost for Mr. Viola's work.

CVs for Mr. Viola and Mr. Wong have been attached to our application. At this time, CMMG is not intending to call any expert witnesses, at this stage, but, of course, reserves the right to do so at a later date if necessary.

And CMMG does intend to seek an award of costs and we have provided a cost budget which is attached to our application filed.

So subject to any questions from the Board, those are the initial comments for CMMG's Intervention Application.

PANEL CHAIRPERSON: Thank you, Ms.

Meek.

Any questions? Mr. Scarfone, any responding comments?

MPIC REPLY:

MR. STEVE SCARFONE: Thank you, Madam Chair. Just a -- a -- few comments with respect to those submissions.

Firstly, MPI is not in opposition to either of the Intervener applications, so indeed consenting to both the Consumers Coalition and -- and CMMG as Interveners.

The Corporation always appreciates the input that those Interveners provide and the feedback that we receive in making the application a better one and we look forward to that again this year.

I would make a couple comments with respect to the cost estimates and, of course, recognizing that they are both preliminary budgets at this stage, the Corporation would reserve the right to make later submissions, of course, when those final budgets are presented to the Board.

We would note and agree with Mr. Williams, that as it concerns the Consumers Coalition, it appears as though their preliminary budget is right

in line with what they proposed last year at this time and, indeed, about 8 percent lower than what they actually submitted as a final cost -- or cost submission.

Concerning the CMMG on its preliminary budget, it's 10 percent higher than the estimate that they submitted last year and 12 1/2 percent higher than what they actually sent to the Board for approval. But we do note that Mr. Wong, as Ms. Meek indicated, their actuarial consultant, his numbers have been increased due to the tariff.

So, there's, as the Board may be aware, once certain amount of years have been attained in any profession, the amounts under the tariff increase. So, we -- we saw that a lot -- a large part of that estimate is attributable to that increase for Mr. Wong. And also recognizing that they're likely to be more involved this year with road safety on the issues list.

So, with those comments, again, MPIC is not opposing the -- the interventions of those two (2) prospective Interveners. I would note though, as well, and perhaps it's too early again to tell whether either of the Interveners proposed to call expert testimony at this year's application or at the

hearing, or whether all of the consultants that both of them mentioned will just be working behind the scenes with respect to Information Requests and -- and others.

And those are my comments with respect to the applications.

DISCUSSION:

PANEL CHAIRPERSON: Thank you, Mr. Scarfone. Mr. Williams, any comments in response?

DR. BYRON WILLIAMS: Just very quickly, we -- we thank MPI for their comments, which we consider fair. In terms of just perhaps a polite inquiry from Mr. Scarfone on behalf of MPI in terms of what areas we might contemplate evidence.

I adverted to that verbally, but at page 15 of the Application near the bottom, you'll see the three (3) potential areas that we've identified as potential but, at this point in time, we don't intend to call, but that -- those are the likely areas as we examine after First Round Information Requests that we'll be digging deeper on.

So, that's page 15 at the bottom. We can just maybe pull that up for a second. Yeah, you'll see the three (3) areas right there in the

bullets. I hope that assists Mr. Scarfone.

MR. STEVE SCARFONE: Thank you for that.

PANEL CHAIRPERSON: Thank you, Mr. Williams. Ms. Meek...?

MS. CHARLOTTE MEEK: Thank you. So, to -- just to follow on from Mr. Williams' comments to provide some clarification at this time. Yes, we're not calling any expert witnesses at this time. The consultants that we've identified will be doing background assistance as it relates to the discovery process and -- and support for cross-examination and closing. So, we don't anticipate calling any expert witnesses, but we'll advise if that changes at any time in the future.

I appreciate Mr. Scarfone's comments with respect to the budget and I can provide a little bit more detail. It's included in the written application, but just to provide the Board now with some verbal information.

Yes, Mr. Wong transitioned from nineteen (19) years to twenty (20) years which resulted in a -- an increase. I can also identify that the amount that we're seeking for Mr. Wong as we have in previous applications doesn't align with the

tariff rate. It -- we are seeking a higher rate for Mr. Wong's work.

Mr. Wong's regular hourly rate, he's a consultant at Deon Strategic Consulting, which is based in Toronto, would be about five hundred fifty (550) to six hundred dollars ($600) an hour. He's agreed to reduce that rate to a rate of three hundred and fifty-two dollars ($352) an hour, just in awareness of what the tariffs are here.

But we, from CMMG's perspective, believe that retaining actuarial consultants of his caliber does require us often to look out of province, unfortunately, and the rates for those consultants are significantly higher. And so, as a result, we are seeking permission from the Board to have a tariff rate that is higher than the -- the base tariff provided.

I do note Mr. Wong's hours are actually lower than last year based on what we've historically actually used in past hearings. But as Mr. Scarfone notes, just the -- the increase of his experience results in that -- in that higher rate.

So, I -- I think that covers everything unless there's further questions from the Board.

PANEL CHAIRPERSON: Thank you, Ms.

Meek. Mr. Scarfone, I would ask you to make any comments that you have on the pre -- preliminary issues list or procedural matters.

MR. STEVE SCARFONE: The -- the Corporation has no comments with respect to the issues list.

And on procedural matters, just concerning, again, the -- the possibility that there may be some information or filings that we've indicated in the overview chapter as supplemental, particularly, some minimum filing requirements that tentatively have been assigned dates but the Corporation can't commit to filing all of those at a specific time.

So, the Board may note that in the overview, the supplemental filings may indicate a filing date of August. We can't commit to whether that might be early-August, or mid-August or late-August, just given the nature of some of the work that's involved in providing those supplemental filings.

And so, I just wanted to have that on the record because it may impact the ability of the parties to ask questions on those filings in the Second Round of Information Requests. So, it may be,

Madam Chair, that some of the filings will require pre-asks being asked of those -- of that information.

But having said that, the Corporation fully intends to have them filed within that timeframe that's indicated in the overview.

PANEL CHAIRPERSON: Thank you, Mr. Scarfone. And I can assume, I'm sure, that there will be ongoing conversations amongst Counsel with regard to the timeframes for anticipated filing as we get closer to those dates?

MR. STEVE SCARFONE: Yes, of course.

MR. TODD ANDRES: So, Madam Chair, if I can just jump in. I'm somewhat surprised based on the information that I'd received as to the workshop. My understanding, and I could be mistaken, was that the supplemental filings, if there were any, would be filed in time for at least the Second Round of Information Requests. Is -- is that not accurate?

MR. STEVE SCARFONE: It was accurate when I said it then, yes. But it -- it -- and we're still hoping that it -- it will be, but it -- there's a few that I'm told might not arrive in time for that to occur. And so of course, we'll have those discussions and we're open to receiving pre-asks on those if those do occur.

Madam Chair, it's -- it's hard to say at this stage, quite honestly.

MR. TODD ANDRES: Thank you.

PANEL CHAIRPERSON: Thank you. Mr. Williams, any comments?

DR. BYRON WILLIAMS: Yeah. If we could, just recognizing I'm not lead counsel on this matter, in terms of the ones where you don't -- there's a risk that they -- they may not be available prior to August 19th, would you be able to provide -- identify them and then our legal team can look at it and see -- see of the implications, if any, further preparations?

MR. STEVE SCARFONE: Yeah, we can -- we can we can undertake to do that.

--- UNDERTAKING NO. 1: MPIC to identify items that may not be available prior to August 19, 2026.

PANEL CHAIRPERSON: Yes. Thank you. Ms. Meek...?

MS. CHARLOTTE MEEK: I have no further comments other than what's already been discussed. Thank you.

PANEL CHAIRPERSON: Thank you. Mr. Scarfone, does MPI intend to seek pre-qualification of any expert witnesses?

MR. STEVE SCARFONE: We don't at this time, Madam Chair.

PANEL CHAIRPERSON: Thank you. I would like to turn now to the process to address the treatment of commercially sensitive information.

Mr. Scarfone, could you please advise if MPI proposes any changes to the CSI process from last year?

MR. STEVE SCARFONE: No changes are being proposed by the Corporation. We note that the Confidentiality Agreements and the Undertakings have been circulated and we've received the large majority of those, I believe.

So, we expect that the Confidential Information will soon be sent out once the Procedural Order is issued by the Board.

PANEL CHAIRPERSON: Thank you. Further, Mr. Scarfone, could you please advise if MPI intends to adjust the rate indication at some point subsequent to the filing of the GRA?

MR. STEVE SCARFONE: There's no adjustment that will be forthcoming.

PANEL CHAIRPERSON: Thank you. Mr. Williams, do you have any further comments with regard to the pre-hearing conference Order?

DR. BYRON WILLIAMS: No. Except to say thank you for the opportunity to participate.

PANEL CHAIRPERSON: Thank you, Mr. Williams. Nice to have you back. Ms. Meek...?

MS. CHARLOTTE MEEK: No further comments. Thank you.

PANEL CHAIRPERSON: Thank you very much. I think we have now covered all of the matters to be discussed. Mr. Andres, you have your mic on.

MR. TODD ANDRES: The sole exception being the timetable, and the timetable, I believe, has been circulated. I -- I don't know that there's been any adjustments to it since its circulation. I -- I think that would be it. And, I do have actually one more exhibit to enter once we've addressed that issue.

PANEL CHAIRPERSON: Okay. Mr. Scarfone, any comments on the timetable?

MR. STEVE SCARFONE: No comments with -- with respect to that. Mr. Andres made reference again to his exhibits. I -- I want to clarify that the exhibit that MPI marked this morning as number 2, mindful that the Board has asked us not to make use of

acronyms.

The MPI letter to the Public Utilities Board where I indicated it was the EFA Notice, that was the -- the notice that was provided with the application for the blackout under the Election Financing Act, which MPIC received an exemption from right around the exact time that the Corp -- the Corporation filed its application.

PANEL CHAIRPERSON: Thank you. Mr. Williams, any comments on the timetable?

DR. BYRON WILLIAMS: No. Thank you.

PANEL CHAIRPERSON: Thank you. Ms. Meek...?

MS. CHARLOTTE MEEK: No comments.

PANEL CHAIRPERSON: Thank you. Mr. Andres, you have --

MR. TODD ANDRES: Thank you, Madam Chair. One final thing and -- and yes, picking up on the theme of the Election Financing Act which did play a part, to a certain extent, in the issuing of the Notice of Public Hearing. Our fifth and final exhibit to be entered this morning will be the Notice of Public Hearing and Pre-Hearing Conference dated June 26th of 2026.

--- EXHIBIT NO. PUB-5: Notice of Public Hearing and Pre-Hearing Conference dated June 26th of 2026.

PANEL CHAIRPERSON: Thank you. I hear no further issues. So, with that, we'll adjourn the pre-hearing conference. Thank you very much, everyone, and we'll see you soon.

--- Upon adjourning at 9:53 a.m.

Certified Correct

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Wendy Woodworth, Ms.