



“When You Talk - We Listen!”



MANITOBA PUBLIC UTILITIES BOARD

Re: MANITOBA PUBLIC INSURANCE CORPORATION (MPI)
2025/2026 GENERAL RATE APPLICATION
PRE-HEARING

Before Board Panel:

Irene Hamilton K.C. - Panel Chairperson
Robert Gabor, K.C. - Board Chair
Susan Nemec - Board Member
George Bass, K.C. - Board Member

HELD AT:

Public Utilities Board
400, 330 Portage Avenue
Winnipeg, Manitoba

July 11, 2019

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APPEARANCES

Kathleen McCandless) Board Counsel
Todd Andres) Board Counsel
Kara Moore) Board Counsel
Darren Christle) Board Staff
Jennifer Dubois) Board Staff
Kristen Schubert) Board Staff
Roger Cathcart) Advisor
Marc Caron (TEAMS)) Advisor
Kim Sharman (observing only)) Board Member
Patrick Ireland (observing only)) Board Member
Steve Scarfone (Counsel)) Manitoba Public
Anthony Guerra (Counsel)) Insurance
Eric Wishnowski) Counsel
Ted Meira)
Chitranjan Singh)
Jeanie Dalman (TEAMS))
Lily Da Silva (TEAMS))
Chris Klassen) CAC (Manitoba)
Katrine Dilay)
Charlotte Meek) CMMG

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APPEARANCES

Sharna Nelko) Taxi Coalition

Charles Feaver (TEAMS)) Bike Winnipeg

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1 --- Upon commencing at 8:58 a.m.

2

3 OPENING COMMENTS BY THE BOARD:

4

5 THE PANEL CHAIRPERSON: Good morning.

6 Mr. Guerra, Mr. Scarfone, are you ready to proceed?

7 MR. STEVE SCARFONE: Yes, we are,

8 Madam Chair. Thank you.

9 THE PANEL CHAIRPERSON: Thank you.

10 Good morning, and welcome to the pre-hearing

11 conference for MPI's 2025/'26 General Rate Application

12 which was filed on July 5th, 2024. I am Irene

13 Hamilton, the Chair of this Panel of the Public

14 Utilities Board.

15 Joining me today in the hearing room

16 are Board Chair Robert Gabor, Board members Susan

17 Nemec and George Bass. Also we are joined today by

18 two (2) new members, newly appointed members of the

19 Public Utilities Board, who are observing this

20 proceeding: Kim Sharman and Patrick Ireland.

21 The Board acknowledges that we are

22 gathered on the ancestral lands of the Anishinaabe,

23 Cree, Oji-Cree, Dakota, and Dene peoples and the

24 homeland of the Red River Metis Nation.

25 The Panel is assisted in this General

1 Rate Application by Board secretary Darren Christle,
2 assistant associate secretary Jennifer Dubois, and
3 judicial hearing assistant Kristen Schubert. Kathleen
4 McCandless, Todd Andres, and Kara Moore will act as
5 Board counsel.

6 As in prior hearings, the Board is also
7 assisted by technical advisors from Cathcart Advisors
8 and Eckler Partners.

9 The Public Utilities Board's mandate is
10 to set just and reasonable rates that are in the
11 public interest. The public interest has been defined
12 by the Manitoba Court of Appeal as balancing the
13 impacts of rate increases on consumers with the fiscal
14 health of the Utility.

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

21 Manitoba Public Insurance is applying
22 to the Board for approval of its premiums charged with
23 respect to compulsory driver and vehicle insurance.
24 This General Rate Application will be conducted in
25 accordance with the provisions of the Crown

1 Corporations Governance and Accountability Act and the
2 Public Utilities Board Act.

3 We will employ throughout the process
4 the Board's rules of practice and procedure which can
5 be viewed on the Board's website. Any questions in
6 terms of locating the rules can be posed to the Board
7 office.

8 In its Application, MPI proposes an
9 overall 3 percent increase to compulsory vehicle
10 insurance premiums and a ten dollar (\$10) increase to
11 compulsory driver insurance premiums to take effect
12 April 1st, 2025.

13 MPI proposes no changes to
14 miscellaneous permits and certificates, Basic service
15 and transaction fees, or fleet rebates and surcharges.

16 MPI -- MPI is applying for one (1)
17 change to the Driver Safety Rating System, that being,
18 the addition of DSR level plus 19 for the 2025/'26
19 policy year. MPI is requesting no changes to DSR
20 discounts for policy year 2025/'26, and further
21 requests that the discount for DSR level plus 19 be
22 the same as the current discount for level plus 18.

23 As always, MPI bears the onus in this
24 proceeding of satisfying the Board that its
25 Application should be granted on the whole of the

1 evidence that it provides.

2 Our objectives for today's pre-hearing
3 conference are: to identify prospective Interveners;
4 to learn the reasons for their intervention; to hear
5 submissions on the issues to be included in the scope
6 of the General Rate Application, more particularly,
7 any variations from the preliminary issues list which
8 was approved by the Board on June 21st, 2024, in its
9 Interim Procedural Order number 74 of '24; to hear
10 requests from MPI or any proposed Interveners for
11 proof of pre-qualification of expert witnesses they
12 intend to call at the Public Hearings; to discuss the
13 process for commercially sensitive information and the
14 rate update to be filed by MPI in October; to discuss
15 and arrive at a timetable for the orderly exchange of
16 evidence and information through the GRA process.

17 The Board welcomes public
18 participation. Individual -- individuals or groups
19 may submit written comments to be made to the Board.
20 Individuals wishing to submit a brief or express
21 comments at the hearing should contact the Board
22 through its online comment tool.

23 The Board will consider what weight, if
24 any, should be attached to information received from
25 members of the public which is not sworn or subject to

1 cross-examination.

2 All parties and the representatives and
3 consultants should be aware that the Board intends to
4 live stream the public hearing proceedings through a
5 link accessible on the Board's website. As such, the
6 use of acronyms is to be discouraged. This would be
7 not only for the benefit of persons watching the live
8 stream in the proceedings, but also for the benefit of
9 Board members. It will assist in the Panel's and
10 public's understanding of issues and evidence of
11 acronyms are avoided.

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

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

22 Prospective Inter -- Interveners should
23 familiarize themselves with the Board Intervener Cost
24 Policy which is available on its website and which has
25 previously been circulated to Interveners of record.

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

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

12 I will now call on Board counsel for
13 introductions, followed by MPI's counsel, Mr. Guerra
14 or Mr. Scarfone, to introduce the representatives of
15 MPI who are present, after which I will call on the
16 prospective Interveners who are present to introduce
17 themselves. Once we have heard all introductions, I
18 will call on Board counsel to make opening comments.

19 Ms. McCandless...?

20 MS. KATHLEEN MCCANDLESS: Thank you.
21 Good morning. Good morning to members of the Panel.
22 Good morning to new Board members and to everyone in
23 the room. Kathleen McCandless, Board counsel.

24 To my right is my co-counsel Todd
25 Andres. To my left is my co-counsel Kara Moore.

1 Beside Ms. Moore is Roger Cathcart of Cathcart
2 Advisors, accounting advisor to the Board. And to the
3 left of Mr. Cathcart is Sunil Bridgelall, of Paradigm
4 Consulting. One (1) of the IT advisors to the Board.

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

7 MR. STEVE SCARFONE: Good morning,
8 Madam Chairperson and Board members, prospective
9 Interveners, counsel, and advisors, and Dr. Christle
10 and Ms. Schubert. I'm Steve Scarfone, counsel for
11 Manitoba Public Insurance.

12 And to my left is Mr. Guerra, vice
13 president, chief legal and risk officer. And to my
14 right is Eric Wishnowski, legal counsel for MPI. And
15 sitting behind me is Mr. Meira. He's the manager of
16 Regulatory Affairs. And with him is Chitranjan Singh,
17 one (1) of his analysts. And I believe also listening
18 online are two (2) other analysts that we'd like to
19 recognize, Lily da Silva and Jeanie Dalman.

20 THE PANEL CHAIRPERSON: Thank you.
21 Ms. Dilay...?

22 MS. KATRINE DILAY: Good morning,
23 Madam Chair, Board members, PUB counsel and advisors,
24 MPI, and other prospective Interveners. My name is
25 Katrine Dilay, lawyer with the Public Interest Law

1 Centre representing the Manitoba branch of the
2 Consumers' Association of Canada.

3 And to my right is Mr. Chris Klassen,
4 my co-counsel on this matter. Thank you.

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

7 MS. CHARLOTTE MEEK: Good morning to
8 the Board, Board counsel, MPI, and other Interveners.
9 My name is Charlotte Meek, of the firm DFS Kaneski
10 UnRuh. And I'm representing the Coalition of Manitoba
11 Motorcycle Groups, or CMMG.

12 THE PANEL CHAIRPERSON: Thank you.
13 Ms. Nelko...?

14 MS. SHARNA NELKO: Good morning, Madam
15 Chair, members of the Panel, Board members, Board
16 counsel, MPI, fellow Intervener -- counsel for
17 Interveners. My name's Sharna Nelko, of Myers LLP.
18 And I'm here representing the Taxi Coalition.

19 And I'll also be joined by my co-
20 counsel in this proceeding, Ms. Karen Wittman.

21 THE CHAIRPERSON: Thank you. And I
22 believe we have Mr. Feaver online. Mr. Feaver...?

23 MR. CHARLES FEAVER (by TEAMS): Yes.
24 Yes. Good morning. My name's Charles Feaver. I am
25 representing Bike Winnipeg sitting in for our counsel,

1 Christian Monnin, who was not available today.

2 THE CHAIRPERSON: Thank you. Ms.

3 McCandless...?

4

5 OPENING COMMENTS BY BOARD COUNSEL:

6 MS. KATHLEEN MCCANDLESS: Thank you,

7 Madam Chair. I will be brief. First, just wanted to

8 set out for everyone in the room today's agenda for

9 the pre-hearing conference, which is up on the screens

10 in front of you.

11 At this time, I would like to enter PUB

12 exhibits for the record. PUB Exhibit 1 is the notice

13 of public hearing and pre-hearing conference dated

14 July 6, 20 -- 2024.

15

16 --- EXHIBIT NO. PUB 1: The notice of public

17 hearing and pre-hearing

18 conference dated July 6,

19 2024

20

21 MS. KATHLEEN MCCANDLESS: PUB 2 is the

22 Board's Rules of Practice and Procedure.

23

24 --- EXHIBIT NO. PUB 2: Board's Rules of Practice

25 and Procedure

1 MS. KATHLEEN MCCANDLESS: PUB 3 is a
2 letter from the assistant associate Board secretary,
3 Jennifer Dubois, to MPI and all prospective
4 Interveners dated July 5th, 2024, with attachments.
5 That letter addressed issues such as Intervener
6 responsibilities, minimum filing requirements, the
7 pre-hearing workshop, today's pre-hearing conference,
8 and the format to be used for Information Requests.

9

10 --- EXHIBIT NO. PUB 3: A letter from the
11 assistant associate Board
12 secretary, Jennifer
13 Dubois, to MPI and all
14 perspective Interveners
15 dated July 5th, 2024, with
16 attachments

17

18 MS. KATHLEEN MCCANDLESS: PUB 4 is a
19 letter from Ms. Dubois to MPI and all perspective
20 Interveners also dated July 5th, 2024. And this
21 letter related to the pre-qualification process for
22 expert witnesses.

23

24 --- EXHIBIT NO. PUB 4: A letter from Ms. Dubois
25 to MPI and all perspective

1 Interveners also dated
2 July 5th, 2024

3
4 MS. KATHLEEN MCCANDLESS: PUB 5 is
5 Board Order 74/'24 dated June 21, 2024, and that set
6 out the preliminary issues list and the commercially
7 sensitive information process for this GRA.

8
9 --- EXHIBIT NO. PUB 5: Board Order 74/'24 dated
10 June 21, 2024

11
12 MS. KATHLEEN MCCANDLESS: Those are
13 all the exhibits to enter at this time. Prior to
14 hearing from prospective Interveners, I confirm that
15 each should provide the following information to the
16 Board in order that it can deliberate on and decide
17 intervention.

18 An indication of their constituency and
19 interests, an outline of the areas of MPI's
20 Application that they intend to test, their reasons
21 for requesting Intervener status, their plans to call
22 evidence at the hearing, and whether they intend to
23 seek an award of costs, bearing in mind that the
24 proposed budget is to be provided in accordance with
25 the Board's Intervener cost policy.

1 As always, the Board will apply the
2 criteria set out in the -- in the Intervener costs
3 policy with respect to the awarding of costs, and such
4 decisions are being at the sole discretion of the
5 Board.

6 Lastly, at the pre-hearing workshop on
7 Monday, July 8th, the preliminary issues list was
8 discussed and the Panel will be asked to issue as part
9 of the Order following this pre-hearing conference the
10 final issues list for this GRA.

11 Thank you. Those are my submissions.

12 THE CHAIRPERSON: Thank you, Ms.
13 McCandless. Mr. Scarfone...?

14

15 OPENING COMMENTS BY MPI:

16 MR. STEVE SCARFONE: Thank you, Madam
17 Chair. Just to begin, I'd like to enter two (2)
18 exhibits onto the record for Manitoba Public
19 Insurance.

20 MPI Exhibit number 1 will be the 2025
21 General Rate Application that was filed July 5, 2024.

22

23 --- EXHIBIT NO. MPI 1: The 2025 General Rate
24 Application that was filed
25 July 5, 2024

1 MR. STEVE SCARFONE: And MPI Exhibit
2 number 2 is Part 8 of expenses, Appendix 24.

3

4 --- EXHIBIT NO. MPI 2: Part 8 of expenses,
5 Appendix 24

6

7 MR. STEVE SCARFONE: What MPI proposes
8 to do this morning, Madam Chair, is go through the
9 issues list very briefly and speak to the CSI process
10 that we're proposing be followed at this hearing, the
11 Commercially Sensitive Information documents.

12 Followed by some comments with respect to the
13 Intervener applications, the timetable and then the
14 October rate update and the documents that will be
15 filed in support of that update.

16 As it concerns the -- the issues list,
17 Mr. Guerra indicated earlier this week that MPI was of
18 the view that the Issues List was satisfactory, but we
19 have a few comments to make note of; not the least of
20 which is Item 2 on the Issues List.

21 The July 5 filing, Madam Chairperson,
22 contains proformas and other documents in support of a
23 rate indication that MPIC has indicated is 6.15 based
24 on accepted actuarial practice.

25 As the Board knows, there will however

1 be a supplemental filing on July 18th, in support of
2 the relief sought in this GRA which is 3 percent.

3 The documents to be filed in support of
4 this request, 3 percent overall rate increase are set
5 out in the overview chapter of the General Rate
6 Application so the Board doesn't have those documents
7 before it yet. And while there exists the potential
8 for a revenue shortfall, keeping rates affordable for
9 Manitobans is central to the mission of MPIC.

10 At Item 4 the financial forecast, MPIC
11 will again revisit this in the GRA the issue of the
12 application of IFRS-14 to its operations. And that
13 you may recall, Madam Chair, is with respect to the
14 issue of the deferral of initiative expenses. So that
15 again will be revisited.

16 Issues 6 -- or Item 6 and 10 on the
17 Issues List is the Capital Management Plan and the
18 Vehicle For Hire Framework. There is no Capital
19 Management Plan, nor is there a Vehicle For Hire
20 Framework before the Board for approval this year.

21 With respect to Item 15 and
22 investments, you'll see there that at 15A it calls for
23 an update on the implementation of the inflation
24 hedging strategy. There will be no inflation hedging
25 strategy implemented under the most recent ALM.

1 And lastly, with Item 19 the -- the
2 NOVA Project, this program remains under its overall
3 budget with Release 3 Discovery now underway.

4 With respect to the pre-qualification
5 of experts, I can simply advise that MPIC does not
6 wish to pre-qualify any experts of its own. And based
7 on my review of the applications received from the
8 prospective Interveners, it doesn't appear as though
9 any of the Interveners intend to file evidence in the
10 form of an expert report, but we'll have those Counsel
11 confirm that.

12 The CSI process, Madam Chair, is much
13 the same as it was last year with one (1) small
14 change. The CSI documents, that is the Undertaking
15 and the NDA, the -- the documents that the -- the
16 prospective Interveners sign each year, they were made
17 available for the first time before the GRA was filed
18 pursuant to this Board's Order 74/'24.

19 And that Order attached the form of
20 Undertaking in NDA. This change approved by the PUB
21 will allow the earlier delivery of the CSI materials
22 for effective use in Round 1 Information Requests. So
23 we're hoping that serves as an improvement over the --
24 to the process from last year.

25 Last year you may recall there was the

1 introduction of a CSI tracker that MPI used that we
2 believe was well received by all accounts and will be
3 used again.

4 The tracker identifies the -- the
5 document that's the subject of a confidentiality
6 claim. Whether MPIC will seek to redact portions of
7 that document, it also provides a summary of the
8 extent of the proposed redactions and then most
9 importantly, it will provide a brief rationale for the
10 proposed confidential treatment of any one document.

11 MPI will update this tracker as new
12 information is filed confidentially, and these updates
13 could include, of course, removing documents and
14 moving them over to the public record if -- if the
15 Corporation is of the view that they don't meet the
16 test for confidentiality.

17 Lastly, I wanted to say that MPI is
18 continuing to work with its vendors and service
19 providers to ensure they fully understand the
20 confidential process that's employed by the Public
21 Utilities Board to ensure that they appreciate that at
22 some stage they may be called upon to justify claims
23 of confidentiality that MPI is making on their behalf,
24 and that they understand that there's a test to meet.

25 And this is all, of course, to

1 hopefully avoid a contested motion and delay the
2 hearing as -- as occurred last year with the Deloitte
3 opinion. And ultimately, that -- that document was
4 moved on to the public record, as you may recall.

5 There is an FTP site for the exchange
6 of confidential information requests and responses,
7 and MPIC will again this year file an e-book that will
8 include the motion materials, but also hyperlinks in
9 the table of contents for the Interveners for easy
10 access to the confidential materials. This we hope
11 will allow for an earlier filing of the
12 confidentiality motion.

13

14 (BRIEF PAUSE)

15

16 MR. STEVE SCARFONE: Concerning the
17 prospective Interveners, I don't know if the Board
18 would prefer that they have MPI's comments now with
19 respect to the applications, or if they would -- if --
20 if they would prefer that the Interveners make their
21 opening comments and then MPI can respond to those
22 applications.

23 THE PANEL CHAIRPERSON: We can do it
24 that way. That would be fine.

25 MR. STEVE SCARFONE: Okay. Thank you.

1 So I'll skip over that, Madam Chair, and just make a
2 few comments with respect to the timetable, and Ms.
3 Schubert can pull that up. Thank you.

4 A couple of things that are noteworthy
5 with respect to the timetable, Madam Chair. If you
6 look at item 8, you'll see there that that's the date
7 by which the Round 1 Confidential Information Requests
8 are to be filed.

9 And MPIC, in speaking with Board
10 counsel, have agreed in proposing here that we also
11 extend the time for filing Information Requests with
12 respect to the supplemental filing. So that
13 supplemental filing again will be made on July 18th,
14 and Information Requests that may arise from that
15 supplemental filing could be filed on that date, July
16 31st, 2024.

17 So the -- the First Round Information
18 Requests would effectively be extended for the
19 Interveners, but only to the extent they touch upon
20 the issues raised in the documents filed in support of
21 the 3 percent rate indication that the Corporation is
22 asking this Board to approve.

23 And secondly, you'll see way at the
24 bottom of the timetable, Madam Chair, the Corporation
25 has suggested that this Board consider providing MPIC

1 with two (2) Orders, one of which would be issued
2 before the Christmas holidays, one of which would be
3 issued in the new year.

4 And so on December 6th, 2024, MPIC has
5 proposed that this Board release an Order for rates
6 only, you know, tantamount to delivering, you know, a
7 decision off the Bench, if you will, with reasons to
8 follow. And you would consider, based on this
9 proposal, issuing a more comprehensive Order with
10 reasons and directives on January 13th, 2025.

11 And the reason for that, Madam Chair,
12 is we recognize the late filing of the Application
13 this year, but it doesn't relieve MPIC from having to
14 meet its obligations with respect to adjusting the
15 rates and getting the invoices out the door before
16 April 1st, 2025.

17 So it would be of great benefit to the
18 Corporation if the Board could provide its order with
19 respect to the rates only, and then with the other
20 major issues like NOVA and (INDISCERNIBLE NOISE).

21 THE PANEL CHAIRPERSON: Sorry to
22 interrupt you, Mr. Scarfone.

23 MR. STEVE SCARFONE: Sure.

24 THE PANEL CHAIRPERSON: There's
25 somebody online right now with an open mic. Could you

1 please mute your mic. Thank you.

2 MR. STEVE SCARFONE: Thank you, Madam
3 Chair, for that.

4 And so that is essentially what the
5 Corporation has proposed here, and we've -- it's not
6 an unprecedented thing. In 2020, this Board may
7 recall that the PUB issued a summary Order at the
8 request of MPIC in November of 2020 in connection with
9 its rebate Application, and then later issued a more
10 fulsome Order with respect to its GRA Application that
11 year.

12 And then lastly, Madam Chair, with --
13 with respect to the October rate update, I'm just
14 going to read off some of the documents into the
15 record that MPIC expects to file in support of its
16 rate update.

17 There will be a Rate -- Ratemaking
18 Overview Figure, RMO-1; Rate Indication Figures RI-09,
19 RI-10, and RI-11; Dislocation Report Figures DR-1, DR-
20 4, DR-5, and DR-6; Pro Forma Figures PF-1, PF-2, PF-3,
21 and the comparatives PF-4, PF-5, PF-6, and PF-7.

22 There will be narratives of the
23 material impacts of the updated pro formas in support
24 of the 3 percent rate indication. There will be
25 updated responses to Information Requests PUB-1-5,

1 PUB-1-7, and PUB-22 -- 2-25.

2 The Corporation will also file its
3 Extension pro formas with the October update, EPF-1
4 and EPF-3. And lastly, the investment figures that
5 will be filed and updated in October, INB-2, INB-6,
6 INB-8, INB-9, INB-11, INB-14, INB-15, INB-19, and INB-
7 24.

8 And lastly, there will be some
9 consideration given to filing EPF-1 and EPF-2 because
10 there are capital transfers that are forecast to
11 support the 3 percent rate indication that the
12 Corporation is asking approval of.

13 And with that, I'll leave it with the
14 Interveners for their opening comments, and -- and I
15 may have a few comments in response to their
16 applications.

17 THE PANEL CHAIRPERSON: Thank you, Mr.
18 Scarfone. Mr. Gabor...?

19 BOARD CHAIR GABOR: Yeah. Mr.
20 Scarfone, just one (1) quick question. You said the
21 pro formas would be filed in October.

22 Do you have any idea on what date in
23 October they'll be filed?

24 MR. STEVE SCARFONE: Yeah. 15th on
25 the schedule, Mr. Gabor, October 15th.

1 PANEL CHAIRPERSON: Thank you. Ms.
2 Dilay, if you could give us your opening comments and
3 your submissions on your application for intervention.

4

5 OPENING COMMENTS BY CAC (MANITOBA):

6 MS. KATRINE DILAY: Thank you, Madam
7 Chair. Before going into our opening comments, we'll
8 enter CAC (Manitoba)'s first exhibit, which is our
9 Application to Intervene, which I believe will be
10 marked as Exhibit CAC-1.

11

12 --- EXHIBIT NO. CAC-1: CAC (Manitoba)'s
13 Application to Intervene

14

15 MS. KATRINE DILAY: And so CAC
16 (Manitoba) filed yesterday its Application to
17 Intervene in this year's Manitoba Public Insurance
18 General Rate Application. We won't review the entire
19 Application in detail, but will provide this morning a
20 summary of our -- of our clients' application, and
21 also responding to the -- the questions and issues
22 posed by Board counsel.

23 The '25/'26 Manitoba Public Insurance
24 General Rate Application process will be an important
25 exercise in accountability for a Corporation that is

1 navigating significant challenges and changes.

2 These include the recent government-
3 ordered organizational review, many high-level
4 leadership changes, the largest information technology
5 project of its history, and in this Application an
6 apparent departure from seeking a rate request based
7 on accepted actuarial practice in Canada.

8 Manitobans are looking to MPI, the PUB,
9 and Interveners to use the 2025 GRA to restore
10 confidence in the Corporation and ensure that Basic
11 insurance rates are just and reasonable and in the
12 public interest.

13 In terms of CAC (Manitoba)'s
14 constituency and interests, CAC (Manitoba) is a
15 volunteer, non-profit, independent organization
16 working to inform and empower consumers and to
17 represent the consumer interest in Manitoba.

18 Formed in 1947, the organization is
19 governed by a volunteer Board of Directors. It's a
20 branch of the National Consumers' Association of
21 Canada but is financially separate and separately
22 incorporated.

23 CAC (Manitoba) applies to intervene in
24 the '25/'26 MPI GRA to represent the interests of the
25 private passenger vehicle customer class and to ensure

1 that customers' voices are heard.

2 CAC (Manitoba) views its primary role
3 as a prospective Intervener to be that of assisting
4 the PUB in setting just and reasonable rates. And CAC
5 (Manitoba) looks forward to making valuable
6 contributions in the GRA process.

7 The specific areas of MPI's Application
8 that CAC (Manitoba) intends to canvass in this
9 proceeding are extensive. CAC (Manitoba) intends to
10 examine the proposed rate indication and the rates
11 sought by MPI, including the accuracy of MPI's claims
12 and expense forecasts and the reliability of the
13 underlying methodologies.

14 CAC (Manitoba) will also examine
15 whether the rates proposed by MPI are just and
16 reasonable, including the rationale for seeking a rate
17 that is different than the accepted actuarial practice
18 in Canada rate indication.

19 CAC (Manitoba) will examine the
20 proposed increase to compulsory driver premiums. Our
21 clients will look to the organizational review
22 undertaken by Ernst & Young, including MPI's plans to
23 respond to the findings and implement recommendations
24 from the review.

25 CAC (Manitoba) will examine MPI's

1 budgeting process framework and what measurements it
2 is using to assess performance. Our clients will look
3 to the Corporation's projected operating expenses,
4 including the growth in FTEs and the reasonableness of
5 budgeted FTEs.

6 CAC (Manitoba) will examine Project
7 Nova, including its projected scope, costs, and
8 benefits; the outcome of the 2024 May IT Summit; the
9 merits of the Corporation's plans for implementation;
10 as well as the prudence of the Project's management
11 and MPI's relationships with third-party consultants.

12 Our clients will also look at MPI's
13 information technology strategy, including planned
14 expenditures and the necessity of projects, especially
15 while in the midst of Project Nova.

16 Our clients will examine the
17 performance of MPI's investment portfolio and its
18 prudent management, including updates to the recent
19 asset liability management and inflation hedging
20 strategies, if any, as well as efforts to improve
21 performance.

22 This year in particular, CAC (Manitoba)
23 will canvass expenditures and plans related --
24 relating to road safety, including whether
25 expenditures are just, reasonable, and based on

1 evidence of need and best practice.

2 Our clients will also test the proposed
3 amendments to future -- to and future plans for
4 improving the Driver Safety Rating scale to correct
5 the actuarial soundness of DSR discounts and
6 surcharges.

7 Additional issues that CAC (Manitoba)
8 intends to examine include ratemaking; actuarial
9 assumptions; alternative rate indications; the
10 transition to IFRS-17; benchmarking; the impact of the
11 2023 strike on operations and costs; investment
12 performance and forecasts; progress on a long-term
13 strategy for the funding of the -- of driver and
14 administration -- pardon me -- driver and vehicle
15 administration; the Vehicles For Hire framework, if
16 any; changes to the Fleet Program to better reflect
17 cost/causation; and ongoing developments in MPI's
18 enterprise risk management.

19 And finally, we did not mention this
20 issue explicitly in CAC (Manitoba)'s application to
21 intervene filed yesterday, but our client also expects
22 to examine MPI's integrated cost allocation
23 methodology.

24 We note that due to the short time
25 period between the filing of the application and the

1 preparation of our clients' application to intervene,
2 this list is necessarily preliminary in nature.

3 Now, moving on to their reasons for
4 requesting Intervener status. MPI ratepayers will be
5 directly affected by the Board's decision in this
6 matter both as a result of the overall rates and
7 changes to base driver premiums that will be approved
8 for the 2025/'26 year, as well as other issues which
9 will have longer term impacts on automobile insurance
10 rates in Manitoba.

11 CAC (Manitoba) has a long history of
12 advocating for members of the private passenger
13 vehicle class and believes strongly that its
14 participation as an Intervener is in consumers'
15 interests and adds value to the regulatory process.

16 CAC (Manitoba) does intend to seek an
17 award of costs related to its legal fees, its expert
18 fees, and its disbursements following the completion
19 of the Hearing.

20 We have filed a cost estimate with our
21 clients' application to intervene. CAC (Manitoba)'s
22 team of expert analysts currently includes Mr. Peter
23 Dyck, who is former MPI controller and regulatory
24 accountant, Mr. Valter Viola, investment consultant
25 and managing director and principal at Cortex

1 Consulting, Mr. Scott Greenlay, an experienced IT
2 project management consultant whose experience
3 includes eight (8) years as MNP LLP's national
4 director of Technology Committee -- Consulting, pardon
5 me, Mr. Paula Elliott and Mr. Rajesh Sahasrabuddhe,
6 actuarial consultants with the firm Oliver Wyman, Ms.
7 Mavis Johnson, a consultant with over fifty (50) years
8 of road safety experience worldwide, and finally, Mr.
9 Darren Rainkie, a consultant with thirty-two (32)
10 years of hands-on and multifaceted expertise in public
11 utility leadership, rate regulation, and financial
12 management.

13 The expert team who is supporting CAC
14 (Manitoba) is engaged in active discussions on how to
15 efficiently coordinate their respective roles while
16 minimizing costs and duplication.

17 This will be partly achieved through an
18 arrangement with CMMG by which the services of Mr.
19 Valter Viola will be shared, significantly reducing
20 duplication of the time that two (2) consultants would
21 otherwise be familiarizing themselves with the same
22 issue.

23 We've used this approach in the last
24 few years, and it has worked quite well for -- for
25 parties and for our resulting costs application.

1 Efficiencies will also be achieved by
2 Mr. Peter Dyck acting as both a generalist who can
3 efficiently assist in flagging key issues for
4 specialists, as well as taking the lead on specific
5 issues, such as regulatory accounting and operating
6 costs.

7 And in particular, Mr. Dyck and Mr.
8 Rainkie's efforts will be complimentary and not
9 duplicative as Mr. Rainkie will focus narrowly on
10 budgeting, best practices for regulated entities, and
11 the application and assessment of MPI's budgeting
12 processes.

13 At this time, CAC (Manitoba) does not
14 anticipate calling witnesses or filing evidence;
15 however, we would reserve the right to seek permission
16 to do so after our review of responses to First Round
17 Information Requests.

18 Should CAC (Manitoba) identify a need
19 to file expert evidence following its review of First
20 Round Information Request responses, it's likely to be
21 in relation to one (1) or more of the following
22 issues: Ratemaking in accordance with accepted
23 actuarial practice; the management of MPI's investment
24 portfolio; budgeting best practices for regulated
25 entities including an assessment of MPI's budgeting

1 process framework and what performance measures it is
2 using to assess performance; or, finally, risks and
3 opportunities for Manitoba ratepayers with respect to
4 Project NOVA and MPI's information technology
5 strategy.

6 CAC (Manitoba) is also contemplating
7 conducting public engagement through focus groups on
8 key issues in this GRA. If this is -- this approach
9 is proceeded with, the results of this engagement
10 would inform CAC (Manitoba)'s ultimate recommendations
11 to this Board and would be provided to the Board for
12 information purposes.

13 And should the results of this
14 engagement provide value to CAC (Manitoba)'s
15 intervention should that -- such that their costs
16 would meet the requirements of the Intervener costs
17 policy, then CAC (Manitoba) may seek recovery of these
18 costs through the final cost application process.

19 And a final note relating to the budget
20 that we have filed relating to legal fees. We note
21 that the Public Interest Law Centre has historically
22 estimated legal fees assuming a single senior lawyer
23 would be working on the file; however, this is no
24 longer reflective of the Public Interest Law Centre's
25 practice, as many in the room will have noticed.

1 CAC (Manitoba) now relies on a team of
2 two (2) less senior lawyers for its representation in
3 the MPI GRAs.

4 While the legal fees we have estimated
5 this year are higher than what would have been
6 estimated for a single senior lawyer, our estimate is
7 based on actual time spent by Mr. Klassen and myself
8 in last year's General Rate Application with limited
9 assistance from an articling student for the Hearing
10 itself. As a result, we believe that this is the most
11 realistic estimate that we have available.

12 In terms of the comment -- any comments
13 on the issues list, at this time, we have no further
14 comments on the preliminary issues list. On behalf of
15 CAC (Manitoba), we did provide comments in writing on
16 the preliminary issues list which were considered by
17 the Board and incorporated where appropriate and so we
18 have no further comments.

19 As mentioned at this time, we are not
20 seeking to pre-qualify expert witnesses, but on behalf
21 of our clients we reserve the right to seek permission
22 to do so after reviewing Round 1 Information Requests.

23 Regarding Commercially Sensitive
24 Information and the process there. We can advise that
25 CAC (Manitoba) has already filed its -- its signed and

1 completed Undertakings and Agreements of
2 Confidentiality with MPI. We have certainly
3 appreciated MPI's work to improve the confidential
4 process over the last few years, in particular, the
5 Confidential Information Tracker, which we have found
6 extremely helpful.

7 And just lastly in terms of the
8 timetable, we have provided brief comments in the past
9 regarding the timetable -- the timetable, which in our
10 view, is condensed this year mostly due to a later
11 filing of the application. And so for -- for future
12 years we may have comments in terms of the -- in terms
13 of the -- the overall time line, however, we -- we did
14 not see much flexibility in this year's timetable,
15 given the condensed nature of it. And so we have no
16 further comments on that point. Thank you.

17 Subject to any questions, those will be
18 our opening comments on CAC (Manitoba)'s application
19 to Intervene.

20 THE PANEL CHAIRPERSON: Thank you, Ms.
21 Dilay. Ms. Meek...?

22

23 OPENING COMMENTS BY CMMG:

24 MS. CHARLOTTE MEEK: Thank you, Madam
25 Chair. So again my name is Charlotte Meek. I'm

1 representing the Coalition of Motorcycle Groups.

2 I'll start off by giving a brief
3 background of the Coalition of Manitoba Motorcycle
4 Groups or CMMG. I'll then canvass our intended
5 intervention, including areas that CMMG intends to
6 address and the reasons for our intervention and then
7 I'll outline some information about our expert
8 consultants.

9 CMMG is a volunteer run non-profit
10 organization which is active in the motorcycle
11 advocacy community. CMMG has approximately three
12 hundred (300) members and is governed by a board of
13 directors with eight (8) positions.

14 CMMG has four (4) main stated
15 objectives: to promote the safety of motorcyclists in
16 Manitoba; to promote legislative reform and consult
17 with government officials and representatives; to
18 disseminate information to aid in the continued safe
19 enjoyment of motorcycle transportation; and to
20 participate in the Public Utilities Board Hearings to
21 ensure just and reasonable rates for motorcyclists in
22 the province.

23 The Coalition of Manitoba Motorcycle
24 Groups arranges group rides, promotes motorcycle
25 ridership and advocates for the interests of

1 motorcyclists in Manitoba.

2 CMMG is also active in providing
3 feedback and collaborating with government
4 representatives regarding motorcycle matters.

5 CMMG has participated in the General
6 Rate Application for over thirty (30) years and the
7 advocacy of CMMG during these hearings is an integral
8 part of the work done by the volunteers of our
9 organization.

10 As well as representing their members
11 during these hearings, CMMG also attempts to represent
12 the interests of the over nineteen thousand (19,000)
13 motorcyclists in the province.

14 From my client's perspective, CMMG
15 brings with it a unique perspective that can provide
16 insight to the Board as to issues affecting
17 motorcyclists, which is integral for the Board's
18 deliberation on issues within the General Rate
19 Application.

20 At this year's application, the
21 Coalition of Manitoba Motorcycle Groups intends to
22 retain the assistance of two (2) consultants, being
23 Jason Wong of Dion Strategic Consulting providing
24 actuarial consulting and Valter Viola of Cortex
25 Consulting.

1 As mentioned by our friends at CAC, as
2 has been done in the past, the Coalition of Manitoba
3 Motorcycle Groups is collaborating with other
4 Interveners regarding issues of common interest.

5 With that in mind and to promote cost
6 savings measures, CMMG is sharing the assistance of
7 both these consultants with other prospective
8 Interveners. Mr. Viola will also be providing
9 assistance to CAC (Manitoba) and Mr. Wong will also be
10 providing assistance to our friends at the Taxi
11 Coalition.

12 CMMG expects that this sharing of
13 expert consultants will provide efficiencies in the
14 discovery process and cost savings.

15 The issues expected to be canvassed by
16 the Coalition of Manitoba Motorcycle Groups in this
17 year's application are outlined in more detail in our
18 written submissions, but the most important issues are
19 as follows:

20 CMMG intends to examine the ratemaking
21 proposal and the requested vehicle rate and changes to
22 fees and discounts, including claims forecasting
23 methodologies with a specific view for the impacts on
24 the motorcycle class.

25 CMMG intends to examine the issue of

1 the Capital Management Plan.

2 CMMG will review MPI's Investment
3 Portfolio and the Asset Liability Management Study.

4 An issue of interest for CMMG has
5 always been the Driver Safety Rating system and MPI's
6 progress towards a shift in the Basic insurance model.

7 CMMG will likely briefly touch on
8 Project NOVA, specifically how the project's impacts
9 on scheduling of other initiatives.

10 Operational Benchmarking will be an
11 issue of importance and then the Road Safety
12 Initiatives is, of course, a -- a main factor for CMMG
13 and the ongoing safety plan of the Corporation.

14 At this time, the Coalition of Manitoba
15 Motorcycle Groups does not intend to call any evidence
16 at this Hearing at this stage, but would like to
17 reserve the right to do so at a later time, if
18 necessary.

19 CMMG does intend to seek an award of
20 costs and we have provided a cost budget with our
21 application. And we have no further comments on the
22 Preliminary Issues list.

23 At this time I'd also just like to file
24 exhibits on behalf of CMMG as follows:

25 The CMMG Intervener Application for the

1 2025 MPI General Rate Application is CMMG-1.

2

3 --- EXHIBIT NO. CMMG-1: CMMG Intervener
4 Application for the 2025
5 MPI General Rate
6 Application

7

8 MS. CHARLOTTE MEEK: The curriculum
9 vitae of two (2) experts of CMMG, Valter Viola and
10 Jason Wong at CMMG-2.

11

12 --- EXHIBIT NO. CMMG-2: Curriculum vitae of two
13 (2) experts of CMMG,
14 Valter Viola and Jason
15 Wong

16

17 MS. CHARLOTTE MEEK: And the CMMG
18 Intervener cost estimate as CMMG-3.

19

20 --- EXHIBIT NO. CMMG-3: CMMG Intervener cost
21 estimate.

22

23 MS. CHARLOTTE MEEK: And unless there
24 are any other questions, that would conclude our --
25 our comments.

1 THE PANEL CHAIRPERSON: Thank you, Ms.
2 Meek. Ms. Nelko...?

3

4 OPENING COMMENTS BY TAXI COALITION:

5 MS. SHARNA NELKO: Thank you, Madam
6 Chair.

7 To start off I'd like to begin by
8 filing an exhibit on behalf of the Taxi Coalition. So
9 if I could please mark the Taxi Coalition's Intervener
10 Application as Taxi Coalition Exhibit 1, and that
11 includes the application form itself, the attached
12 schedule A, as well as the two (2) curriculum vitae
13 attached to it.

14

15 --- EXHIBIT NO. TC-1: Taxi Coalition's
16 Intervener Application,
17 attached schedule A, and
18 two (2) curriculum vitae
19 attached

20

21 MS. SHARNA NELKO: In my remarks this
22 morning, I'm going to be addressing four (4) areas
23 related to the Taxi Coalition's proposed intervention.

24 The first being, the description of the
25 Taxi Coalition and its reasons for intervening.

1 Second, an overview of the key issues
2 to be tested by the Taxi Coalition as part of its
3 intended intervention.

4 Third, the Taxi Coalition's anticipated
5 evidence; and then, finally, the Taxi Coalition's
6 comments on costs.

7 With respect to the first topic, the
8 Taxi Coalition is a coalition of two (2) independently
9 operated taxi companies in the province: Duffy's Taxi
10 and Unicity Taxi. Together they represent 80 percent
11 of the Taxi Cab Vehicles For Hire in the province and
12 22 percent of the accessible Vehicles for Hire in
13 Manitoba.

14 And they're collaborating for the
15 purposes of intervention in these proceedings on
16 issues of common concern.

17 As in the past, and if granted
18 Intervener status, the Taxi Coalition intends to
19 consult with smaller taxi dispatch companies
20 throughout the province to ensure that there's broad
21 representation of Taxi Vehicle For Hire interest.

22 With respect to the Taxi Coalition's
23 reasons for intervening, taxis pay among the highest
24 premiums of any insurance use and represent some of
25 the most acute risk and as a result the Taxi Coalition

1 has a substantial interest in insurance rates.

2 Furthermore, in recent years the
3 Vehicle For Hire industry has changed substantially
4 with the introduction of transportation network
5 companies. And in light of this change, the Taxi
6 Coalition is interested in ensuring that the premiums
7 charged are fair, accurate and cost based so as to
8 promote a -- a level playing field within the
9 industry. And this, in turn, serves not only Manitoba
10 taxis but the public at large.

11 Finally, while the Taxi Coalition
12 intends to intervene on issues that impact taxis
13 directly, as has been the case in previous years, its
14 participation is expected to have broader reach beyond
15 Manitoba taxis and extend to a substantial number of
16 ratepayers.

17 So, for example, all Vehicle For Hire
18 stakeholders and, in some cases, ratepayers as a whole
19 as it relates to more overarching issues.

20 With respect to the issues we tend --
21 intend to address, those are outlined in our
22 application, but at a high level, the Taxi Coalition
23 is cognizant of the fact that Vehicle For Hire does
24 not form a large component of this year's GRA and, in
25 fact, MPI has not put forward a Vehicle For Hire

1 framework for approval this year.

2 In light of that and provided that the
3 Taxi Coalition is granted Intervener status, it
4 intends to take a very focused approach and limit its
5 intervention to the extent possible.

6 So that said, the first issue the Taxi
7 Coalition intends to address is Vehicle for Hire and
8 blanket policies.

9 So again, although no policy or models
10 have been put forward in this year's GRA, in light of
11 the eventual intended decommissioning of the Time Band
12 Model, the Taxi Coalition intends to explore and
13 examine the feasibility of figure models for Vehicle
14 for Hire stakeholders, including a blanket policy for
15 all stakeholders or, alternatively, a blanket policy
16 for taxi Vehicle for Hire.

17 And it intends to do this with
18 reference to models or policies adopted in other
19 jurisdictions.

20 Second, the Taxi Coalition intends to
21 assess the status of the Telematics Pilot Project,
22 including any initial feedback or results received
23 since the installation of the equipment a couple of
24 months ago.

25 Third, and appreciating that

1 modifications are currently under examination and
2 development will be presented in the -- in next year's
3 GRA, the Taxi Coalition intends to examine and test
4 MPI's findings and analysis as it relates to fleet
5 cost/causation and its proposed solution.

6 Fourth, the Taxi Coalition intends to
7 assess and test MPI's credibility analysis, which
8 analysis was prepared in response to the Taxi
9 Coalition's line of questioning during last year's GRA
10 regarding the judgmentally selected minimum
11 credibility standard.

12 And finally, the Taxi Coalition intends
13 to assess and examine MPI's generalized linear models
14 analyses and its GLM Implementation Plan.

15 In terms of evidence, the Taxi
16 Coalition has not yet determined if it will be
17 required to call evidence, but it's not expected to be
18 calling evidence. We do, however, reserve the right
19 to -- to do so once Round 1 Information Requests have
20 been provided.

21 As a result of that, we don't propose
22 to have any witnesses qualified at this time. We do,
23 however, have expert consultants that we intend to
24 utilize to support the Taxi Coalition's intended
25 intervention, and they have been outlined in our

1 application. They include Sylvain Dion, an actuary
2 fellow, and Jason Wong, an actuarial consultant, both
3 of Dion Strategic. We intend mainly to use Mr. Wong.

4 We note that CMMG, as My Friend
5 outlined, is also proposing to utilize Mr. Wong's
6 services. This is beneficial in two (2) respects:
7 First, we can coordinate to ensure that there's no
8 duplication in the discovery process, hearing process
9 or any expert evidence. And second, it also helps
10 minimize costs.

11 Finally, I'd like to address the issue
12 of costs. So while we've not yet put forward our
13 proposed budget, the Taxi Coalition does intend to
14 seek an award of costs in relation to its proposed
15 intervention provided Intervener status is granted.
16 And in the event that that status is granted, our
17 preliminary budget will be submitted for approval.

18 As in past years, we intend to
19 collaborate with other Interveners wherever possible
20 in order to help reduce costs or split them between
21 the parties. And in this regard, while ensuring that
22 issues are adequately covered, we expect that we'll be
23 able to minimize any overlap or duplication.

24 And then as the Board will notice, Ms.
25 Wittman is not here with me today, and this is another

1 cost-saving measure that the Taxi Coalition intends to
2 implement if granted Intervener status. Ms. Wittman
3 and I will be splitting our time so that both of us
4 are not present at the hearing provided we participate
5 in the oral hearings.

6 The Taxi Coalition does not have
7 additional comments to provide on the issues list or
8 the timetable, so I thank you for the opportunity to
9 provide these submissions this morning.

10 PANEL CHAIRPERSON: Thank you, Ms.
11 Nelko.

12 Mr. Feaver, would you please make
13 opening comments on behalf of Bike Winnipeg?

14

15 OPENING COMMENTS BY BIKE WINNIPEG:

16 MR. CHARLES FEAVER (by TEAMS): Yes.
17 Thank you, Madam Chair.

18 Bike Winnipeg is a non-profit
19 organization dedicated to improving bicycling
20 conditions in the city and encouraging more
21 Winnipeggers to cycle more often for their everyday
22 trips.

23 Survey after survey shows that the
24 biggest barrier to more people cycling more often in
25 Winnipeg is that most Winnipeggers don't feel safe

1 cycling amongst automobiles in the City.

2 Bike Winnipeg strives to deal with that
3 issue in two (2) ways: (1) encouraging municipal and
4 provincial roadway authorities to build infrastructure
5 that separates cyclists from automobiles, and (2)
6 providing -- promoting measures that will improve the
7 safety for cyclists who share the roadway with
8 automobiles.

9 In the long run, we hope for a future
10 where most people can most trips by bicycle on
11 separate infrastructure. However, meanwhile, people
12 by -- travelling by bicycle will need to ride on roads
13 to get to most destinations for many more years.

14 One very important way to address on-
15 road safety is to ensure that automobile drivers know
16 how to drive safely when they encounter bicycles on
17 the road.

18 MPI is the lead provincial government
19 authority responsible for training automobile drivers,
20 and the majority of the costs of MPI's programs for
21 educating drivers is part of the rate base for MPI,
22 and therefore, part of the consideration for your
23 hearing.

24 We are, therefore, applying to
25 intervene and will be applying for costs. We are not

1 planning to file expert evidence or -- either --
2 either written or bring in -- bring in experts.

3 We will be addressing the optimum size
4 of MPI's road safety and/or loss prevention budget;
5 the adequacy of MPI's road safety and/or loss
6 prevention programs; the quality of MPI's road --
7 well, collision data collection analysis and
8 accessibility; and will -- will address other
9 questions which came up in the Road Safety Technical
10 Conference.

11 We will limit our intervention to road
12 safety, and I think that's -- I think -- sorry. Not -
13 - not being counsel here, I'm not -- not as -- as
14 smooth as others. I -- I hope that's -- that's all
15 you need for this stage in the hearing.

16 PANEL CHAIRPERSON: Thank you, Mr.
17 Feaver. And would you like to mark your Application
18 for Intervention -- Intervener status as an exhibit?

19 MR. CHARLES FEAVER (by TEAMS): Yes,
20 thank you.

21

22 --- EXHIBIT NO. BW-1: Bike Winnipeg's
23 Application for Intervener
24 Status

25

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

3

4 REPLY BY MPI:

5 MR. STEVE SCARFONE: Thank you, Madam
6 Chair, and -- and thank you for that, Mr. Feaver.

7 I can advise your -- I can advise the
8 Panel that I did have a brief email exchange with
9 counsel for Bike Winnipeg after having reviewed its
10 application, and he did, in fact, confirm what Mr.
11 Feaver just said, that their -- their intervention
12 will be limited to road safety because he had
13 indicated that they would participate fully in the
14 General Rate Application. So I just wanted that
15 clarification from Bike Winnipeg's lawyer, and I got
16 that, so -- and Mr. Feaver reiterated that just now.

17 Thank you for those submissions from
18 each of the lawyers for the prospective Interveners.

19 I can say at the outset that MPIC does
20 not outright oppose any of these applications, but we
21 would like to share some comments about perhaps some
22 room for efficiencies this year with the prospective
23 Interveners.

24 So, for example, the PUB in our view
25 could give some consideration to approving the

1 Intervener status of the Taxi Coalition on a somewhat
2 limited basis, much like it did for IBAM a couple of
3 years ago, where IBAM was asked to organize its
4 attendance at the public hearings accordingly.

5 So this is always, you know, a little
6 bit awkward because we're asking that we see less of
7 Ms. Nelko and Ms. Wittman but, you know, indeed, once
8 the Taxi Coalition has had an opportunity to fully
9 consider this year's Rate Application and ask
10 questions through the Information Request process,
11 they might be inclined to agree that all of their
12 interests perhaps could be met through MPIC's Rate-
13 Making Panel.

14 And the reason I say that is -- is when
15 you look at the interests that the Taxi Coalition has
16 identified in their application, there's five (5):
17 the Vehicle for Hire and blanket policies, the
18 Telematics Pilot Project, the fleet cost/causation,
19 credibility analysis, and Generalized Linear Model.

20 As I indicated in our opening comments,
21 the Vehicle for Hire and blanket policies, Madam
22 Chair, are currently being held in abeyance. There's
23 no framework before the Board this year for approval.
24 The -- the time bands, you may recall, that were in
25 use will remain in use. And so for this reason, MPIC

1 does not anticipate having a Vehicle for Hire panel
2 this year.

3 And Mr. Guerra made a good point just
4 now. Given the comments of the CMMG and -- and Ms.
5 Meek, perhaps a technical conference on Vehicle for
6 Hire is -- is better suited for that particular issue
7 given the status of that item on the issues list.

8 And the second part of that would be
9 the Telematics Project. We know that from the
10 application there were two hundred and eight-five
11 (285) devices installed in taxis for a one (1) year
12 project, but that -- that one (1) year pilot project
13 is still under -- underway, so there will be no data
14 or an analysis of that data expected until the 2026
15 General Rate Application.

16 And so, why I said that they might have
17 all their interests met through the rate-making panel
18 is because the remaining three (3) interests are all
19 linked to rate making: the -- the fleet, the
20 credibility, and the GLM. All three (3) of those can
21 be fully canvassed through the rate-making panel.

22 We also note that -- that the taxis
23 aren't -- are DSR customers; they're not fleet
24 customers, and they constitute about six hundred (600)
25 vehicles for the purposes of GLM alternate filing that

1 was made in the application for the million private
2 passenger vehicles. So, a very, very small percentage
3 of their vehicles would be affected by GLM.

4 So, those are some efficiencies that
5 we've identified. And we appreciate the comments of
6 the CAC and the efforts of the CMMG in sharing the
7 services of Valter Viola. We think that's
8 appropriate.

9 Other efficiencies, we note that both
10 the CAC and the CMMG have identified as a key issue
11 the reasoning behind MPI seeking 3 percent from this
12 Board despite an AAP of 6.15 percent.

13 MPIC has said in its overview that we
14 did so to keep rates affordable, but will, of course,
15 cooperate in responding more fully to this question
16 from perhaps just one (1) of the Interveners for the
17 benefit of everyone.

18 With respect to costs, while MPI
19 appreciates that this Panel is not being asked to
20 determine the appropriateness of costs at this stage
21 of the proceeding, we did note from the CAC
22 application that there's reference made to a Consumers
23 Advisory Panel and focus groups.

24 Indeed, at page 13 of the CAC
25 application, on their budget estimate, it reads:

1 "The estimated disbursements
2 associated with legal fees are
3 intended to facilitate three (3) to
4 four (4) focus groups with Manitoba
5 consumers canvassing issues relevant
6 to the GRA process."

7 And so, if there are cost implications
8 with respect to this Advisory Panel or the focus
9 groups, MPIC would be interested to learn more about
10 the focus groups, their members, the research results,
11 and -- and how the focus groups might impact the scope
12 of the CAC intervention, wondering perhaps if the CAC
13 is -- is shifting away from their own private
14 passenger Basic ratepayer focus.

15 We do note, however, that the projected
16 budget for the CAC this year is 3 percent lower than
17 its actual bill of costs. And -- and costs for these
18 proceedings are always a consideration for MPIC given
19 its mandate of being fiscally prudent.

20 Mr. Meira will tell you, and -- and has
21 told me, that last year's General Rate Application,
22 the costs were just under half a million dollars, so
23 four hundred and ninety-three thousand dollars
24 (\$493,000).

25 And the year prior, they were very

1 close to that again at four hundred and ninety-two
2 thousand (492,000). And so, you might think, well,
3 that's pretty good, you're holding steady, but don't
4 forget last year we -- we had just three (3)
5 Interveners, the year before we had five (5), and the
6 costs were about the same, at about five hundred
7 thousand dollars (\$500,000). So, we just bring that
8 to the Board's attention at this stage.

9 So, while MPI does not oppose any of
10 the Intervener applications, that must not be taken to
11 mean that we accept their preliminary, or even final,
12 budgets when advanced to this Board.

13 And those are all my comments with
14 respect to the Intervener applications.

15 THE PANEL CHAIRPERSON: Thank you, Ms.
16 Scarfone. And I'll go back to the Interveners to
17 address the issues that you have raised.

18 Ms. Dilay...?

19 MS. KATRINE DILAY: Thank you, Madam
20 Chair. The only point -- thank you very much, Mr.
21 Scarfone, for -- for the points raised.

22 The only point I'll respond to is just
23 in terms of the -- the disbursements included under
24 legal fees. Those would specifically relate to focus
25 groups that CAC (Manitoba) may wish to undertake.

1 They have not made a final decision whether or not
2 they will.

3 The Advisory Panel, no disbursements
4 would be sought for -- for that panel, which is a
5 group of interdisciplinary stakeholders who provide
6 informal advice to CAC (Manitoba)'s board.

7 And in terms of the focus groups, we --
8 we will certainly advise and collaborate with MPI in
9 terms of the best forum for -- for which to present
10 the results and the methodology of those focus groups
11 if they do proceed. Thank you.

12 THE PANEL CHAIRPERSON: Thank you, Ms.
13 Dilay. Ms. Meek...?

14 MS. CHARLOTTE MEEK: Thank you, Madam
15 Chair. And thank you, Mr. Scarfone, for those
16 comments. The only comment I'll -- I'll respond to is
17 -- is the issue of CAC and CMMG having similar
18 interests as it relates to the rates sought by MPI.

19 And I would just comment that, as in
20 the past, we will always collaborate with other
21 Interveners in order to ensure efficiencies and where
22 we can have one (1) Intervener ask questions on both
23 our behalf, for example, we'll make efforts to do
24 that, as well. Thank you.

25 THE PANEL CHAIRPERSON: Thank you.

1 Ms. Nelko...?

2 MS. SHARNA NELKO: Thank you, Madam
3 Chair. And -- and thank you, Mr. Scarfone, for your
4 comments. As mentioned in our submissions, we're very
5 cognisant about costs, so -- so we're very alive to
6 that issue.

7 We largely wouldn't take any issue with
8 limiting our participation to the Rate-making Panel
9 with the caveat that we just learned with the filing
10 of the -- the GRA that no Vehicle For Hire blanket
11 policy was going to be put forward this year, so we're
12 still figuring out exactly how we're going to approach
13 that.

14 So, while we'd be open to discussing
15 options with MPI, at this point, we still would like
16 to examine what we've set out in our application at a
17 minimum through the Information Request process. And
18 it may be that we don't canvass that during the oral
19 hearing, but we're not in a position to advise on that
20 point at this juncture.

21 THE PANEL CHAIRPERSON: Thank you, Ms.
22 Nelko. Mr. Feaver...?

23 MR. CHARLES FEAVER (by TEAMS): Yes.
24 Thank you, Madam Chair. As I understand Mr.
25 Scarfone's comments, he's -- he's accepted our

1 Intervener application, so I have no further comment.

2 Thank you.

3 THE PANEL CHAIRPERSON: Thank you.

4 Mr. Scarfone, could you please advise of any further
5 comments you may have on the preliminary issues list
6 or procedural matters?

7 MR. STEVE SCARFONE: Nothing further,
8 Madam Chair.

9 THE PANEL CHAIRPERSON: Thank you.
10 Anything further, Ms. Dilay?

11 MS. KATRINE DILAY: Nothing further,
12 Madam Chair. Thank you.

13 THE PANEL CHAIRPERSON: Ms. Meek...?

14 MS. CHARLOTTE MEEK: Nothing further.
15 Thank you.

16 THE PANEL CHAIRPERSON: Ms. Nelko...?

17 MS. SHARNA NELKO: Nothing further.

18 Thank you.

19 THE PANEL CHAIRPERSON: Mr. Feaver...?

20 MR. CHARLES FEAVER (by TEAMS):

21 Nothing further. Thank you.

22 THE PANEL CHAIRPERSON: Thank you. I
23 believe we've also dealt with the next issue, which is
24 the pre-qualification of expert witnesses, in that
25 none of the Interveners has indicated that they are

1 going to be requesting pre-qualification at this point
2 in time.

3 So, we'll move to the -- the CSI item
4 on the agenda. And again, we've heard to some extent
5 about this.

6 Have you got anything further to add,
7 Mr. Scarfone?

8 MR. STEVE SCARFONE: Nothing other
9 than we're interested to hear from the prospective
10 Interveners if there's anything further that MPIC can
11 do to improve that process, but you have our comments
12 with respect to that small change that was made this
13 year and the motion that is anticipated.

14 THE PANEL CHAIRPERSON: Thank you.
15 Ms. Dilay...?

16 MS. KATRINE DILAY: Katrine Dilay
17 here, on behalf of CAC (Manitoba) for purposes of the
18 record.

19 No -- no further comments really, just
20 to -- to again extend our gratitude for the -- the
21 improvements that have been made over the last few
22 years, including the one (1) this year.

23 So, we look forward to -- to seeing how
24 it -- it rolls out this year. Thank you.

25 THE PANEL CHAIRPERSON: Thank you.

1 Ms. Meek...?

2 MS. CHARLOTTE MEEK: No comments on
3 CSI. Thank you.

4 THE PANEL CHAIRPERSON: Thank you.

5 Ms. Nelko...?

6 MS. SHARNA NELKO: No comments. Thank
7 you.

8 THE PANEL CHAIRPERSON: Mr. Feaver...?

9 MR. CHARLES FEAVER (by TEAMS): No
10 comments. Thank you.

11 THE PANEL CHAIRPERSON: Also, the next
12 agenda item. Mr. Scarfone, you've outlined the items
13 that you intend to file in support of the October
14 indicated rate update.

15 I'm assuming your comments on that
16 matter are complete.

17 MR. STEVE SCARFONE: They are, Madam
18 Chair, thank you, and with respect to the timetable as
19 well.

20 THE PANEL CHAIRPERSON: Okay. Thank
21 you. And do any of the Interveners have anything
22 further to add on that? Ms. Dilay...?

23 MS. KATRINE DILAY: No further
24 comments. Thank you.

25 THE PANEL CHAIRPERSON: Ms. Meek...?

1 MS. CHARLOTTE MEEK: No. Thank you.

2 THE PANEL CHAIRPERSON: Ms. Nelko...?

3 MS. SHARNA NELKO: Nothing further.

4 Thank you.

5 THE PANEL CHAIRPERSON: Thank you.

6 Mr. Feaver...?

7 MR. CHARLES FEAVER (by TEAMS): No
8 further comment. Thank you.

9 THE PANEL CHAIRPERSON: Thank you very
10 much. Thank you. I believe that that completes the
11 pre-hearing conference this morning.

12 Thanks to everyone for your
13 participation. And we'll adjourn the Hearing now.
14 Thank you.

15

16 --- Upon adjourning at 10:04 a.m.

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18 Certified Correct,

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21 _____

22 Wendy Woodworth, Ms.

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