

**Order No. 76/21**

**MANITOBA PUBLIC INSURANCE CORPORATION (MPI OR THE CORPORATION):  
PROCEDURAL ORDER FOR THE 2022/23 GENERAL RATE APPLICATION**

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**July 15, 2021**

**BEFORE: Irene A. Hamilton, Q.C., Panel Chair  
Robert Gabor, Q.C., Chair  
Michael Watson, Member**

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## **SUMMARY**

By this Order, the Public Utilities Board of Manitoba (Board) accepts Interveners to the Board's public hearing of the General Rate Application (GRA or Application) of Manitoba Public Insurance Corporation (MPI or Corporation), for the review and approval of base rates and premiums for universal compulsory driver and vehicle insurance to take effect April 1, 2022.

The Board also provides Interveners with direction, establishes the Final Issues List and the Timetable for this proceeding, and provides MPI and Interveners with direction with respect to certain procedural matters.

### **1.0 INTRODUCTION**

MPI filed the Application on June 28, 2021. In the Application, MPI seeks approval of an overall 2.8% rate decrease on a provisional basis, based on the Naïve interest rate forecast as at March 31, 2021. On October 1, 2021, MPI will file a final rate indication (Final Rate Indication), which may vary from the 2.8% provisional rate reduction.

MPI is also seeking removal of the 5% capital release provision approved by the Board in Orders 146/20 and 1/21, leave for the continued use of the Capital Management Plan (CMP) approved by the Board in Order 176/19, and changes to vehicle discounts available through the Driver Safety Rating (DSR) system (primarily, an increase to the discounts available to drivers at DSR levels +10 to +15).

MPI indicated that it intends to file a Special Rebate Application (SRA) prior to the hearing of the GRA, requesting a rebate amount that reduces the Minimum Capital Test (MCT) ratio of the Rate Stabilization Reserve (RSR) from its current value to 100%, using actual and projected savings generated between March 31, 2021 and September 30, 2021.

The Board held a Pre-Hearing Conference (PHC) at its offices in Winnipeg on Friday, July 9, 2021, for the purposes of:

1. Considering applications from prospective interveners (Intervenors) and matters related thereto;
2. Considering procedural matters and the issues to be decided by the Board in the GRA, and more particularly, any variations to the Preliminary Issues List approved in Board Order 56/21;
3. Hearing requests from prospective Intervenors for pre-qualification of expert witnesses;
4. Considering the process for the treatment of Commercially Sensitive Information (CSI);
5. Considering the documentation to be filed by MPI on October 1, 2021, in support of the Final Rate Indication; and
6. Establishing a timetable for the hearing.

This Order arises from the PHC.

The parties seeking Intervener status were asked to:

1. Indicate their constituency and interests;
2. Outline the areas of the GRA that they intend to test;
3. Provide their reasons for requesting Intervener status;
4. Specify their plans to call evidence/witnesses; and

5. Indicate their interest with respect to seeking an award of costs, and, if interest was expressed, to provide a draft budget.

The following parties applied for Intervener status within the GRA proceeding:

1. Consumers' Association of Canada (Manitoba) Inc. (CAC), represented at the PHC by counsel, Ms. Katrine Dilay;
2. Coalition of Manitoba Motorcycle Groups Inc. (CMMG), represented at the PHC by counsel, Ms. Charlotte Meek; and
3. Duffy's Taxi Ltd. and Unicity Taxi Ltd. (Taxi Coalition), represented at the PHC by counsel, Mr. Antoine Hacault.
4. Mr. Eduard Hiebert, who made the Board aware of his intention to apply for Intervener status on the day of the PHC. In accordance with the Board's direction given to him at the PHC, Mr. Hiebert filed his written application on July 12, 2021. On July 13, 2021, MPI filed a written response to his application. On July 14, 2021, Mr. Hiebert filed a written reply to MPI's response.

MPI was represented at the PHC by counsel, Mr. Mike Triggs, Mr. Steve Scarfone and Mr. Anthony Lafontaine Guerra.

Prior to the filing of the GRA, on May 17, 2021, the Board issued Interim Procedural Order 56/21. The purpose of Order 56/21 was to establish a Preliminary Issues List for the GRA. By correspondence from Board counsel to MPI and prospective Interveners on April 27, 2021, the Board invited MPI and prospective Interveners to provide their comments on the scope of the issues, following which Order 56/21 issued. In addition, the Minimum Filing Requirements (MFRs) for the 2022 GRA were provided to MPI following the issuance of Order 56/21. The Board held in Order 56/21 that a Final Issues List would be approved by the Board in this Procedural Order.

The Preliminary Issues List approved by the Board in Order 56/21 was as follows:

*The following issues are considered within the scope of the 2022 GRA in the normal course:*

- 1. Requested vehicle rate and any changes to other fees and discounts;*
- 2. Ratemaking:*
  - a. Rate indication based on accepted actuarial practice in Canada;*
  - b. Ratemaking methodology;*
- 3. Compliance with Board Orders 146/20 and 1/21, and any outstanding directives from past orders;*
- 4. Financial forecast:*
  - a. Financial forecast accuracy (2020/21 forecast versus actual results);*
  - b. Changes in projected financial results;*
- 5. Annual Business Plan;*
- 6. Changes, if any, to integrated cost allocation methodology;*
- 7. Capital management plan;*
- 8. Performance of the investment portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on a market value basis (e.g. asset mix);*
- 9. Cost of operations and cost containment measures;*

a. *Forecast collision repair costs;*

10. *Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years;*

a. *Project Nova re-baseline, budget, and financing options, including debt financing;*

11. *Claims forecasting, including but not limited to PIPP and changes or enhancements to claims forecasting design;*

12. *Vehicles for Hire (VFH) class, including rates;*

13. *Driver Safety Rating (DSR), including but not limited to MPI's progress towards changes to the DSR system;*

14. *Operational benchmarking;*

15. *Run-off of prior year claims during 2020/21;*

16. *Risk Assessment and Risk Management; and*

17. *Other issues that may arise (depending upon the nature and scope of the issue) based on a review of the application.*

*The following issues require more detailed consideration at the 2022 GRA:*

18. *Operational and financial impact of COVID-19 on MPI financial results, ratemaking approach and CMP for the 2022/23 and 2023/24 rating years and beyond;*

*The following issues are deferred from the 2022 GRA to future applications, or*



*will be the subject of a technical conference or another process:*

*20. Road Safety (other than costs and budget of Road Safety programs);*

*21. Interest Rate Forecasting;*

*22. Long tail experience from other jurisdictions, in particular, Québec and Saskatchewan; and*

*23. Integrated Cost Allocation Methodology (other than changes referred to in item 6 above).*

Prior to the PHC, on June 28, 2021, the Board issued a letter with respect to both the GRA and processes implemented by the Board, including MFRs to be followed by MPI, and the scheduling of an Application Overview Workshop (Workshop). At the Workshop, any variations from the Preliminary Issues List to the Final Issues List proposed by the parties were to be discussed and identified.

## **2.0 APPLICATIONS FOR INTERVENER STATUS**

### **2.1 CAC**

CAC is a volunteer, non-profit independent organization, working to inform and empower consumers and to represent the consumer interest in Manitoba. CAC advised that it aims to protect and reconcile the interests of all MPI customers with a particular emphasis on members of the private passenger class. CAC intends to present an evidence-based intervention guided by a principled consideration of the consumer interest.

The areas in which CAC advised it intends to test the evidence of MPI include, among others:

- Whether the proposed overall 2.8% rate decrease, the proposal to remove the 5% capital release provision, and the anticipated SRA are just and reasonable;
- The appropriateness of and compliance with the CMP, including MPI's transfers of Extension excess capital to Driver and Vehicle Administration;
- The short and long term implications of COVID-19 on MPI's circumstances, including rates, claims incurred forecasts and the CMP;
- Risks and opportunities for ratepayers regarding MPI's Project Nova IT initiative; and
- Whether MPI's DSR proposal is just and reasonable, and the equity, fairness, and actuarial soundness of the allocation of the overall 2.8% rate decrease to vehicle discount levels.

CAC advised that it intends to appear throughout the hearing, to participate in the testing of evidence and cross-examination, and to present final argument. At this time CAC does

not intend to call any witnesses, but it reserved the right to provide expert evidence following receipt of responses to first round Information Requests.

CAC advised that it will seek a costs award for its participation in the GRA.

## **2.2 CMMG**

CMMG is a volunteer, non-profit organization, which has been granted Intervener status before the Board since 1993. It advised that it intends to intervene in this GRA to advocate for just and reasonable rates for motorcyclists, to test the reliability of MPI's forecasts, the equity of the distribution of rates among ratepayers, and the fairness of proposed rebates. The specific areas it intends to examine are:

- The requested rate, rate indication and ratemaking methodology;
- The CMP, and more particularly, MPI's request to remove the 5% capital release provision and its impact on the Motorcycle class;
- Performance of MPI's investment portfolio;
- Claims forecasting;
- MPI's requested changes to the DSR; and
- The impact of COVID-19 on MPI's financial results and the merits of the anticipated SRA.

CMMG advised that it intends to appear throughout the hearing, to participate in the testing of evidence and cross-examination, but will not be calling any witnesses. CMMG indicated that it intends to seek a costs award.

## **2.3 Taxi Coalition**

Taxi Coalition is comprised of two independently operated dispatch companies providing service in Winnipeg and the surrounding area, representing approximately 80% of the 609 Taxicab Vehicles for Hire (Taxi VFH), and 22% of the Accessible VFH in Manitoba.

The Taxi Coalition advised that it seeks to intervene in the GRA in order to test the reasonableness of the requested increase in premiums for Manitoba taxis, and the increase in the Public Major Class rate generally. The Taxi Coalition also intends to examine taxi rate increases against those proposed for the Passenger Vehicle for Hire (VFH) use. Its focus in this GRA will be on the following issues:

- The rate indication based on Accepted Actuarial Practice (AAP), particularly, the proposed increases to the Taxi VFH rates in the context of the overall rate request of a 2.8% decrease;
- Ratemaking methodology with respect to serious losses for Passenger VFH claims experience and forecasts, credibility weighting methods and the impact on small insurance uses, and the minimum bias procedure and its impact on territorial relativities;
- MPI's compliance with Board directives on the VFH class;
- The effect of the proposed removal of the 5% capital release provision on the Taxi VFH use;
- MPI's benchmarking on taxi rates; and
- The impact of COVID-19 on the cost of insurance, in the context of MPI's anticipated SRA.

The Taxi Coalition advised that it intends to appear throughout the hearing, and to participate in the testing of evidence and cross-examination and to make submissions. It may also adduce evidence, and if so, will make that determination following the receipt of MPI's responses to Information Requests. The Taxi Coalition intends to seek an award of costs.

## **2.4 *Eduard Hiebert***

Mr. Hiebert applied for Intervener status on his own behalf, but advised that his proposed intervention would be in the interest of all Manitobans. He seeks Intervener status in order to highlight systemic matters with MPI that, if corrected, would benefit all Manitobans either directly or indirectly. He argues that without a full and appropriate examination of all relevant matters, the Board cannot make a fair decision.

Some of the issues highlighted by Mr. Hiebert in his application are:

- The anticipated SRA and MPI's customer satisfaction research conducted before the announcement of the SRA;
- The possibility of a fleet program for farmers owning multiple vehicles;
- The amount of indemnification available for vehicles that are written-off;
- MPI's protocols regarding public access to its facilities during the COVID-19 pandemic; and
- Challenges ratepayers may have understanding or navigating MPI procedures for vehicle damage or personal injury claims.

Mr. Hiebert advised that he intends to participate in the Information Request process and present argument at the public hearings, and possibly testify at the public hearings.

## **2.5 *MPI Position***

MPI did not object to the applications for intervention of CAC or CMMG, and took no position on the application of the Taxi Coalition. With respect to the Taxi Coalition, MPI argued that it represents its sole business interest and should not be entitled to costs.

More generally, MPI commented that its position on these applications for Intervener status should not be taken as an agreement on their applications for costs. On a preliminary basis, MPI observed that CAC's budgeted consultant costs are significantly

higher than budgeted in the 2020 and 2021 GRAs, and that four actuarial consultants are proposed among CAC, CCMG, and the Taxi Coalition. MPI commented that if following the conclusion of the GRA it is apparent that four actuarial consultants was not a reasonable or necessary use of resources, it will take issue with cost recovery for those consultants.

MPI opposed the application of Eduard Hiebert on the basis that it referred to issues set out by the Board in Order 56/21 only generally, and appeared to have a focus on customer service issues that are not relevant to the GRA. Mr. Hiebert, in reply, took the position that MPI had "cherry-picked" certain issues from his application and dispensed with them summarily, and made only vague arguments in opposition to his intervention.

### **3.0 PRELIMINARY ISSUES LIST**

MPI and the prospective Interveners provided comments on the Preliminary Issues List. The prospective Interveners and MPI were in general agreement with suggested changes to the list.

MPI proposed the following additions to the Preliminary Issues List, as issues that have emerged as a result of the GRA filing:

- Issue No. 7, Capital Management Plan: a sub-issue should be added to address MPI's transfers of excess capital from Extension to DVA
- Issue No. 18, Operational and Financial Impact of COVID-19: a sub-issue should be added to address MPI's proposed rebate application.

MPI took the position that its requested changes to the DSR related to vehicle premium discounts could be incorporated into the existing Issue No. 13, DSR, and therefore did not propose any additions to that issue.

The prospective Interveners did not propose any additional changes to the issues list.

### **4.0 PRE-QUALIFICATION OF EXPERT WITNESSES**

At the PHC, the Board employed its process for the pre-qualification of expert witnesses. The process was as follows:

1. The party intending to call an expert witness in the GRA hearings provided notice to the Board of the intention to have the witness qualified, and provided the *curriculum vitae* of the witness to the Board, along with the proposed area(s) of qualification.

2. At the PHC, the party seeking pre-qualification made submissions to the Board as to the qualifications of the witness and made the request for pre-qualification. The witness was not called to be examined on his or her qualifications.
3. The other parties were canvassed as to their positions on the request for pre-qualification.

#### **4.1 MPI**

MPI did not request pre-qualification of any expert witnesses.

#### **4.2 Interveners**

CAC and CMMG did not request pre-qualification of any expert witnesses.

The Taxi Coalition requested pre-qualification of four expert witnesses:

- Patrick Bowman, Principal Consultant, Bowman Economic Consulting Inc.;
- Jeff Crozier, Consultant, InterGroup Consultants Ltd.;
- Sylvain Dion, Dion Strategic Consultants and Actuaries; and
- Jason Wong, Dion Strategic Consultants and Actuaries.

Mr. Bowman provides consulting services on utility regulation through Bowman Economic Consulting Inc. Mr. Bowman holds a Master of Natural Resources Management from the University of Manitoba, which he obtained in 1998. From 1998 to 2020, he was employed with InterGroup Consultants Ltd., where he conducted research and analysis for regulatory and rate reviews of electric, gas and water utilities in a number of Canadian provinces, and internationally. Mr. Bowman has testified before utility regulatory tribunals in British Columbia, Alberta, Manitoba, Newfoundland and Labrador, Yukon and the



Northwest Territories on revenue requirements, regulatory governance, risk evaluation, cost of service, and rate design, and testified before the Board as an expert retained by the Taxi Coalition in the 2021 GRA. The Taxi Coalition asked that Mr. Bowman be pre-qualified as an expert in the application of regulatory principles and concepts appropriate for regulated Crown utilities, including financial forecasts, revenue requirements, cost allocation principles, and rate design.

Mr. Crozier holds a Master of Arts in Economics from McGill University, which he obtained in 2005. Mr. Crozier was employed as Director of Regulatory Affairs with MPI from 2016 to 2020, where he was accountable for and oversaw the development of the GRA. He joined InterGroup Consultants Ltd. in 2020. The Taxi Coalition asked that Mr. Crozier be pre-qualified in the area of regulated auto insurance generally.

Mr. Dion is the founder of Dion Strategic Consulting Group Inc. and has over 40 years of experience as a strategic advisor and consulting actuary. He obtained his Bachelor of Actuarial Science in 1976 from Laval University, and is a Fellow of the Canadian Institute of Actuaries, the Society of Actuaries, and a Member of the American Academy of Actuaries.

Mr. Wong is a Senior Actuarial Consultant and leads the Property & Casualty (P&C) Actuarial Practice at Dion Strategic Consulting Group. He has over 15 years of experience in the P&C industry and has practiced in traditional actuarial areas including pricing, reserving, and loss modelling. Mr. Wong holds a Bachelor of Mathematics, Honours Actuarial Science degree from the University of Waterloo, which he obtained in 2007.

The Taxi Coalition asked that Mr. Dion and Mr. Wong be pre-qualified as experts in the area of actuarial science focusing on ratemaking methodology, including serious losses for the Passenger VFH claims experience and forecasts, credibility weighting methods and the impact on small insurance uses, and the minimum bias procedure and its impact on territorial relativities.

MPI did not oppose the pre-qualification of Mr. Bowman, Mr. Crozier, Mr. Dion or Mr. Wong, but indicated that greater weight should be attributed to the evidence of actuarial experts who have experience in auto insurance.

## **5.0 PROCEDURAL MATTERS**

### **5.1 *Commercially Sensitive Information***

Pursuant to Rule 13(2) of the Board's Rules of Practice and Procedure, the Board may receive information in a proceeding on any terms it considers appropriate in the public interest.

MPI proposed that in this GRA the Board follow a process that would allow parties who execute the requisite documents to have access to presumptively confidential material, with the confidential status of all materials claimed as such to be determined by the Board later in the proceedings, in an omnibus motion. The process proposed by MPI was first used in the 2020 GRA, and is as follows:

1. Interveners (and their legal counsel, representatives, employees, advisors, consultants and assistants) and professional advisors to the Board (and their representatives, employees, consultants and assistants) seeking access to confidential material will be required to execute:
  - a. an undertaking;
  - b. a confidentiality agreement in favour of MPI; and
  - c. where applicable, a confidentiality agreement in favour of a third party vendor.
2. The undertakings and confidentiality agreements set out in items 1 will apply to material filed with the Board and initially claimed as confidential by MPI, and ultimately found to be confidential by the Board following the omnibus motion

referred to in item 4 below.

3. Where MPI intends to claim certain material as confidential (and therefore subject to the conditions as set out in item 1):
  - a. in the public version of the filing, MPI will indicate that a claim for confidentiality has been made over that material, and redact such information as is necessary;
  - b. MPI will file the material with the Board, with a cover letter identifying it as confidential and indicating MPI's intention to seek a determination of confidential status pursuant to Rule 13; and
  - c. at the same time, MPI will provide the material claimed as confidential in a non-redacted form to those interveners and professional advisors to the Board who have provided the undertakings and confidentiality agreements set out in item 1.
4. Once all material claimed as confidential for the 2022 GRA has been filed with the Board, MPI will file an omnibus motion pursuant to Rule 13 of the Board's Rules of Practice and Procedure, seeking confidential status of the material. The Board will then determine the process it intends to follow regarding the hearing of the motion, and will issue a decision on the confidential status of the material.
5. Any documents or information found not to be confidential by the Board will be placed on the public record, subject to MPI's right to withdraw the material pursuant to Rule 13(5).

CAC, CMMG, and the Taxi Coalition all indicated their agreement with the proposal.

## 5.2 *Final Rate Indication*

As set out above, in the Application, MPI has sought approval of an overall rate decrease of 2.8%, on a provisional basis. MPI will file the Final Rate Indication prior to the commencement of the public hearings.

In the Application, MPI proposed that it file the following materials in support of the Final Rate Indication:

1. Pro Formas PF-1, PF-2, PF-3;
2. Extension Pro Formas EPF-1, EPF-3;
3. Ratemaking Figures RM-1, RM-12, RM-13, RM-14; and
4. Investments Figure INV-13.

MPI proposed that these updates be based on the Naïve interest rate forecast, and that they include a narrative of the material impacts of the interest rate on its Pro Forma Financial Statements and its responses to Information Requests.

At the Pre-Hearing Conference MPI proposed to file, in addition to the above, the same documents and information required by the Board in the Procedural Order for the 2021 GRA, 88/20. Therefore, in addition to the above, MPI proposed that it file:

5. Pro-Formas PF-5 and PF-6; and
6. Ratemaking Figures RM-17, RM-18, RM-19; and
7. Amendments to any sections of the Application that are materially affected by the Final Rate Indication.

### **5.3 Timetable**

The Board heard submissions from the parties on the proposed timetable for the hearing.

MPI and the prospective Interveners were in general agreement with the hearing schedule. In the proposed timetable, the public hearings are to commence on October 12, 2021, and continue for a period of three weeks, to October 29, 2021.

At the PHC, MPI advised that it anticipates filing the SRA on or before July 19, 2021, and that part of the relief sought in the SRA will be to have the SRA and the GRA consolidated or heard together. MPI will request the consolidation or hearing together by way of a motion it intends to file on September 17, 2021.

## **6.0 BOARD COMMENTS AND DECISIONS**

### **6.1 Interveners**

After considering all of the submissions with respect to Intervener applications, the Board grants Intervener status to each of CAC, CMMG and the Taxi Coalition. The Board is satisfied that each of these parties represents a substantial number of ratepayers directly affected by this proceeding, and that their contributions will contribute to the Board's decision-making. The Board does not agree that the Taxi Coalition represents its sole business interest in these proceedings. As the Board found in Order 18/21, although the members of the Taxi Coalition comprise a relatively small proportion of the total number of ratepayers, this intervention is significant because it represents an entire rate class, upon which the travelling public relies for service.

The Board dismisses the application for Intervention filed by Eduard Hiebert. The Board has carefully considered his application and the information he has provided in reply to MPI, and finds that Mr. Hiebert has not established that he represents a substantial number of ratepayers that are not already represented in this proceeding. While Mr.

Hiebert's application raises certain issues concerning MPI, the issues he has advanced are not relevant to the Board's jurisdiction to determine whether the rate applied for by MPI for the 2022/23 insurance is just and reasonable. Mr. Hiebert may, however, request the opportunity to make a presentation at the public hearings.

Attached to this Order as **Schedule "A"** is the rate sheet by which Board counsel and counsel for the Interveners shall have their rates set, according to years of seniority at the Bar.

As always, the Board expects a high degree of co-operation among all Interveners and with Board counsel to avoid duplication and restrain regulatory costs.

In accordance with Board's Intervener Cost Policy (Policy) at Section 9.0, approved interveners must file detailed cost estimates, which follow the requirements of the Policy, with the Board no later than July 30, 2021. Board staff may provide comments on cost estimates but these are not binding. Board approval will only be granted when it determines the cost awards applications after the hearing. Interveners assume the risk that the Board may assess no costs, or a costs award lower than applied for.

Interveners should review the Policy and Part IV - Awarding Costs of the Board under the Board's Rules of Practice and Procedures that can be found on the Board web site.

The Board notes that consultants will be providing services to multiple interveners in this GRA. Accordingly, Interveners using the same consultants must try to avoid duplication in billing for their services, and must provide the Board with detailed billing information from each consultant.

## **6.2 Final Issues List**

The Board has taken into consideration the submissions made by MPI and the Interveners and finds that the changes recommended by MPI and agreed to by CAC, CMMG, and the Taxi Coalition are appropriate and necessary.

Accordingly, a sub-issue will be added to Issue No. 7, to address MPI's transfers from Extension to DVA.

The SRA will be added as a sub-issue to Issue No. 18. The Board expects that through the Information Requests the parties will be able to thoroughly canvass issues related to the proposed rebate, such that the SRA can be efficiently presented and heard concurrently with the GRA in October. However, given that the SRA has not yet been filed, there must be flexibility among the parties in filing First Round Information Requests on this issue.

### **6.3 *Pre-Qualification of Expert Witnesses***

The Board has reviewed and considered the qualifications of the proposed expert witnesses put forward by the Taxi Coalition. The Board accepts that Patrick Bowman, Jeff Crozier, Sylvain Dion and Jason Wong are qualified as experts on the terms as proposed by the Taxi Coalition.

### **6.4 *Commercially Sensitive Information***

The Board has taken into account the positions of the Interveners regarding the treatment of CSI, and approves the process as proposed by MPI. Should any disagreements arise between the parties in the implementation of the process, the parties should attempt to resolve them informally. If a resolution cannot be reached the matter may then be brought before the Board. The process for the treatment of CSI is attached hereto as **Schedule "B"**.

### **6.5 *Final Rate Indication***

The documents proposed by MPI in the Application, along with those additional documents MPI indicated at the Pre-Hearing Conference it is prepared to file are necessary and appropriate for a consideration of the Final Rate Indication. A list of the documents to be filed by MPI is attached hereto as **Schedule "C"**.

## 6.6 *Timetable*

The timetable approved by the Board is attached hereto as **Schedule "D"**.

The Board has set as hearing dates with respect to the GRA the following: October 12 - 15, 2021, October 18 - 22, 2021, and October 25 - 29, 2021 (a total of 14 hearing days). The Board expects that as this GRA proceeds and the hearing approaches, the witness schedule will be organized to try to complete the hearing as efficiently as possible. Therefore, it is the Board's expectation that some of these hearing dates may not be utilized, but all days are reserved to permit flexibility in scheduling.

Attached hereto as **Schedule "E"** are the procedures to be followed over the course of the GRA process, and attached hereto as **Schedule "F"** is the Information Request format to be utilized by all parties to the GRA. As provided for within the format, the party submitting an Information Request must reflect the rationale for the question. Similarly, and as also provided for within the format, should a full or partial answer be refused, the party refusing to answer or fully answer the question must reflect the rationale for the refusal.



**7.0 IT IS THEREFORE ORDERED THAT:**

1. Interveners to the hearing shall be:
  - (a) Consumers' Association of Canada (Manitoba) Inc. (CAC);
  - (b) Coalition of Manitoba Motorcycles Groups Inc. (CMMG); and
  - (c) Duffy's Taxi Ltd. and Unicity Taxi Ltd. (Taxi Coalition).
2. The application for Intervener status filed by Eduard Hiebert is dismissed.
3. The Final Issues List for the 2022 GRA shall be as follows:

The following issues are considered within the scope of the 2022 GRA in the normal course:

1. Requested vehicle rate and any changes to other fees and discounts;
2. Ratemaking:
  - a. Rate indication based on accepted actuarial practice in Canada;
  - b. Ratemaking methodology;
3. Compliance with Board Orders 146/20 and 1/21, and any outstanding directives from past orders;
4. Financial forecast:
  - a. Financial forecast accuracy (2020/21 forecast versus actual results);
  - b. Changes in projected financial results;

5. Annual Business Plan;
6. Changes, if any, to integrated cost allocation methodology;
7. Capital management plan;
  - a. Transfers of excess capital from Extension to Driver and Vehicle Administration;
8. Performance of the investment portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on a market value basis (e.g. asset mix);
9. Cost of operations and cost containment measures;
  - a. Forecast collision repair costs;
10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years;
  - a. Project Nova re-baseline, budget, and financing options, including debt financing;
11. Claims forecasting, including but not limited to PIPP and changes or enhancements to claims forecasting design;
12. Vehicles for Hire (VFH) class, including rates;
13. Driver Safety Rating (DSR), including but not limited to MPI's progress towards changes to the DSR system;
14. Operational benchmarking;

15. Run-off of prior year claims during 2020/21;
16. Risk Assessment and Risk Management; and
17. Other issues that may arise (depending upon the nature and scope of the issue) based on a review of the application.

The following issues require more detailed consideration at the 2022 GRA:

18. Operational and financial impact of COVID-19 on MPI financial results, ratemaking approach and CMP for the 2022/23 and 2023/24 rating years and beyond;
  - a. Special Rebate Application for actual and projected savings generated between March 31, 2021 and September 30, 2021;

The following issues are deferred from the 2022 GRA to future applications, or will be the subject of a technical conference or another process:

19. Road Safety (other than costs and budget of Road Safety programs);
  20. Interest Rate Forecasting;
  21. Long tail experience from other jurisdictions, in particular, Québec and Saskatchewan; and
  22. Integrated Cost Allocation Methodology (other than changes referred to in item 6 above).
4. **Schedule "B"**, as attached, shall be the process for the treatment of Commercially Sensitive Information by the participating parties.
  5. MPI shall file the documents as set out in **Schedule "C"**, as attached, on or before October 1, 2021, in respect of the Final Rate Indication.

6. The Timetable attached as **Schedule "D"** shall apply with respect to the hearing of the GRA.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with Section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at [www.pubmanitoba.ca](http://www.pubmanitoba.ca).

THE PUBLIC UTILITIES BOARD

"Irene Hamilton, Q.C."

Panel Chair

"Darren Christle, PhD, CCLP, P.Log., MCIT"

Secretary

Certified a true copy of Order 76/21  
issued by the Public Utilities Board



Secretary

**SCHEDULE "A"****PUBLIC UTILITIES BOARD OF MANITOBA****RATE STRUCTURE****(Effective as of February 24, 2021)****LEGAL COUNSEL:**

20 or more years of relevant experience	Up to \$306/hr
15-19 years	Up to \$260/hr
10-14 years	Up to \$204/hr
5-9 years	Up to \$153/hr
Base rate (new lawyer)	Up to \$107/hr

**ACCOUNTANTS:**

20 or more years of relevant experience	Up to \$260/hr
15-19 years	Up to \$219/hr
10-14 years	Up to \$184/hr
5-9 years	Up to \$148/hr
Base rate (new accountant)	Up to \$107/hr

**ENGINEERING SERVICES:**

20 or more years of relevant experience	Up to \$214/hr
15-19 years	Up to \$189/hr
10-14 years	Up to \$162/hr
5-9 years	Up to \$138/hr
Base rate (new engineer)	Up to \$107/hr

**SCHEDULE "B"****Process for Treatment of Commercially Sensitive Information**

1. Interveners (and their legal counsel, representatives, employees, advisors, consultants and assistants) and professional advisors to the Public Utilities Board of Manitoba (the Board) (and their representatives, employees, consultants and assistants) seeking access to confidential material shall execute:
  - a. an undertaking in the form attached hereto;
  - b. a confidentiality agreement in favour of The Manitoba Public Insurance Corporation (MPI) in the form attached hereto; and
  - c. where applicable, a confidentiality agreement in favour of the third party vendor.
2. The undertakings and confidentiality agreements set out in items 1 will apply to material filed with the Board and initially claimed as confidential by MPI, and ultimately found to be confidential by the Board following the omnibus motion referred to in item 4 below.
3. Where MPI intends to claim certain material as confidential (and therefore subject to the conditions as set out in item 1):
  - a. in the public version of the filing, MPI will indicate that a claim for confidentiality has been made over that material, and redact such information as is necessary;
  - b. MPI will file the material with the Board, with a cover letter identifying it as confidential and indicating MPI's intention to seek a determination of confidential status pursuant to Rule 13; and
  - c. at the same time, MPI will provide the material claimed as confidential in a non-redacted form to those interveners and professional advisors to the Board who have provided the undertakings and confidentiality agreements set out in item 1.
4. Once all material claimed as confidential for the 2021 GRA has been filed with the Board, MPI shall file an omnibus motion pursuant to Rule 13 of the Board's Rules of Practice and Procedure, seeking confidential status of the material. The Board will then determine the process it intends to follow regarding the hearing of the motion, and will issue a decision on the confidential status of the material.

5. Any documents or information found not to be confidential by the Board will be placed on the public record, subject to MPI's right to withdraw the material pursuant to Rule 13(5).
6. The above process is subject to the following:
  - a. The Board will not require the provision of an undertaking of confidentiality as a condition of granting intervener status in the GRA. However, any intervener wishing to access any confidential material will be required to provide executed undertakings and confidentiality agreements as set out below.
  - b. Should any third party vendor require a confidentiality agreement other than the one previously provided by MPI and attached hereto, MPI will be required to obtain Board approval of the form of confidentiality agreement to be signed.
  - c. Board staff shall not be required to give undertakings or execute confidentiality agreements as they are (a) subject to an oath of office which requires that they maintain the confidentiality of any information designated as such; and (b) are immune from personal liability for anything done by them in carrying out their duties, pursuant to section 23 of *The Public Utilities Board Act*.

**UNDERTAKING OF CONFIDENTIALITY****To: THE PUBLIC UTILITIES BOARD OF MANITOBA ("the PUB")**

WHEREAS on [REDACTED], in Procedural Order [REDACTED]/21 (the "Order"), the PUB approved a process for the treatment of confidential/commercially sensitive information (the "CSI Process") in the PUB's public hearing of the 2022/23 General Rate Application ("GRA") of The Manitoba Public Insurance Corporation ("MPI"), for the review and approval of base rates and premiums for universal compulsory driver and vehicle insurance to take effect on April 1, 2022 ("2022 GRA").

AND WHEREAS the PUB-approved CSI Process requires any intervenor to the 2022 GRA (and their respective legal counsel, representatives, employees, advisors, consultants, and assistants) wishing to access any document claimed by MPI to be confidential (until such time as the claim is withdrawn) or ordered by the PUB to be received from MPI, in confidence, pursuant to Rule 13 of the PUB's Rules of Practice and Procedure (the "Confidential Documents"), to execute and file with the PUB, a PUB-approved undertaking of confidentiality, as a condition of their access.

AND WHEREAS the PUB has approved the form and content of this undertaking (the "Undertaking"). AND WHEREAS the CSI Process does not require PUB staff members to give an Undertaking.

AND WHEREAS through its Order, the PUB approved the application for intervenor status of [REDACTED] (the "Intervenor") to the 2022 GRA.

AND WHEREAS, I am a (lawyer, representative, employee, advisor, consultant, assistant) for/of/to the Intervenor and may, in course of my duties, handle or review some or all of the Confidential Documents in order to permit the Intervenor to meaningfully participate in the 2022 GRA.

NOW WHEREFORE I DO HEREBY UNDERTAKE AND AGREE TO DO THE FOLLOWING:

1. to use Confidential Information exclusively for and within the scope of the PUB-approved intervention of the Intervenor in the 2022 GRA;
2. not to divulge Confidential Information to any person who is not a panel or staff member of the PUB, or to any other person who has not been authorized by the PUB to receive such information and who is required but has not executed and filed



an Undertaking with the PUB;

3. not to reproduce, in any manner, the Confidential Information except where expressly permitted by the PUB to do so;
4. to take prudent, reasonable steps to keep confidential and to protect the Confidential Information from unauthorized disclosure;
5. to return to the PUB, at its request or direction, all Confidential Information, including notes and memoranda based on such information, or to destroy such documents and materials and to file with the PUB, a certificate of destruction at the end of the 2022 GRA which, for the purposes of this paragraph, is deemed to end on the date on which the period for filing a motion to review and vary or a motion for leave to appeal the PUB's final order in respect of the 2022 GRA expires or, if a motion to review and vary or motion for leave to appeal is filed, upon issuance of a final decision by the PUB or the Court of competent jurisdiction from which no further review or appeal can or has been taken or within a reasonable time after the end of my participation in the 2022 GRA;
6. With respect to Confidential Information in electronic media:
  - a. to expunge all documents and materials containing Confidential Information, including notes, charts, memoranda, transcripts and submissions based on such Confidential Information, from all electronic apparatus and data storage media under my direction or control and file with the PUB Secretary a certificate of destruction in the form prescribed by the PUB pertaining to the expunged documents and materials, at the end of the 2022 GRA which, for the purposes of this paragraph, is deemed to end on the date on which the period for filing a motion to review and vary or a motion for leave to appeal the PUB's final order in respect of the 2022 GRA expires or, if a motion to review and vary or motion for leave to appeal is filed, upon issuance of a final decision by the PUB or the Court of competent jurisdiction from which no further review or appeal can or has been taken or within a reasonable time after the end of my participation in the 2022 GRA;
  - b. continue to abide by the terms of this Undertaking in relation to any such documents and materials to the extent that they subsist in any electronic apparatus and data storage media under my direction or control and cannot

reasonably be expunged in a manner that ensures that they cannot be retrieved;

7. to observe any terms and conditions imposed by MPI or, where imposed, by the PUB, as they relate to the access, use and protection of the Confidential Information; and
8. to promptly report any violation of this Undertaking to the PUB.

I FURTHER UNDERSTAND AND AGREE THAT:

9. In this Undertaking "Confidential Information" means:
  - a. any information contained in the Confidential Document (including the Confidential Document itself);
  - b. any information that has been filed with the PUB by MPI that it claims is confidential; and
  - c. all evidence, transcripts, notes, working papers, calculations, analysis or other materials based on or using the Confidential Document or any information contained therein, that I receive, review or prepare (related materials) during the course of the 2022 GRA or any appeal, review or rehearing of the PUB's decision in the proceeding for the purpose of participating in the 2022 GRA or any appeal, review or rehearing from the PUB's decision in the proceeding;
10. the execution of this Undertaking is a condition of my being granted access to the Confidential Information;
11. this Undertaking must be filed with the PUB and a copy provided to MPI, prior to my receipt or review of any Confidential Information;
12. in the event that I breach this Undertaking, there may be consequences which could include, without limitation, the following:
  - a. a denial or reduction of costs to, or a cost award against the Intervenor or me personally; and
  - b. an immediate and absolute revocation of the right of the Intervenor and/or

my right to receive and/or retain all or some of the Confidential Information,  
and

13. the obligations created herein shall not preclude my:

- a. using or disclosing the Confidential Information at a time when confidential Information is generally available to the public, other than as a direct or indirect result of any disclosure by me which is prohibited hereunder; and
- b. disclosing the Confidential Information to the extent such disclosure is required by law, Court order or competent authority of any governmental body or professional discipline body, provided that, other than in respect of a mandated disclosure to the signatory's governing law society or legal professional liability insurer, the PUB and MPI are provided with notice promptly upon my becoming aware that such notice is required.

I, \_\_\_\_\_ (recipient), give this Undertaking freely and voluntarily, knowing that it creates obligations which I am legally required to fulfill.

Signed and witnessed in the (city/town) of \_\_\_\_\_ in the (province/state) of \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Signature of Witness

Signature of Person Giving Undertaking

\_\_\_\_\_

Printed Name of Witness

Address \_\_\_\_\_

Phone Number \_\_\_\_\_

Email Address \_\_\_\_\_

**CERTIFICATE**

I, \_\_\_\_\_ (recipient) of the (city/town) of \_\_\_\_\_,  
in the (province/state) of \_\_\_\_\_, certify that:

- 1) I had in my possession and under my direction and control records, reports, document information, or portions thereof, that were granted confidential treatment in the course of the 2021 General Rate Application (“Confidential Information”) by the Board pursuant Rule 13 of the Board’s Rules of Practice and Procedure, and had in my possession and under my direction and control evidence, transcripts, notes, working papers, calculations, analysis or other materials based on or using the Confidential Information that I received, reviewed or prepared (“related materials”).
- 2) I executed an undertaking in accordance with Procedural Order 88/20 to have access to the Confidential Information and related materials (the “Undertaking”).
- 3) I have made no use of the Confidential Information or related materials except as permitted pursuant to the Undertaking.
- 4) I have not disclosed the Confidential Information or related materials in any manner except as permitted by the Undertaking.
- 5) I have expunged all electronic copies of the Confidential Information and related materials from all electronic apparatus and data storage media in my possession or under my direction and control.
- 6) I have delivered to MPI or have destroyed all paper copies of the Confidential Information and related materials in my possession or under my direction and control.

WITNESSED BY ME THIS \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 20 \_\_\_\_.

CERTIFIED BY ME THIS \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Recipient

\_\_\_\_\_  
Printed Name of Witness

THIS CONFIDENTIALITY AGREEMENT made this [redacted] day [redacted], 20 [redacted]

BETWEEN:

THE MANITOBA PUBLIC INSURANCE CORPORATION,  
(called "MPI")

of the first part,

- and -

[redacted],  
(called the "Confidant")

of the second part.

**WHEREAS** on [redacted], 2021, in Order [redacted]/21 (the "**Order**"), the Public Utilities Board of Manitoba (the "**Board**") ordered, within the course of considering MPI's 2022 General Rate Application ("**2022 GRA**"), that certain documents be received in confidence, on a provisional basis, subject to the final determination of their confidential status pursuant to Rule 13 of the Board's Rules of Practice and Procedure (the "**Confidential Documents**").

**AND WHEREAS** information contained in the Confidential Documents pertaining to MPI is the property of MPI, its contractual counterparties and domestic customers and is or may be confidential or commercially sensitive.

**AND WHEREAS** the Order directs MPI to provide a non-redacted copy of the Confidential Documents to the Confidant, following their execution of a prescribed undertaking and any other document it deems necessary (the "**Agreement**").

**NOW THEREFORE IN CONSIDERATION OF** receiving access to the Confidential Documents, the sum of one (\$1.00) dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## ARTICLE 1 DEFINITIONS

In this Agreement:

**"Authorized Person"** means any person permitted by the Order to receive the Confidential Information, who is in compliance with the conditions on the receipt and use

of the Confidential Information, as set out in this Order.

**"Confidential Information"** means any information contained in the Confidential Documents (and includes the Confidential Documents themselves) and any information that has been filed by MPI with the Board in confidence pursuant to the Order.

**"Permitted Uses"** has the meaning set forth in Article 2 below.

**"Person"** shall be broadly interpreted to include, without limitation, any corporation, partnership, other entity, or individual.

**"Proceeding"** means the proceeding before the Board in respect of the 2022 GRA.

**"Reverse Engineer"** means to discover, synthesize or otherwise recreate the Confidential Information following a detailed examination.

**"Unauthorized Person"** means any Person other than MPI, the Confidant or an Authorized Person.

## ARTICLE 2 PERMITTED USES

The Confidant may use Confidential Information for the following purposes (called **"Permitted Uses"**):

- (a) to give instructions to, carry out critical analysis, form conclusions and/or advise an Authorized Person; an
- (b) to prepare a report suitable for filing on the public record of the Proceeding and testify on the public record of the Proceeding. Without the consent of the Board obtained in advance, the Confidant shall not include in the report or testimony any Confidential Information or any information that would enable an Unauthorized Person to Reverse Engineer Confidential Information. To the extent that the Confidant relies upon Confidential Information to arrive at a conclusion, the Confidant may include in the Report or testimony information at a level of summary and aggregation which will not disclose Confidential Information or enable an Unauthorized Person to reverse-engineer the Confidential Information, subject always to the Confidant providing a redacted Report on the public record and a complete report in confidence to the Board and/or testifying *in camera* where Confidential Information is discussed.

### ARTICLE 3 CONFIDENTIALITY

Except as specifically provided in Article 2 above (Permitted Uses), the Confidant shall:

- (a) keep the Confidential Information in the strictest confidence;
- (b) not disclose Confidential Information to any Unauthorized Person without the prior written consent of MPI;
- (c) in the case of a disclosure to an Unauthorized Person with the prior written consent of MPI, obtain from the Unauthorized Person an undertaking or confidentiality agreement satisfactory in form to the Board and MPI, on terms no less restrictive than those in this Agreement;
- (d) take prudent, reasonable steps to protect Confidential Information in its possession from inadvertent disclosure to an Unauthorized Person; and
- (e) destroy or return the Confidential Information (if so permitted) when required and in the manner required by the Board.

If the Confidant so chooses, they may solicit MPI's comments on particular documents that are in the process of being prepared in the interests of avoiding inadvertent disclosures to an Unauthorized Person.

### ARTICLE 4 COMPELLED DISCLOSURE

In the event that the Confidant, or an Unauthorized Person referred to in Article 3(c) above, receives notice indicating that they may or shall be legally compelled to disclose any of the Confidential Information, the Confidant shall provide MPI with prompt notice so that MPI may, at its sole discretion, seek a protective order or other appropriate remedy.

The Confidant, and any such Unauthorized Person referred to in Article 3(c) above, shall cooperate fully with MPI protecting the confidential and proprietary nature of the Confidential Information sought to be compelled to be disclosed, including providing assistance to MPI in the prosecution and defence of any action(s) or proceeding(s) brought or made in respect of such matters.

In the event that such protective order or other remedy is not obtained, or that MPI waives compliance with the provisions of this Agreement, the Confidant or Unauthorized Person referred to in Article 3(c) above shall furnish only that portion of the Confidential

Information in respect of which it shall be legally required to disclose.

#### **ARTICLE 5 FURTHER COVENANTS**

The Confidant shall:

- (a) use the Confidential Information only for the Permitted Uses and for no other purpose whatsoever; and
- (b) not use or reverse engineer Confidential Information for personal gain in any fashion, other than for the receipt of compensation for his or her participation in this proceeding.

#### **ARTICLE 6 NO LICENCE**

The Confidant agrees that the Confidential Information is the property of MPI, its contractual counterparties and domestic customers, and the Confidant shall not contest or challenge any of their rights in or to any Confidential Information. The Confidant does not receive any right, title or interest of any nature whatsoever in or to any Confidential Information.

#### **ARTICLE 7 CONTINUING OBLIGATION**

This Agreement is effective upon execution by both parties, and the obligations of the Confidant under this Agreement shall not terminate but shall continue without limitation of time.

#### **ARTICLE 8 EQUITABLE REMEDIES**

In the event of a breach, or threatened breach, of this Agreement by the Confidant, the parties agree that the harm suffered by MPI may not be compensable by monetary damages alone and, accordingly, that MPI shall, in addition to any other available legal or equitable remedies, be entitled to seek an injunction against such breach or threatened breach.



## ARTICLE 9 NOTICES

Any notice or other communication required or permitted to be given under this Agreement must be in writing and shall be delivered to:

**a) MPI:**

Executive Offices  
912 - 234 Donald Street

Winnipeg, Manitoba R3C 4A4

Attn: General Counsel  
and Corporate Secretary

**b) Confidant:**

\_\_\_\_\_  
\_\_\_\_\_  
[Address]

\_\_\_\_\_  
[City] [Province] [Postal Code]

\_\_\_\_\_  
Attn: [Name]

or such other addresses as either party may notify the other of in writing. Notices may be given by personal service or fax transmission. Any notice given by personal service shall be deemed to have been effectually given and received at the date and time of actual delivery. Any notice sent by fax transmission shall be deemed to have been effectually given and received on the next business day following transmission.

## ARTICLE 10 INTERPRETATION AND ENFORCEMENT

This Agreement shall be subject to, interpreted, performed and enforced in accordance with the laws of Manitoba and the applicable laws of Canada without regard to Manitoba or federal Canadian law governing conflicts of law, even if one or more of the parties to this Agreement is resident of or domiciled in any other province, state, or country. The parties hereby irrevocably attorn to the exclusive jurisdiction of the Court of Queen's Bench of Manitoba, Winnipeg Centre. The recitals hereof form an integral part of this Agreement. Section headings in this Agreement are for the convenience of the parties only, and shall not affect the interpretation of this Agreement.

## ARTICLE 11 SEVERABILITY

If any provision in this Agreement is illegal, invalid or unenforceable at law, it shall be deemed to be severed from this Agreement and the remaining provisions shall continue in full force and effect. The parties agree that they shall endeavor to replace any such severed provision with a new provision which achieves substantially the same practical

effect and which is valid and enforceable.

#### **ARTICLE 12 WAIVER**

No failure or delay by MPI in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder. No waiver of any provision of this Agreement, or a breach thereof, shall be effective unless it is in writing and signed by the party waiving the provision or the breach thereof.

#### **ARTICLE 13 ASSIGNMENT**

The Confidant shall not assign this Agreement without the prior written consent of MPI. No assignment of this Agreement shall operate to relieve the Confidant from any obligation of this Agreement.

#### **ARTICLE 14 FURTHER ACTS AND ASSURANCES**

Each of the parties shall, from time to time, do all acts and things and execute from time to time all such further documents and assurances as may be necessary to carry out and give effect to the terms and conditions of this Agreement.

#### **ARTICLE 15 FAX EXECUTION**

This Agreement may be executed in any number of counterparts, including counterparts signed by fax, each of which shall be deemed an original and all of which together shall constitute one in the same instrument. A photocopied and/or fax copy of this Agreement bearing the signature of each party, in a single document or counterparts thereof as provided herein, shall be deemed an original execution version of this Agreement.

**IN WITNESS WHEREOF** the parties hereto have duly executed this Agreement on the date first above written.

**MANITOBA PUBLIC INSURANCE**

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
**WITNESS [SIGNATURE]**

**CONFIDANT**

\_\_\_\_\_  
**WITNESS [PRINTED NAME]**

\_\_\_\_\_  
**[CONFIDANT SIGNATURE]**

THIS CONFIDENTIALITY AGREEMENT made this \_\_\_\_\_ day \_\_\_\_\_, 20\_\_

BETWEEN:

\_\_\_\_\_,  
(called "the **Owner**")

of the first part,

- and -

\_\_\_\_\_,  
(called the "**Confidant**")

of the second part.

**WHEREAS** on \_\_\_\_\_, 2021, in Order \_\_\_\_\_/21 (the "**Order**"), the Public Utilities Board of Manitoba (the "**Board**") ordered, within the course of considering MPI's 2022 General Rate Application ("**2022 GRA**"), that certain documents be received in confidence, on a provisional basis, subject to the final determination of their confidential status pursuant to Rule 13 of the Board's Rules of Practice and Procedure (the "**Confidential Documents**").

**AND WHEREAS** information contained in the Confidential Documents pertaining to the Owner is the property of the Owner, its contractual counterparties and domestic customers and is or may be confidential or commercially sensitive.

**AND WHEREAS** the Order directs the Owner to provide a non-redacted copy of the Confidential Documents to the Confidant, following their execution of a prescribed undertaking and any other document it deems necessary (the "**Agreement**").

**NOW THEREFORE IN CONSIDERATION OF** receiving access to the Confidential Documents, the sum of one (\$1.00) dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

## ARTICLE 1 DEFINITIONS

In this Agreement:

**"Authorized Person"** means any person permitted by the Order to receive the Confidential Information, who is in compliance with the conditions on the receipt and use

of the Confidential Information, as set out in this Order.

**"Confidential Information"** means any information contained in the Confidential Documents (and includes the Confidential Documents themselves) and any information that has been filed by MPI with the Board in confidence pursuant to the Order.

**"Permitted Uses"** has the meaning set forth in Article 2 below.

**"Person"** shall be broadly interpreted to include, without limitation, any corporation, partnership, other entity, or individual.

**"Proceeding"** means the proceeding before the Board in respect of the 2022 GRA.

**"Reverse Engineer"** means to discover, synthesize or otherwise recreate the Confidential Information following a detailed examination.

**"Unauthorized Person"** means any Person other than the Owner, the Confidant or an Authorized Person.

## ARTICLE 2 PERMITTED USES

The Confidant may use Confidential Information for the following purposes (called **"Permitted Uses"**):

- (c) to give instructions to, carry out critical analysis, form conclusions and/or advise an Authorized Person; an
- (d) to prepare a report suitable for filing on the public record of the Proceeding and testify on the public record of the Proceeding. Without the consent of the Board obtained in advance, the Confidant shall not include in the report or testimony any Confidential Information or any information that would enable an Unauthorized Person to Reverse Engineer Confidential Information. To the extent that the Confidant relies upon Confidential Information to arrive at a conclusion, the Confidant may include in the Report or testimony information at a level of summary and aggregation which will not disclose Confidential Information or enable an Unauthorized Person to reverse-engineer the Confidential Information, subject always to the Confidant providing a redacted Report on the public record and a complete report in confidence to the Board and/or testifying *in camera* where Confidential Information is discussed.

### ARTICLE 3 CONFIDENTIALITY

Except as specifically provided in Article 2 above (Permitted Uses), the Confidant shall:

- (f) keep the Confidential Information in the strictest confidence;
- (g) not disclose Confidential Information to any Unauthorized Person without the prior written consent of the Owner;
- (h) in the case of a disclosure to an Unauthorized Person with the prior written consent of the Owner, obtain from the Unauthorized Person an undertaking or confidentiality agreement satisfactory in form to the Board and the Owner, on terms no less restrictive than those in this Agreement;
- (i) take prudent, reasonable steps to protect Confidential Information in its possession from inadvertent disclosure to an Unauthorized Person; and
- (j) destroy or return the Confidential Information (if so permitted) when required and in the manner required by the Board.

If the Confidant so chooses, they may solicit the Owner's comments on particular documents that are in the process of being prepared in the interests of avoiding inadvertent disclosures to an Unauthorized Person.

### ARTICLE 4 COMPELLED DISCLOSURE

In the event that the Confidant, or an Unauthorized Person referred to in Article 3(c) above, receives notice indicating that they may or shall be legally compelled to disclose any of the Confidential Information, the Confidant shall provide the Owner with prompt notice so that the Owner may, at its sole discretion, seek a protective order or other appropriate remedy.

The Confidant, and any such Unauthorized Person referred to in Article 3(c) above, shall cooperate fully with MPI protecting the confidential and proprietary nature of the Confidential Information sought to be compelled to be disclosed, including providing assistance to the Owner in the prosecution and defence of any action(s) or proceeding(s) brought or made in respect of such matters.

In the event that such protective order or other remedy is not obtained, or that the Owner waives compliance with the provisions of this Agreement, the Confidant or Unauthorized

Person referred to in Article 3(c) above shall furnish only that portion of the Confidential Information in respect of which it shall be legally required to disclose.

#### **ARTICLE 5 FURTHER COVENANTS**

The Confidant shall:

- (c) use the Confidential Information only for the Permitted Uses and for no other purpose whatsoever; and
- (d) not use or reverse engineer Confidential Information for personal gain in any fashion, other than for the receipt of compensation for his or her participation in this proceeding.

And the Confidant agrees to release, indemnify and hold harmless the Owner and its respective personnel against all actions, claims, suits, demands, claims for costs or expenses or any other proceeding arising out of or in connection with the Confidant's breach of any of the Confidant's obligations hereunder, including, for greater certainty, the use or disclosure by the Confidant of the Confidential Information other than as permitted herein.

#### **ARTICLE 6 NO LICENCE OR WARRANTY**

The Confidant agrees that the Confidential Information is the property of MPI, its contractual counterparties and domestic customers, and the Confidant shall not contest or challenge any of their rights in or to any Confidential Information. The Confidant does not receive any right, title or interest of any nature whatsoever in or to any Confidential Information.

In addition, the Confidant acknowledges and agrees that the Confidential Information (including the Confidential Documents) were prepared for the benefit of MPI and were prepared to reflect MPI's instructions. Accordingly, the Owner may not have addressed matters, which may be of interest or relevance to the Confidant. The Owner does not warrant or represent that the Confidential Information (including the Confidential Documents) are sufficient or appropriate for the Confidant's purposes. The Owner is not responsible to the Confidant, or any other party, if the Confidant or any other party relies on the Confidential Information.

#### **ARTICLE 7 CONTINUING OBLIGATION**

This Agreement is effective upon execution by both parties, and the obligations of the Confidant under this Agreement shall not terminate but shall continue without limitation of time.

### ARTICLE 8 EQUITABLE REMEDIES

In the event of a breach, or threatened breach, of this Agreement by the Confidant, the parties agree that the harm suffered by the Owner may not be compensable by monetary damages alone and, accordingly, that the Owner shall, in addition to any other available legal or equitable remedies, be entitled to seek an injunction against such breach or threatened breach.

### ARTICLE 9 NOTICES

Any notice or other communication required or permitted to be given under this Agreement must be in writing and shall be delivered to:

**b) Owner:**

\_\_\_\_\_

[Address]

\_\_\_\_\_

[Address]

\_\_\_\_\_

[City] [Province] [Postal Code]

\_\_\_\_\_

Attn: [Name]

**b) Confidant:**

\_\_\_\_\_

[Address]

\_\_\_\_\_

[Address]

\_\_\_\_\_

[City] [Province] [Postal Code]

\_\_\_\_\_

Attn: [Name]

or such other addresses as either party may notify the other of in writing. Notices may be given by personal service or fax transmission. Any notice given by personal service shall be deemed to have been effectually given and received at the date and time of actual delivery. Any notice sent by fax transmission shall be deemed to have been effectually given and received on the next business day following transmission.

### ARTICLE 10 INTERPRETATION AND ENFORCEMENT

This Agreement shall be subject to, interpreted, performed and enforced in accordance with the laws of Manitoba and the applicable laws of Canada without regard to Manitoba or



federal Canadian law governing conflicts of law, even if one or more of the parties to this Agreement is resident of or domiciled in any other province, state, or country. The parties hereby irrevocably attorn to the exclusive jurisdiction of the Court of Queen's Bench of Manitoba, Winnipeg Centre. The recitals hereof form an integral part of this Agreement. Section headings in this Agreement are for the convenience of the parties only, and shall not affect the interpretation of this Agreement.

#### **ARTICLE 11 SEVERABILITY**

If any provision in this Agreement is illegal, invalid or unenforceable at law, it shall be deemed to be severed from this Agreement and the remaining provisions shall continue in full force and effect. The parties agree that they shall endeavor to replace any such severed provision with a new provision which achieves substantially the same practical effect and which is valid and enforceable.

#### **ARTICLE 12 WAIVER**

No failure or delay by the Owner in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder. No waiver of any provision of this Agreement, or a breach thereof, shall be effective unless it is in writing and signed by the party waiving the provision or the breach thereof.

#### **ARTICLE 13 ASSIGNMENT**

The Confidant shall not assign this Agreement without the prior written consent of the Owner. No assignment of this Agreement shall operate to relieve the Confidant from any obligation of this Agreement.

#### **ARTICLE 14 FURTHER ACTS AND ASSURANCES**

Each of the parties shall, from time to time, do all acts and things and execute from time to time all such further documents and assurances as may be necessary to carry out and give effect to the terms and conditions of this Agreement.

#### **ARTICLE 15 FAX EXECUTION**

This Agreement may be executed in any number of counterparts, including counterparts signed by fax, each of which shall be deemed an original and all of which together shall

constitute one in the same instrument. A photocopied and/or fax copy of this Agreement bearing the signature of each party, in a single document or counterparts thereof as provided herein, shall be deemed an original execution version of this Agreement.

**IN WITNESS WHEREOF** the parties hereto have duly executed this Agreement on the date first above written.

\_\_\_\_\_  
[NAME OF OWNER]

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
WITNESS [SIGNATURE]

**CONFIDANT**

\_\_\_\_\_  
WITNESS [PRINTED NAME]

\_\_\_\_\_  
[CONFIDANT SIGNATURE]

**SCHEDULE "C"**  
**DOCUMENTS AND INFORMATION TO BE FILED BY MPI IN SUPPORT OF**  
**FINAL RATE INDICATION**

1. Pro Formas PF-1, PF-2, PF-3, PF-5, PF-6
2. Extension Pro Formas EPF-1, EPF-3
3. Ratemaking Figures RM-1, RM-12, RM-13, RM-14, RM-17, RM-18, RM-19
4. Investments Figure INV-13
5. Narrative of material impacts of interest rate on Pro Forma Financial Statements and Responses to Information Requests
6. Comparison of changes to Pro Forma Financial Statements from the date of the Application to the date of the Final Rate Indication
7. Amendments to any sections of the Application materially affected by the Final Rate Indication

All updated documents to be filed on the basis of the Naïve interest rate forecast.

**SCHEDULE "D"****2022/23 MPI GENERAL RATE APPLICATION TIMETABLE**

<b>ITEM</b>	<b>2021 DATES</b>	<b>Day of the Week</b>
1. Application filed and served	June 28, 2021	Monday
2. Notice of Public hearing to be published	July 3, 2021	Saturday
3. PUB Issues Workshop	July 5, 2021	Monday
4. Interveners complete Registration	July 7, 2021	Wednesday
5. Pre-hearing Conference	July 9, 2021	Friday
6. Procedural Order Issued	July 12, 2021	Monday
7. Round One Information Requests Filed	July 22, 2021	Thursday
8. Round One Information Responses Filed	August 17, 2021	Tuesday
9. Parties to file motions on Round One IRs	August 19, 2021	Thursday
10. Board to hear motions	August 23, 2021	Monday
11. Round Two Information Requests Filed	August 30, 2021	Monday
12. Round Two Information Responses Filed	September 15, 2021	Wednesday
13. Parties to File any Motions	September 17, 2021	Friday
14. Hearing Issues Meeting of Counsel	September 20, 2021	Monday
15. Board to Hear Motions	September 22, 2021	Wednesday

16. Intervener Evidence Filed	September 24, 2021	Friday
17. Information Requests on Intervener Evidence	September 28, 2021	Tuesday
18. Rate Update Filed	October 1, 2021	Friday
19. Interveners Information Responses	October 4, 2021	Monday
20. MPI Rebuttal Evidence	October 7, 2021	Thursday
21. Hearing commences	October 12 to 15	Tuesday to Friday
	October 18 to 22	Monday to Friday
	October 25 to 29	Monday to Friday
Board Issues Order	December 9, 2021	Thursday

**SCHEDULE "E"****PROCEDURES TO BE FOLLOWED AT THE  
MANITOBA PUBLIC INSURANCE CORPORATION 2022 RATE APPLICATION**

1. Hearing and Rural Meetings: (a) Winnipeg hearing will be held at the Board's office, 4<sup>th</sup> Floor, 330 Portage Avenue, Winnipeg, commencing on October 12, 2021 at 9:00 a.m. and continuing thereafter as necessary.  
(b) Rural Meetings (if necessary) – time, location and place to be identified.
2. Hearing Times Each Day: 9:00 a.m. to 12:00 Noon  
1:15 p.m. to 4:00 p.m.  
(amendments may be made by the Board at the hearing)
3. Assigned Sittings: Presenters will be heard commencing at 1:15 p.m. on Monday, October 12, 2021 and continuing that day as necessary.
4. Opening Statements by Board Counsel, Counsel for MPI and Counsel or representatives of registered Interveners.
5. (a) MPI to file its application and supporting evidence.  
(b) MPI to introduce witnesses. Board counsel and Interveners to cross-examine the Corporation's witnesses (order to be determined).
6. (a) Leading of testimony by witnesses for Interveners, if any, will be in alphabetical order by name of Interveners and updated as necessary.  
(b) Witnesses to be available for cross-examination by all parties following each presentation.
7. All information requests are to be filed in the prescribed form (attached hereto as **Schedule "F"**) and responded to using the prefixes as assigned by the Board when Interveners are registered (set out in the body of the Order). The party requesting information is to use firstly their prefix followed by the prefix of the party

being asked e.g. PUB (MPI), etc. Interrogatories are to be numbered sequentially through 1st and 2nd rounds, e.g. PUB (MPI) 1-3, PUB (MPI) 2-7.

8. All pre-filed evidentiary material to be filed at the commencement of the hearing by Board Counsel using assigned prefixes.
9. All witnesses to highlight their evidence.
10. All witnesses to be sworn or affirmed.
11. Daily transcripts will be available at no charge on the PUB web site ([www.pub.gov.mb.ca](http://www.pub.gov.mb.ca)).
12. It is the Board's request that all motions be dealt with pursuant to the Board's Timetable.
13. The Board's Rules of Practice and Procedure (available on the Board's website) dealing with the awarding of costs will apply to all matters before the Board.
14. The Board indicates its willingness to be available for any problems that may arise during the exchange of information at any time, such time to be arranged through Board Counsel.
15. Seven (7) paper copies of material are to be submitted to the Board's offices and three (3) copies are to be submitted to Board Counsel at the following address:  
Attention: Kathleen McCandless, Robert Watchman, and Kara Moore, Pitblado LLP, 2500 – 360 Main Street, Winnipeg, MB R3C 4H6.
16. Electronic copies of all material including the evidence of parties, are required to be submitted to the Board's e-mail address: [publicutilities@gov.mb.ca](mailto:publicutilities@gov.mb.ca). Where schedules or other attachments accompany an electronic file, that filing must be discrete and include only the item and schedules to which each refers. The electronic files shall be named in accordance with their parties prefix as per #7. All

electronic filings shall be in Adobe Acrobat format, with protection securities allowing printing, content copying, content copying for accessibility and page extraction.



**SCHEDULE "F"**  
**INFORMATION REQUEST TEMPLATE**

**Manitoba Public Insurance 2022/23 General Rate Application**

Optional Applicant Logo

**XXX/XXX X-X**

<b>Part and Chapter:</b>		<b>Page No.:</b>	
<b>PUB Approved Issue No.:</b>			
<b>Topic:</b>			
<b>Sub Topic:</b>			

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

**RATIONALE FOR QUESTION:**

**RESPONSE:**

**RATIONALE FOR REFUSAL TO FULLY ANSWER THE QUESTION:**