

MANITOBA ) Order No. 169/05  
 )  
THE PUBLIC UTILITIES BOARD ACT ) December 21, 2005

BEFORE: Graham F. J. Lane, C.A., Chairman  
Dr. Len Evans, Member  
Eric Jorgensen, Member

**APPLICATION BY THE COALITION OF MANITOBA MOTORCYCLE  
GROUPS FOR AN AWARD OF COSTS FOR INTERVENING IN THE  
APPLICATION OF MANITOBA PUBLIC INSURANCE CORPORATION  
FOR APPROVAL OF ITS 2006 INSURANCE RATES**

The Public Utilities Board (the Board) held a public hearing of the application by Manitoba Public Insurance (MPI) for approval of its proposed driver and motor vehicle insurance rates, to be effective March 1, 2006. The hearing was held at the Board's offices in Winnipeg, concluding on October 17, 2005.

Pursuant to Section 56 of The Public Utilities Board Act, the Board has jurisdiction to award costs of, and incidental to, any proceeding. The Board's Draft Rules of Practice and Procedure (Draft Rules) stipulate four main criteria for determining whether costs should be awarded to an Intervener. The Notice of Public Hearing relative to MPI's application advised as to the Board's guidelines for awarding costs.

Pursuant to the Board's Draft Rules, the Coalition of Manitoba Motorcycle Groups Inc. (CMMG) applied to the Board, in a letter dated October 25, 2005, for an award of costs in the amount of \$47,255.27, comprising:

Legal:		
Fees (including PST and GST)		\$18,912.60
Disbursements (including GST)		556.42
Consulting:		
Fees Satyatas, including GST.		27,686.25
Expenses		<u>100.00</u>
	Total Claim	<u><u>\$47,255.27</u></u>

#### **MPI's Perspective**

By way of a letter dated November 25, 2005, MPI opposed the level of billing presented for Satyatas Consulting (Satyatas). MPI opined that a significant amount of the billing was for Satyatas' review of ICBC/ BCUC transcripts that, in the end, produced nothing of consequence for the hearing.

MPI also suggested that Satyatas drew erroneous conclusions and prepared exhibits later successfully refuted by MPI, thereby bringing into question the relevance of the contribution.

MPI suggested that Satyatas' billing be reduced by 25%.

#### **CMMG response:**

In support of its application, CMMG noted that this year's hearing was more time intensive due to MPI's application for a higher RSR target. In response to MPI's comments on Satyatas, CMMG suggested that the review of ICBC/ BCUC transcripts was essential towards refuting MPI's request for an increased Rate Stabilization Reserve (RSR) threshold, and that MPI had raised ICBC references to support

their arguments.

#### **BOARD FINDINGS**

The Board is satisfied that CMMG qualifies for an award of costs, having made a contribution to a better understanding of matters before the Board and having met the Board's other criteria, excepting in part the criteria with respect to co-operation with other Interveners.

While the Board accepts the need for CMMG to use Satyatas, the Board questions the level of co-operation between CMMG and the other Interveners with respect to the issue of MPI's request for an increased RSR. CMMG was aware of the Board's previous position on this matter and could have reasonably anticipated the Board's line of questioning and the opposition of the other Interveners, especially CAC/MSOS.

Accordingly, the Board will reduce Satyatas' portion of the cost award by \$1,725.00 plus GST, or \$1,845.75, representing 25% of the time identified by Satyatas as being specifically related to RSR matters.

The following are the costs (PST and GST included) allowed by the Board.

Professional legal:	
Fees	\$18,912.60
Disbursements	556.42
Professional Consulting Satyatas	
Fees	25,840.50
Expenses	100.00
Total Claim	<u>\$45,409.52</u>

**IT IS THEREFORE ORDERED THAT:**

1. The Coalition of Manitoba Motorcycle Groups Inc. be awarded costs of \$45,409.52 in making its intervention at the Manitoba Public Insurance Corporation's 2006 Insurance Rates Hearing.
2. Costs shall be payable by the Manitoba Public Insurance Corporation within 30 days of the date of this Order.

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, C.A."  
Chairman

"G. GAUDREAU, C.M.A."  
Secretary

Certified a true copy of Order  
No. 169/05 issued by The Public  
Utilities Board

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Secretary