



**Invitation for Expressions of Interest**  
**for**  
**ENVIRONMENTALLY PREFERRED POWER**  
**PROJECTS**

**SaskPower**  
**February 15, 2005**

## **1. INTRODUCTION**

Saskatchewan Power Corporation (SaskPower) has adopted a strategy to meet new load growth over the next several years using Environmentally Preferred Power (EPP). This strategy is intended to encourage low environmental impact power, utilize waste streams as a fuel source, reduce SaskPower's emissions, establish the monetary value of low environmental impact power, and add small generation in step with SaskPower's load requirements. As an integral component of this strategy, SaskPower plans to issue Request for Proposals (RFP) for up to 45 MW of Environmentally Preferred Power over an extended time period.

This Invitation for Expressions of Interest (Invitation) is the second solicitation that has been issued by SaskPower under its EPP Program. SaskPower is seeking approximately 32 MW of Environmentally Preferred Power in this solicitation.

The purpose of this Invitation is to seek declarations of interest from parties having potential electrical generation projects that will be eligible to participate in the second phase of the Environmentally Preferred Power Program. Such projects must meet the criteria set out in this Invitation in order to participate in the RFP for Environmentally Preferred Power that SaskPower plans to issue in May 2005.

## **2. EPP PROJECT PARAMETERS**

Potential EPP Projects must meet the following parameters to be eligible for the second phase of SaskPower's Environmentally Preferred Power Program:

- the project must utilize wind, low impact hydro, biomass, biogas, solution flare gas, heat recovery from an existing waste heat source or solar generation technology;
- the project must meet SaskPower's Environmental Eligibility Criteria defined in Appendix "A" to this Invitation;
- the total generating capacity of the project must be 100 kW to 25 MW in size;
- the project must be located within Saskatchewan;
- the net electrical output from the project must be sold to SaskPower; and
- SaskPower must retain ownership of any emissions reductions arising from the displacement of thermal generation by electricity delivered from the project.

## **3. PROCESS**

### **3.1 Expression of Interest Invitation**



compensation for preparing an Expression of Interest or for the information contained in the Expression of Interest or other documents submitted to SaskPower in response to this Invitation.

### **3.4 Confidentiality**

SaskPower will take all reasonable precautions to maintain the confidentiality of information submitted by the parties. SaskPower reserves the right to disclose Expressions of Interest to SaskPower's consultants for the purpose of evaluating the Expressions of Interest and to prepare a short list of qualifying EPP Projects. SaskPower, its employees, servants, agents, and consultants will not be liable for any damages resulting from any disclosure before, during or after the issuance of this Invitation and submission of an Expression of Interest.

All Expressions of Interest and supporting documentation will become the property of SaskPower.

### **3.5 Terms of Invitation**

Interested parties should note that nothing in this Invitation requires SaskPower to select a particular project for further participation in the EPP Program, nor to proceed or continue with the EPP Program. Further, SaskPower may amend or modify this Invitation and/or defer or discontinue the Invitation, in its discretion. In such circumstances, parties submitting Expressions of Interest will be notified of SaskPower's action.

## **4. SELECTION CRITERIA**

The purpose of this Invitation is to seek declarations of interest from parties having potential electrical generation projects that will be eligible to participate in the second phase of the Environmentally Preferred Power program. To that end, SaskPower will evaluate the Expressions of Interest and consider, for the purposes of short listing eligible projects, those submissions that meet the following criteria:

### **a) EPP Project Parameters**

Expressions of Interest should be submitted addressing all of the requirements set out in Section 2 of the Invitation. Those Expressions of Interest that do not meet all of the EPP Project Parameters may be excluded from further consideration at SaskPower's discretion.

For the purpose of determining if the proposed EPP Project meets the project size parameters, SaskPower will define this parameter as being any project with a NEMA Generator Rating of at least 100 kW or 111.1 kVA but not greater than 25 MW or 27.8 MVA in total for all generators connected to the SaskPower Electric System. For this

purpose, connected means either connected or capable of being connected through operation of an interrupting device.

**b) Environmental Attributes of the proposed EPP Project**

Expressions of Interest should be submitted addressing all of the relevant Environmental Eligibility Criteria for the project type as set out in Appendix A to this Invitation. Those Expressions of Interest that do not meet all of the relevant Environmental Eligibility Criteria may be excluded from further consideration at SaskPower's discretion.

In addition to the above, Expressions of Interest for projects utilizing combustion technology should include a description of feedstock (ie. source, composition and current disposition), the type of combustion technology to be employed and the anticipated air emissions (if available from technology specifications or estimates). To assist in its selection, SaskPower may also request any supplementary information and clarification from a party during the review process.

Interested parties should note that SaskPower may waive or modify any of the selection criteria, in its sole discretion.

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**February 15, 2005**

## APPENDIX A

**Table 1: SaskPower EPP Solicitation - Environmental Eligibility Criteria**

<b><i>PROJECT TYPE</i></b>	<b><i>MINIMUM ENVIRONMENTAL REQUIREMENTS</i></b>
WINDPOWER	<ul style="list-style-type: none"> <li>- Little or no new land use; no natural (native) habitat impact; for structures/facility and access trails</li> <li>- Structure/facility siting is not located in an area with legislated environmental protection status (including but not limited to Wildlife Habitat Protection Act (WHPA) land, Parks, Protected Areas, Wildlife Reserves, Representative Area Network (RAN) sites)</li> <li>- No impact to species at risk</li> <li>- Little or no impact to common flora/fauna species, including migratory birds and bats</li> <li>- Little impact to known heritage sites; mitigation plan developed to address impact to previously unrecorded heritage sites</li> <li>- No fisheries impact</li> </ul>
LOW IMPACT HYDROELECTRIC	<ul style="list-style-type: none"> <li>- Minimal new land use for generating facility(ies), including access roads</li> <li>- Minimal requirements for new electrical infrastructure</li> <li>- Facility is sited in an area which does not have legislated environmental status (including but not limited to WHPA land, Park, Protected Area, RAN site, Heritage River)</li> <li>- Facility presents no impediment to fish migration and spawning</li> <li>- Facility maintains historic water levels and flow regimes</li> <li>- Facility maintains existing species population and composition (all aquatic and riparian species natural to the ecosystem)</li> <li>- Facility construction and operation results in no release of material hazardous or harmful to fish and fish habitat (neither upstream nor downstream)</li> <li>- No alteration of regional or local watershed(s) is required to build or operate the facility</li> <li>- Minimal alteration to adjoining natural, upland habitat for construction and operation of facility</li> <li>- Little or no alteration of an existing facility to accommodate the new facility</li> </ul>
BIOMASS/BIOGAS (Note: This category promotes projects utilizing waste streams including forestry, agricultural waste, landfill gas, sewage, etc.)	<ul style="list-style-type: none"> <li>- Minimal new land use for new facility</li> <li>- Facility is sited in an area which does not have legislated environmental status (including but not limited to Parks, Protected Area, WHPA land, Wildlife Refuge, RAN site)</li> <li>- Little or no fisheries, species at risk, wildlife habitat or heritage site impact</li> <li>- Minimal requirements for new electrical infrastructure</li> <li>- Fuel must be a waste product consisting of organic matter, that has no other commercial use and/or would otherwise be disposed of, and the new facility would neither require nor necessitate additional resource consumption</li> <li>- If added to an existing facility, the existing facility would not be substantially altered to facilitate energy production</li> <li>- In the course of processing organic waste, no other emissions or by-products accrue which would require special handling or permitting</li> <li>- Maintenance of regional air quality; net reduction desirable</li> <li>- Low to nil operational risk regarding noxious and hazardous substance release; contingency and containment plans acceptable to regulatory authorities</li> <li>- No increase in Greenhouse Gas (GHG) emissions; GHG emission reduction desirable</li> </ul>

	<ul style="list-style-type: none"> <li>- In order to allow for conditions such as start-up, combustion stabilization and low combustion zone temperatures be generated in a manner such that supplementary, non-renewable fuels are used in no more than 5% of fuel heat input</li> <li>- The combustion technology must not exceed the upper limit (6) for total load points as described in the Environmental Choice December 8, 2001 Draft “Guidelines on Renewable Low-Impact Electricity”</li> </ul>
FLARE GAS	<ul style="list-style-type: none"> <li>- Minimal new land use for new facility</li> <li>- Facility is sited in an area which does not have legislated environmental status (including but not limited to Park, Protected Area, WHPA land, Wildlife Refuge, RAN site)</li> <li>- Little or no fisheries, species at risk, wildlife habitat or heritage site impact</li> <li>- Minimal requirements for new electrical infrastructure</li> <li>- New facility would neither require nor necessitate additional resource consumption to maintain or enhance the facility</li> <li>- If added to an existing facility, the existing facility would not be substantially altered to allow the new development to operate</li> <li>- Low to nil operational risk regarding noxious and hazardous substance release; contingency and containment plans acceptable to regulatory authorities</li> <li>- Maintenance of regional air quality; net reduction desirable</li> <li>- No increase in GHG emissions; GHG emission reduction desirable</li> <li>- The combustion technology must not exceed the upper limit (6) for total load points as described in the Environmental Choice December 8, 2001 Draft “Guidelines on Renewable Low-Impact Electricity”</li> </ul>
HEAT RECOVERY SYSTEMS (Note: This category includes heat capture for the purpose of electricity generation)	<ul style="list-style-type: none"> <li>- Minimal new land use for new facility</li> <li>- Facility is sited in an area which does not have legislated environmental status (including but not limited to Park, Protected Area, WHPA land, Wildlife Refuge, RAN site)</li> <li>- Little or no fisheries, species at risk, wildlife habitat or heritage site impact</li> <li>- Minimal requirements for new electrical infrastructure</li> <li>- New facility would neither require nor necessitate additional resource consumption to maintain or enhance the facility</li> <li>- If added to an existing facility, the existing facility would not be substantially altered to allow the new development to operate</li> <li>- Low to nil operational risk regarding noxious and hazardous substance release; contingency and containment plans acceptable to regulatory authorities</li> <li>- Maintenance of regional air quality; net reduction desirable</li> <li>- No increase in GHG emissions; GHG emission reduction desirable</li> <li>- In order to allow for conditions such as start-up, combustion stabilization and low combustion zone temperatures be generated in a manner such that supplementary, non-renewable fuels are used in no more than 5% of fuel heat input</li> </ul>
SOLAR	<ul style="list-style-type: none"> <li>- Minimal new land use for new facility</li> <li>- Facility is sited in an area which does not have legislated environmental status (including but not limited to Park, Protected Area, WHPA land, Wildlife Refuge, RAN site)</li> <li>- Little or no fisheries, species at risk, wildlife habitat or heritage site impact</li> <li>- Minimal requirements for new electrical infrastructure</li> </ul>

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