

29 April 2020

The Honourable Dustin Duncan, M.L.A.

Minister of Environment and Minister Responsible for SaskPower Room 348, Legislative Building, 2405 Legislative Drive Regina, SK, Canada, S4S 0B3

The Honourable Joe Hargrave, M.L.A.

Minister of Crown Investments Corporation
Room 302, Legislative Building, 2405 Legislative Drive
Regina, SK, Canada, S4S 0B3

RE: SaskPower Capacity Reservation Service Rate Review

Dear Minister Duncan and Minister Hargrave,

On behalf of the Saskatchewan Industrial Energy Consumer Association (SIECA), please find this letter as a request to temporarily delay any proceedings or decisions regarding SaskPower's proposed Capacity Reservation Service (CRS), or any other prospective changes to policy or rate design that require industry consultation. Although, we appreciate SaskPower's attempts to maintain planned timelines and move forward with business decisions through industry consultation, our membership currently lacks the resources and personnel required to adequately attend to such a significant proposal at this time. SIECA members are entirely focused on keeping their employees safe and must continue to put their full attention and resources toward addressing issues related to the COVID-19 pandemic, until this crisis has abated. Similarly, we applaud SaskPower's commitment to safety.

When the situation permits for consultation with industry to resume, it is our belief that SaskPower should only implement the CRS as part of broader engagements with industry to include a larger re-design of its rate methodology, and should be offered across all rate classes. This suggestion is in alignment with the recommendations and conclusions developed by Elenchus. As SaskPower's consultant points out, "The most cost-effective way to accommodate self-generation, however, would be to develop a collaborative system planning process that enables customer generation to be built into SaskPower's supply plan where it is the least cost and lowest risk option for meeting the future electricity needs of the province". We certainly all look forward to the eventual return to normalcy, when all parties will have the capacity to sufficiently and substantively engage on the CRS and the potential inclusion of a broader rate structure review.

Our membership would also like to thank you and SaskPower for the collaborative and measured response taken by the Saskatchewan government so far in addressing potential liquidity concerns to industry by offering to defer payment and forgoing interest on Crown utility invoices. We appreciate the ongoing efforts of the Government of Saskatchewan and its Crown Utilities for promoting health and safety across the province.

Thank you for your consideration. Should you have additional questions or concerns, please feel free contact me.



Sincerely,

**James Wirth** 

**Executive Chair** 

Saskatchewan Industrial Energy Consumer Association

CC:

Paul Hamnett, Chief of Staff

Mike Marsh, Chief Executive Officer, SaskPower Kory Hayko, Vice-President, Commercial and Industrial Operations, SaskPower

Troy King, Vice-President, Finance & Business Performance and Chief Financial Officer