



STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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Mr. Greg Lawrence
Moose Jaw Wakamow

Mr. Dana Skoropad
Arm River

[The committee met at 15:15.]

The Chair: — Welcome to the Standing Committee on Crown and Central Agencies. I am Terry Dennis, the Chair. With us today, we have Aleana Young substituting in for Erika Ritchie as Deputy Chair. We have Mr. Steve Bonk, Mr. Daryl Harrison, Mr. Terry Jenson, Mr. Greg Lawrence, and Mr. Travis Keisig substituting for Dana Skoropad.

Pursuant to rule 148(1), the following estimates and supplementary estimates no. 2 were committed to the Standing Committee on Crown and Central Agencies on March 31st, 2022 and March 23rd, 2022 respectively.

2022-2023 estimates: vote 18, Finance; vote 12, Finance — Debt Servicing; vote 33, Public Service Commission; vote 13, SaskBuilds and Procurement; vote 86, SaskBuilds Corporation; vote 151, Municipal Financing Corporation of Saskatchewan; vote 152, Saskatchewan Power Corporation; vote 153, Saskatchewan Telecommunications Holding Corporation; vote 140, Saskatchewan Water Corporation; vote 150, SaskEnergy Incorporated; vote 175, Debt Redemption; vote 176, Sinking Fund Payments — Government Share; vote 177, Interest on Gross Debt — Crown Enterprise Share.

2021-22 supplementary estimates no. 2: vote 151, Municipal Financing Corporation of Saskatchewan; vote 175, Debt Redemption.

**General Revenue Fund
Saskatchewan Power Corporation
Vote 152**

Subvote (PW01)

The Chair: — Today we will be considering the estimates for vote 152, Saskatchewan Power Corporation, subvote (PW01). The minister is here with his officials. I will remind the officials to please state your name for the record before speaking and don't touch the microphones. The Hansard operator will turn the microphones on when you're speaking to the committee. Minister, please introduce your officials and make your opening comments.

Hon. Mr. Morgan: — Thank you, Mr. Chair. Good afternoon, everyone. Today I'm joined by Rachele Verret Morphy, vice-president, corporate and regulatory affairs, and acting vice-president of human resources and safety; Tim Eckel, vice-president, asset management, planning and sustainability; and Randeem Kaczmar, acting CFO [chief financial officer] and vice-president of finance and business performance.

We're pleased to be here today to discuss considerations of estimates for SaskPower for the 2022-23 fiscal year. I'm also joined by my staff within the building: Charles Reid, as well as . . . I guess the other one's gone. Anyway, Cole Goertz as well has joined us from SaskPower, communications director.

Mr. Chair, in 2021 SaskPower announced it would reduce its greenhouse gas emissions by at least 50 per cent below the 2005 levels by 2030, which exceeds the commitment made in 2015 to reduce emissions by 40 per cent from the 2005 levels. Beyond

that SaskPower is also targeting net zero emissions by 2050. Achieving these targets will require SaskPower to navigate ever-changing federal regulations as well as increasing demand for power in the province.

All-time peak local demand records were set back to back last year on December 29 and December 30. SaskPower is looking at all options available to help us meet aggressive targets while delivering reliable, cost-effective, and sustainable power.

Nearly 400 megawatts of renewable generation is expected to come online in the coming weeks and months. This includes Saskatchewan's two largest ever wind facilities, Golden South near Assiniboia and Blue Hill near Herbert.

Work is continuing on the Great Plains power station in Moose Jaw. This facility will provide crucial baseload power that will be needed as the federal government's regulations force the transition away from conventional coal. This project has already generated more than \$45 million in participation from local companies, including \$9 million in Indigenous procurement opportunities.

SaskPower has continued work to refurbish two hydro generation facilities, the E.B. Campbell hydroelectric station and the Coteau Creek power station, to ensure a supply of emissions-free power for years to come. And looking further ahead, the government just recently released our strategy for an interprovincial approach to the potential development of small modular reactors with the provinces of Alberta, Ontario, and New Brunswick.

SaskPower is forecasting record spend during the 2021-22 fiscal year to improve the reliability and resilience of the transmission and distribution infrastructure. This included a one-time grant of \$50 million in capital stimulus from SaskBuilds and Procurement. Moving forward, SaskPower will continue to invest heavily in the health of our electricity system. Capital investment is forecast to be \$1.05 billion in 2022-23.

In the coming years capital investments will continue to be focused on strengthening our electricity system and moving closer to a cleaner energy future for SaskPower customers and the communities served. To undertake this important work, SaskPower will require additional revenue, which is why SaskPower has applied for a rate increase effective September 1st, 2022. This is the first request for a rate increase in over four years.

These are just some of the highlights of SaskPower's capital investment in the province to continue to ensure that Saskatchewan has safe, reliable electricity at the lowest possible cost. Mr. Chair, these are the conclusion of my opening comments. And with that we would be pleased to take your questions.

The Chair: — Thank you, Minister. Do we have any questions? Ms. Young.

Ms. A. Young: — Thank you, Mr. Chair. And before we begin I'd like to extend my thanks to the minister, his staff, and officials for being here. I've said this before; I will say it again: SaskPower is my favourite Crown and my favourite file. And I

truly did, even sitting in opposition, really enjoy the time that we were able to spend together last year on SaskPower estimates and annual reports. It is something I look back on fondly. I believe they're not for Crown and Central Agencies estimates but I do say that to indicate that I'm really looking forward to the next couple hours and will endeavour to be as concise and specific with my questions.

And if there is anything for which the information is not available, either at all or currently, I can certainly appreciate that. I will also strive to provide a little bit of an overview of each kind of section of my questions as I have attempted to organize them into a couple categories to help keep certainly myself on track and hopefully make this a bit more convenient and functional for yourself and the officials present.

With that I think maybe the easiest place to start is the roughly \$1.1 billion in capital that's been discussed for this year. Are there details that can be provided as to the nature of that spend?

Hon. Mr. Morgan: — I will ask one of the . . . I have an official that will answer that.

Ms. Kaczmar: — Randeem Kaczmar, acting CFO, SaskPower. So a little more detailed breakdown on our 1.05 billion that we plan to spend in '22-23. So for capital sustainment, 419 million; growth and compliance, 487 million; and strategic and other investments, 147 million, for the total of 1.53 billion.

Ms. A. Young: — Perfect. And forgive me, for those last two categories, the last one was strategic investments and . . .

Ms. Kaczmar: — Strategic and other investments.

Ms. A. Young: — Yeah. Can you expand on what that would include?

Ms. Kaczmar: — So it's strategic priorities for our corporation. So for the upcoming years it will be on the logistic warehouse and on AMI [advanced metering infrastructure] meters.

Ms. A. Young: — And 487 million in the category prior to that?

Ms. Kaczmar: — It's growth and compliance.

Ms. A. Young: — Okay.

Ms. Kaczmar: — And included in there will be Great Plains power station.

Ms. A. Young: — So primarily capital investments related to expanding the power generation capacity for . . .

Ms. Kaczmar: — Yeah, required to meet new load and safety and other regulatory requirements.

Ms. A. Young: — Excellent, thank you. Understanding that we are going through a bit of a process as it relates to SMRs [small modular reactor] and they've currently been in the news recently, is there a specific investment that's being made this year by SaskPower as it relates to the progression of that memorandum of understanding and the road map?

Hon. Mr. Morgan: — There are officials working both at CIC [Crown Investments Corporation of Saskatchewan] and at SaskPower that are doing planning work. And you will have noted when the strategic plan was released, it talked about the various stages that would include the applications both to the federal government and the provincial government for licensing applications, site selection, selections of a vendor, as well as public engagement and duty-to-consult. I think we acknowledged right at the outset that duty-to-consult would be something that would be triggered and we would want to go through the process in a thorough and detailed manner.

A lot of the expenditure that we made this year, which the officials referenced, will go towards planning and doing the detailed technical work. With regard to vendor selection and that type of thing, how it integrates with our grid, there is . . . no vendor has not yet been selected, but they're well along in the process. Go ahead if you want to give some . . .

Ms. Kaczmar: — There's no piece in capital. It'll all be in our OM & A [operating, maintenance, and administration] this year.

Ms. A. Young: — And pardon me, that acronym?

Ms. Kaczmar: — Oh, sorry. Operating, maintenance, and administration.

Ms. A. Young: — Okay, perfect. And is there a specific allotment for that SMR work that's . . .

Ms. Kaczmar: — Approximately 15 million.

Ms. A. Young: — Okay. And is that . . . You referenced CIC and also folks at Power. Is all of that work being done in-house, or are there also outside contractors?

Hon. Mr. Morgan: — I don't think any outside contractors that we're aware of, but there's staff in CIC. And also they're liaising with the people in Environment for getting ready for regulatory applications and addressing environmental concerns as they go forward.

Ms. A. Young: — Thank you. I indicated I kind of had a heading and then I didn't tell you what I was talking about. This is kind of my general heading, so this will be a bit of a smorg of essentially SaskPower in the news. So you can probably guess some of the questions that will be in here. And then I plan on asking some questions as it relates to northern Saskatchewan in particular, workforce, demand and planning, of course power rates, as well as a bit on climate change and a bit more of a focused inquiry into some of the SMR work, if the clock permits and I'm efficient with my time.

So in regards to kind of that SaskPower in the news category, I noted in 2020 and 2021 there were no CO₂ sales. And I understand that this was due to failed components, and I guess I'm just looking for clarification on this. I imagine this would mean that then SaskPower was unable to meet the contractual obligations that it would have in relation to those sales. And my questions would be what, if any, penalties are associated with that? And what costs, in terms of both money and time, were necessary to replace those failed components?

Hon. Mr. Morgan: — There was a failure of the compressor unit that compresses the CO₂. It's a specific type of device. It's not something you go to a local electrical supplier and say, I'll have one of those. So when the compressor failed, it had to be shipped out of country to be repaired and rebuilt. So it was down for a significant period of time.

The plant could run during that period of time but would not be producing CO₂. So from an electrical generation point of view, the plant was operational and performing. However they were not providing CO₂, which had an impact on the net revenue for that. And I'm not sure which official can give us a figure on . . .

Ms. Kaczmar: — Yes. So for the 2020-21 year, the CO₂ revenue was 18.9 million and the penalty was 2.8, for a net revenue of 16.1. And for the '21-22 year, we're still finalizing those numbers.

Ms. A. Young: — Okay. But it is anticipated that there will likely be penalties in that year as well?

Ms. Kaczmar: — Yes.

[15:30]

Ms. A. Young: — I hesitate to speculate, but I do remember the compressor being quite expensive during construction. It was a fairly large piece to move in. Did it need to be replaced in its entirety or just . . .

Hon. Mr. Morgan: — No. Shipped away for a repair-rebuild. And I don't know what the compressor cost was new, but you're right. It is one of the most important or expensive pieces that were there. So the repair would be I'm guessing several million dollars. It is back and I'm told it's operational.

Ms. A. Young: — Quieter than ever.

Hon. Mr. Morgan: — Right. I looked around to make sure that they were confirming that it was working.

Ms. A. Young: — Yeah. And I think my understanding from that was also — sorry, my last question on this point — that the filled components, the compressor, and I can't recall, I think it was the second component that also needed repair or replacement in the capture side. Were those largely unanticipated, unplanned-for failures, kind of random events that aren't . . .

Hon. Mr. Morgan: — I wasn't aware of there being a second piece involved. I'll let Mr. Eckel provide the techno background.

Mr. Eckel: — Yeah. Tim Eckel, SaskPower. Yeah, after we got the compressor back in service, shortly after a seal let go, unrelated I guess to the compressor but . . . So that took a week or two to get back on. But it wasn't a long-term item, it was just an item that we scheduled an outage and got it replaced.

Ms. A. Young: — Thank you. And sorry, Mr. Eckel, before . . . or to the Minister, I suppose. What was the total period of time that the capture side was out of commission?

Mr. Eckel: — For the compressor, it was 84 days.

Ms. A. Young: — Eighty-four days, okay. Thank you. Moving on to smart meters. Understanding that the installation, the planned installation of smart meters was important to help the utility respond to power outages faster, ensure accurate billing, and on and on, as well as, you know, helping customers as well. I did see in the news the other day that due to, I believe was it a microchip shortage?

Hon. Mr. Morgan: — Yeah. There's a supply chain issue. They're not able to get the electronic components, the chip that's inside. So they've stopped installing until that's rectified. And I think that's the same problem with vehicles and with everything else. I'm not sure how many are installed right now but it's . . . they . . . how many?

A Member: — Seventy thousand.

Hon. Mr. Morgan: — Seventy thousand are installed right now. And the ones that are installed are working as expected. I don't know how many people . . . and so I'd use this as a bit of an opportunity to urge people to, if you have one, go online. See what you're using. See the different times of day that you're using more or less electricity. Log on. Find out, you know, how much stuff is there. If you're away from your home, you log in and you find out that there's huge amounts of consumption, you know, your kids are really running the stereo real loud. So I mean it's a really good tool so you can be efficient in your own use on the thing. And there's not been any problems with them. I was one of the early adopters.

Ms. A. Young: — Yes, I had — and I say this in jest because I know tone doesn't reflect in *Hansard* — I unfortunately had a smart meter installed in my house. My previous meter I think was, like, original to the province, so barely moved. And boy, did my power bills change with the installation of that new meter. But I say that in jest. I understand the . . .

Hon. Mr. Morgan: — While we're jesting, I think you should know that we're going back to review some of those older, slow-working ones to find out what power was leaked. So no, jest, sure.

Ms. A. Young: — Yeah. On that point though, hearing the 70,000 number, and I think that the other numbers that I'd seen, at least in my hastily constructed notes here, was that there were 17,000 through volunteers such as Minister Morgan who were early adopters and then 45,000 that were installed for commercial and industry. How many would be — recognizing the shortage which is due to supply chains outside of Power's control — how many are left to go?

And with the important role that smart meters will play for, you know, responding to outages as well as — I don't know if the right term is demand-side management — but assisting customers in consuming less power, is there an anticipated fiscal impact?

Hon. Mr. Morgan: — I don't know if it's a fiscal impact, but there's certainly, the goal is to replace . . . have the province replace it with new ones. But I'll . . . Anyway, go ahead.

Ms. Kaczmar: — Yeah, that would be our goal is to have, you know, all customers on a smart meter, which would be over

500,000 customers.

Ms. A. Young: — And is it safe to assume there's not a concrete sense of when the shortage may end? So kind of a moving horizon then?

Hon. Mr. Morgan: — We're waiting for an update, so we don't know.

Ms. A. Young: — Thank you, Minister. So now moving on, I have . . . Oh, pardon me. I have one question related to SaskPower in the news. Is there a current price tag for wood pole remediation within Power in terms of the infrastructure investments?

Hon. Mr. Morgan: — A price tag?

Ms. A. Young: — Yeah.

Hon. Mr. Morgan: — You're likely aware we have roughly one power pole for every citizen in the province. So I made light of it, I think, at the last meeting by saying we were going to have an adopt-a-pole program. But the reality of it is they vary in how long they last, depending on the soil or why they were there. So they're replaced sort of as needed, but there's thousands replaced every year. And I don't think we've set a timeline as to when all of them will be replaced, because once you finish, you're sort of starting again. And then I don't know whether you've got . . . [inaudible interjection] . . . Sure.

Mr. Eckel: — Tim Eckel, SaskPower. We do test the poles on a 10-year cycle, so any that we find are in poor condition, we schedule a replacement. And we do it under numerous programs. So we have like the rural rebuild program, which is 30-some million each year we spend rebuilding rural lines. So some of the poles will be replaced there. Others are done on a single basis. We have, you know, other urban rebuilds which would replace some of those poles too. So as the minister said, we do replace thousands a year, and it's based on our pole testing.

Ms. A. Young: — So there's not essentially like a deferred maintenance cost associated with . . . or a risk or a liability that the utility would be aware of related to that?

Mr. Eckel: — No. When we do the testing, we also treat the poles for rot, to stop the rot. And we also look for cost-effective ways, if we, you know, put a steel brace on them or those types of things.

Ms. A. Young: — Thank you. I ask because it's been cited, I think, in media reports previously as kind of a measure of the need for capital investment in power. But that's A-okay.

I will segue now to a couple questions specific to northern Saskatchewan that have come in exclusively from stakeholders. Actually they're exclusively municipalities in northern Saskatchewan. And I guess perhaps a statement by way of introduction. Minister, I know you've spoken about the SMR process that is under way. And while there has been no site selection to date, and that consultation work is still forthcoming in conversations, certainly, with some of the municipal leaders from northern Saskatchewan, they asked me to put in a plug specifically for their northern communities to be considered for

future investment and for that consultation process to at least be considered — specifically the community of La Ronge — to at least begin that dialogue. So I committed to bringing that here, and I'm sure you are in contact with those officials yourself.

Hon. Mr. Morgan: — I appreciate the issue that they're raising, and absolutely we will stay in touch and want to have further contact with them. You're likely aware there was a significant fire north of P.A. [Prince Albert], so there was a period of several days where it was down. And I commend and thank the SaskPower workers that were out in really adverse conditions, terrible amounts of mud in areas where there was no roads, where they were going through the allowance that was cut out so they could get in and replace poles. And I think they probably did heroic efforts to get it back on.

But nonetheless for the people that were there, if you don't have power for your heat, freezer, or whatever else, it's a major challenge. And I spoke to some of them on the phone, and we had a trip to look at other methods of providing additional redundancy or . . . You know, there's nothing we can do that's going to prevent another fire from happening, but we'll, you know, maintain what they do around vegetation removal and other methods to try and improve their reliability. But the point's well taken.

Ms. A. Young: — And I would not be the expert on SaskPower infrastructure in northern Saskatchewan, but I do know there is push for consideration of a switching station somewhere up that way to potentially ameliorate some of the concerns with those longer term power outages to ensure that it's easier to get the power back on when it does inevitably go out, which does happen.

A specific question from the community of Southend: how many — and forgive me; I don't know the technical term or the title — how many folks who read meters, who go out and do that work, are currently employed by SaskPower in northern Saskatchewan?

Hon. Mr. Morgan: — Total province-wide, there's 108 meter readers. And as people move to smart meters, that will eliminate or reduce the need for it. But I understand that in Southend where you . . . [inaudible] . . . there was, they're wanting to increase the level of service in meter reading there. So they're apparently working to train local people to be able to read their own meter.

Ms. A. Young: — Great. Are there provincial or company-wide standards for service time in regard . . . I admit it's something I've never paid attention to in my own life in regards to how often my meter is read or I get the tag telling me to do it myself and occasionally I do.

Mr. Eckel: — Tim Eckel, SaskPower. With residential meters, typically the meter gets read every three months, and in between you'll get a reminder that if you want to read your meter yourself and submit it, you can. We give you a window of time to submit it, a week or so, so every three months for residential. For farms, it's annual.

Ms. A. Young: — Okay. And would that standard, like, there's no kind of northern allowance or remote? It should be three months province-wide?

Mr. Eckel: — That's the target now. There's the odd time that, you know, weather-related. For example, in winter sometimes you can't get in the backyards to read meters and things, so we do estimates in those cases. But the intent is to every three months.

Ms. A. Young: — Okay. Thank you, Mr. Eckel. I'll bring that back. The concerns from the community are obviously around infrequent service and meter reading leading to those significant differentials between estimates and actual bills for customers up there. But hearing the minister's comments, I'm hoping that will be ameliorated.

You know, I'm curious. I understand there's . . .

Hon. Mr. Morgan: — And I just want to point out, we currently have hired a local community representative in Southend for that purpose. So there's an understanding that the issue is there and that SaskPower is working to address it. So thanks for raising it.

Ms. A. Young: — Okay. My thanks to the minister and the officials for addressing that. And I understand there's a subcontractor in Northern Saskatchewan, I believe called Hundseth, who's used extensively by Power. And I'm curious if there's a number of contracts that could be spoken to or a value that could be associated with this.

Hon. Mr. Morgan: — They're a line contractor. They're based in Saskatoon and they do work, I think, all over the province for SaskPower and for other entities as well. I think they've been in business for decades, because I think the guy that owns the company was a friend of my dad's. So at the risk of sounding really old . . .

Ms. A. Young: — Decades, you say.

Hon. Mr. Morgan: — Yeah, we can certainly undertake to provide you with an overall number that went to that company.

Ms. A. Young: — Sure. Thank you, Minister. That would be appreciated.

[15:45]

Moving out of the North specifically, but still staying on that staffing component, I've heard concerns from residents and folks in rural and remote parts of the province about essentially a reorganization or downsizing of district operators employed by SaskPower. And I'm curious, is there a number that could be provided as the number of district operators employed by Power, you know, over the past couple years to get a sense of whether that is in fact declining?

Hon. Mr. Morgan: — I'm told there's approximately 300 and I think the number's not changed. Yeah, static number.

Ms. A. Young: — Steady year over year? Is there like a centralization or reorganization taking place then?

Mr. Eckel: — Tim Eckel, SaskPower. There has been some consolidation. We're finding we can't recruit to some of these smaller towns, so we've . . . And then the other issue we have is previously we'd have two- or three-man districts, person

districts, and they'd have to be on call every second weekend or third weekend. So now we've gone to five- or six-person districts. Same number of people, we haven't reduced that number. And they just have a larger geographic area that they cover.

Ms. A. Young: — So hearing that — and forgive me, I'm a bit out of my depth here — has the number of districts itself then shrunk as they become larger?

Mr. Eckel: — Not recently. Over the last number of years, there has been a consolidation to some extent, but as far as field staff go, we're still at the same number.

Ms. A. Young: — And when would that consolidation have begun? Forgive me.

Mr. Eckel: — Oh, it probably started 12, 15 years ago is when it started.

Ms. A. Young: — Okay. Long-standing?

Mr. Eckel: — Yeah, yeah.

Ms. A. Young: — And so as a consequence of that, I guess those folks would have longer drive times potentially as the area that they serve would be larger. Is that a fair assessment?

Mr. Eckel: — In some cases that would be the assessment, but not in all cases. If you sometimes look smaller districts, sometimes shared being on call, so they might have had the same response time, you know, 10 years ago as they have today. But the intent is that we try to keep it to a limit, you know, probably less than an hour drive to any customer. That's kind of a rule of thumb.

Ms. A. Young: — Okay. So then is there a maximum drive time for district operators? You know, like, would they have a maximum radius I guess that they would serve, three hours or one hour or what?

Mr. Eckel: — Just yeah, if it's possible, we try to keep it within an hour.

Ms. A. Young: — Okay.

Mr. Eckel: — Now depending on certain districts, that might be extended or shortened. It depends. That's the rule of thumb.

Hon. Mr. Morgan: — If they are anticipating adverse weather, the crews will go out in advance of the weather settling in so that they're at locations, they're at locations where they're able to access, where they anticipate the breakdowns to be, you know, areas of high wind or rain and ice sticking. So they're trying to eliminate the travel time so that they're more available as the weather makes it available.

If I could go back to your question about Hundseth Power, 2020-21, the total paid was \$22,295,598.

Ms. A. Young: — Thank you, Minister. So perhaps just a couple more, or maybe one more question in regards to the district operators. So hearing what's been said about, you know, the

efforts to deploy staff in advance of adverse weather effects and keeping those drive times to around an hour, assuming, you know, those folks have windshield time and . . . Are there concerns around increased delays in getting the power back on as a consequence of those larger districts?

Mr. Eckel: — Tim Eckel, SaskPower. I would say we're addressing those concerns with technology as well. Part of our, you know, AMI meter program, we can tell when there's outages, so we don't have to wait for somebody to call in. We can respond right away. There's 70,000 meters that have been put out there, dispersed across the province, so we have a good sense of where things are. And then as well we're starting to put some, you know, automation into our substations and different things like that, that we don't have to send a person to get information and they can operate mostly remotely. So we are addressing it that way as well.

Ms. A. Young: — And sorry, last question, Minister, probably for Mr. Eckel. Are there any areas that the utility would identify as essentially, you know, deserts that would have a longer drive time due to perhaps the dispersed nature of the population or . . .

Hon. Mr. Morgan: — I think a fair response would be, in a place like Saskatoon or Regina, your response time is measured in minutes, but if you're an hour or two out of the city, your response time will be significantly longer. But if you're in, for example, the southwest part of the province where it's a lot of ranch land, you'll travel a lot further, and then in the far North, there's bigger distances between the communities and a greater . . . whatever weather outage took a line down may make the roads impassable as well. So I think the idea is to try and have the staff as close to where they're needed so they're able to respond as quickly as they can.

Having said that, the other thing that SaskPower is working to do is enhance the reliability of the distribution system so there's fewer outages in the first place rather than, you know . . . Naturally they have to reply whenever there is an outage, and a province as large as ours, they're certainly going to happen. But I think the goal of the corporation has been to try and replace out-of-date poles, to try and remove vegetation, or the different things that would cause outages, you know. And actually there's not much you can do with a heavy rain or snow storm that sticks to the lines, but I think that's one of their goals is to improve the overall resilience of the system.

Ms. A. Young: — Thank you, Minister. Moving on to a subsection I have recklessly titled demand and planning, I believe the number of 4500 megawatts was cited previously as kind of the anticipated need for the province by 2035. Is that ballpark accurate?

Hon. Mr. Morgan: — That's in the range.

Ms. A. Young: — Perfect. And forgive me, I did not put this in front of myself, currently what are we at?

A Member: — 3910.

Ms. A. Young: — 3910. So 3910. I look at that and I was reviewing some of the peak days that obviously power hit — those back-to-back days in the winter and I believe in summer

we also hit a peak consumption day. Perhaps I'm thinking of 2020. I actually believe my numbers may be 2020 so I anticipate it would be higher. But the numbers I had from 2020 for peak consumption, or that peak day in winter 2020, was 3695.

And I suppose, you know, projecting out over a decade with significant and much-celebrated — and rightly so — industrial investment coming into the province, but with that of course comes increasing demands for SaskPower. I'm curious about the consideration that's gone into that 4500 number, and if the committee could get a sense of, you know, when we say it's in the range, does that include anticipated population growth stated in the province's plans for growth of, you know, adding another 300,000 people, another city? I assume that'd be about 120 megawatts. I feel like the projects announced so far, like back-of-the-napkin math, would be probably another 300 megawatts, maybe, I don't know. But I guess looking at that 4500 number for planning, hearing that it is in the ballpark, is that a number that you're comfortable with and that we believe is accurate?

Hon. Mr. Morgan: — No, there isn't a number right now that we would say, oh we're comfortable with this number. We know that we've got anticipated increase in the population. And we know that we've got the canola crush plants coming online. We know that there's a number of different mining operations, so we anticipate the consumption and usage to go up. To compound it, there is the requirement of the federal government for removal of conventional coal. So that is going to require us to have additional generating capacity. So there are a number of initiatives that are under way at the present time.

And then the SMR would be one more of those initiatives. The facility at Moose Jaw is under construction now and I think due to come on in about a year, May of '24. And we've just completed the one at Swift Current. We will be able to do some upgrades to some of the existing natural gas facilities that will increase the output of some of those.

But we need to have longer term, reliable baseload power. I think everybody wants renewables, and there's things under way with regard to wind and solar, and I'm supportive of doing those things. But when it's 40 below and the wind doesn't blow, that doesn't help very much. So I think the simple answer is there is more work to do in the area of ensuring that we're able to provide long-term, good baseload power for our province. But SaskPower is aware of it and is working diligently in coming forward with options, SMRs being one of them.

I would comment the . . . I heard you and other opposition members making favourable comments about the steps the province was taking. I'm well aware that the opposition will do its duty and critique the performance and the government. But I was pleased, and I thank you for the support so far. So thank you.

Ms. A. Young: — Thank you, Minister. Any comment that begins with, well I know the opposition, I've heard comments from the opposition, gets me nervous, especially after committee last night.

But on that, I would say I think we are on agreement of the importance and the need for energy security for the province in the most comprehensive sense, whether it's generation or whether it's autonomy, and what that looks like. And I believe

most people in the province share that belief as well.

In opposition, of course, we do have a job to hold the government to account. And on the SMR piece I would just say, I think as I've said before, the desire to take politics out of that is real. And as the decision-making process goes forward and as the business-case planning goes forward, I would just perhaps state again that I believe a true effort will be made by officials and hopefully by yourself, Minister. But a stand-alone business case, as well as that true genuine engagement, really, really needs to happen for the success of this province, certainly for these projects, but ultimately as we look at a real challenge as we get closer to 2035 for everyone here in Saskatchewan.

So on that, I guess what I'm hearing is the 4500 number is a good ballpark, but more will need to be done and that the number may in fact be higher than 4500. Okay, seeing nods.

So on that I understand, you know, as part of the work that SaskPower's doing, the Manitoba Hydro contract, the new one does come online this year. And I guess a question for me, is that import, is that being used for baseload or economic imports or shortfall imports?

Hon. Mr. Morgan: — I'm going to let the officials correct me if they want to. My understanding is that we import on days where we're either unable to produce enough on very high demand days or where one of the facilities is not operating, one or more of them. I don't know whether . . .

Mr. Eckel: — Tim Eckel, SaskPower. Yeah, our contracts to date have been, as the minister indicated, the one coming up, it's going to be more baseload. Just we're trying to, you know, reduce the emissions and the carbon tax, those types of things, and it was an economic alternative at the time. So that's why.

Ms. A. Young: — So then is the import pricing fixed or does it vary with demand, understanding that, you know, when Saskatchewan's experiencing significantly higher demand, I would anticipate that our neighbours would be as well.

[16:00]

Mr. Eckel: — It's a fixed contract right now.

Ms. A. Young: — So the cost isn't higher with peak hour or anything.

Mr. Eckel: — It doesn't change, no.

Ms. A. Young: — Great. So perhaps one more question about imports and exports here. My understanding is that Great Plains and the wind . . .

Hon. Mr. Morgan: — You referred to the one at Moose Jaw, Moose Jaw and Swift Current?

Ms. A. Young: — Wind . . . [inaudible interjection] . . . Bekevar, thank you, are coming online this year. And looking through, I think it was third quarter's or some of the SaskPower reporting, it looks to my untrained eye as if this actually leaves the province with a surplus of power. So I guess my question is, are we both importing and exporting more in this year?

Hon. Mr. Morgan: — Wind? Or just in general?

Ms. A. Young: — Power in general.

Hon. Mr. Morgan: — I know we have a net import of 3 per cent of the total energy that we consume, but I'm not sure what's up, what's down. But we have a net import of 3 per cent.

Ms. A. Young: — And is that net import lower than what we're exporting?

Hon. Mr. Morgan: — I think that's the difference, right?

Mr. Eckel: — Yes, the import is what we're receiving from Manitoba Hydro, and the export depends on market conditions. If we can export and increase revenue and keep rates down, we will do that. We're also adding renewables, which are intermittent. But when they're operating, we'll try to run our gas, our fossil fuel plants back to reduce the carbon tax. So that's kind of why it looks like we're adding more generation, but just how we operate it, we try to reduce the emissions in the province. That's one of the main goals. If we can make additional revenue by exporting, we will do that.

Ms. A. Young: — Okay. So what I'm hearing then, just to make sure I understand, is that the utility will go with what the most economic power source is, given demands on the system. Or is there an obligation to, you know, follow those power purchase agreements regardless of whether the cost of power may be more or less from wind or natural gas or something in-house?

Mr. Eckel: — It's a combination of economics, emissions. And our grid control people would look at those two factors and determine what the need and demand is of the province.

Hon. Mr. Morgan: — Asking about power purchase agreements, are you talking about imports or are you talking about ones that are wind and solar within the province?

Ms. A. Young: — In that I was specifically talking about imports.

Hon. Mr. Morgan: — Okay.

Ms. A. Young: — Yeah, but I suppose it's the same question regardless.

Hon. Mr. Morgan: — Not necessarily. You know, the imports are sort of on an as-required in our business case model, but a lot of the PPAs [power purchase agreement] with smaller producers in the province, we have an obligation to purchase whatever they put online.

So I think it's one of the challenges with groups that are providing solar or wind. They'll have the system up and running, and then the expectation is that SPC [Saskatchewan Power Corporation] will buy everything that they can produce. And then if it's running . . . [inaudible] . . . they'll ramp back whatever they're doing with natural gas or whatever else.

But with those systems, you never know how long or what they're down for, what they're up for. And some of them are very small, you know, 1, 2, or 5 megawatts. And you don't know

whether they will be up for any particular time, so SPC has got to be ready to ramp up baseload whenever they can. But when those entities are ready to produce power, even though it may be more expensive to buy from those, SPC wants to foster the relationship with those entities and wants to encourage having more of them.

Ms. A. Young: — Interesting. Thank you, Minister. So perhaps moving on to power rates and the rate application, I guess a couple of specific questions. So looking at the rate application, I'm curious why are customer connects forecast to decline so sharply in '23-24? I can't square this with the plan for growth.

Ms. Kaczmar: — Customer contributions.

Ms. A. Young: — Yeah, the customer connects are projected to be down in SaskPower's application '23-24.

Ms. Kaczmar: — Yeah, so our distribution connects would be fairly consistent, but on our transmission it would vary depending on when the customers are coming online.

Ms. A. Young: — Sorry, I'm not sure if I'm understanding.

Ms. Kaczmar: — So to connect a customer . . . So our distribution would be fairly consistent — right? — through it. But as large transmission customers, they would be depending on when they connect. So we must have just fewer customers, large customers connecting in those years.

Ms. A. Young: — Okay. So perhaps this is my ignorance. A customer is not a customer is not a customer. Like one big industrial client doesn't show up as a customer connect the same way that, you know, the MLA [Member of the Legislative Assembly] from Cannington will show up as customer connect.

Ms. Kaczmar: — Yes, but they would be different values.

Ms. A. Young: — So the decline is then perhaps just a lack of large customers coming online in '23-24, not necessarily residential farms, small commercial?

Ms. Kaczmar: — Correct, yes. The residential, commercial would be in the distribution which would be fairly consistent. It would just be in our transmission that would fluctuate.

Ms. A. Young: — Okay, great. That clarifies my confusion considerably. Thank you. So then in the business case for '22-23, why does the estimate for net income — which I believe is 33 million, which was also confirmed in Power's answers to some of the rate review questions — why does that differ from the provincial budget estimate of 48 million? I'm very happy to receive an answer at a later point if appropriate.

Hon. Mr. Morgan: — Yeah, good question. We'll provide you with a written response. And I don't have an answer.

Ms. A. Young: — Thank you, Minister. So the proposed investment in transmission, which is an increase — I think it's \$81 million in '23-24 — as well as distribution, which is \$15 million, which remains flat, I guess my question is, is that adequate given the potential in future years for an increased demand in electricity certainly, you know, possibly due to EVs

[electric vehicle], conversion of water, space heating, or general economic growth?

You know, I was chatting with folks from Estevan extensively about the plug-in F-150s and just the challenges to the voltage in their houses and the electrification necessary for that. So looking at those numbers of 81 million and 15 for distribution, is that going to be adequate?

Hon. Mr. Morgan: — I think it's a reasonable expectation that consumer use will increase over time. It used to be that a residential house would have a 60-amp breaker. Now most of them have about a 200-amp breaker, and it's because people are using more electrical appliances, electric stoves, dryers, what else.

You raise the issue of EVs and how much demand they're going to use. Typically an EV, if you have a charging station in your home, would have a 50-amp breaker. Your stove would have a 40-amp breaker, so it would actually use more than your stove. Your stove will only operate for the short period of time it takes to do whatever cooking you're doing. Your dryer will run a little bit longer because it runs continuously. But the EV charger would, on max, be running the most. Some people will charge their EV over a longer period of time, eight or nine hours. So they can charge it on 110 volts, but obviously the efficient way to get a maximum charge is to run it through there.

So what will happen over a period of time is those people will likely be encouraged, or incented, to do the charging late at night when the other usage is gone. So there may be some kind of an incentive to do that.

We asked the question about how many EVs there will be. Some manufacturers say they have a goal of 30 per cent or whatever, also over whatever period of time that they'll be selling. About 5 per cent of the vehicles — the vehicle will have an average lifespan of 20 years — so about 5 per cent are changed every year, whether this will be a faster process, but there's no doubt it's coming. And I think electrical utilities across the world are going to have to be ready for electrification of vehicles in one form or another.

I don't know if someone wants to add something. Obviously my officials thought that was a wonderful answer, so thank you.

Ms. A. Young: — Delightful, Minister. Truly.

So traditionally, there's a positive correlation between GDP [gross domestic product] growth and demand for electricity. But in the submission to the rate review panel, it essentially forecast no growth in electricity demand for 2022-23 and then '23-24. And yet the number in the provincial budget, I believe, anticipates an increase in GDP of 3.7 in 2022, 2.5 in 2023, and 2.2 again in 2024. And I imagine the officials at SaskPower are significantly more thoughtful than I am, but I'm struggling to reconcile that disconnect.

Hon. Mr. Morgan: — We have the rate review panel submission here, so I'll let one of the officials speak to it.

Ms. Kaczmar: — Okay, so the previous couple of years we had lower demands, so that was our forecast. We're currently just

working on our Q1 [first quarter] forecast. So in the rate review panel it is levelled, and then in the next quarter we will have our updated forecast which we'll include in the mid-application it'll be updated. And we're projecting about a 1 per cent growth per year for the next 10 years is our high level.

Ms. A. Young: — In regards to 1 per cent growth every year for the next 10 years in the demand for electricity across all customer classes.

Ms. Kaczmar: — Yeah.

Ms. A. Young: — Okay. Is that perhaps exacerbated by self-generation? Is that contributing at all? I'm still just trying to reconcile my historical understanding of the correlation between electricity demand and GDP growth and the projections, hearing what you've said about, you know, still working through your forecasting.

Hon. Mr. Morgan: — You asked a question about the number of 1 per cent for increase in growth. Over the last 10 years, it's been probably closer to 2 per cent. So they're assuming perhaps a levelling off and possibly a greater amount of self-generation for consumers that would have solar panels, whatever. I think these are projections and estimates.

I would hope that, speaking for the province, would like to see us with the problem of having even higher consumption or growth. But it was based on past experience and their projections.

[16:15]

Ms. A. Young: — Thank you, Minister. So recognizing self-generation is, you know, potentially a boon but also a significant challenge for a traditional utility like SaskPower, is there a number in regards to how many firms currently self-generate in Saskatchewan? And if somebody's looking for that number, I'm also curious about the approximate capacity of those facilities.

Hon. Mr. Morgan: — They vary. There's also some cogen facilities that sell back to the grid. Some of the larger companies were using self-generation because they were not obliged to pay carbon tax. It was sort of behind the meter. So I'm guessing that going forward, that ability to avoid tax that way will likely be eliminated. The federal government will adjust their requirements going forward so that that will no longer be an incentive to self-generate that way.

Now customers may still choose to do that for whatever ESG [environmental, social, and governance] requirements they have, or may just choose to do that in any event for reliability or whatever else. But right now there is an economic incentive to do it because people are avoiding the carbon tax on it. But I don't think that's something that will last indefinitely.

There are 2,600 customers in the province that have some form of generation of their own. I don't know how many customers — they wouldn't be customers — but people are totally off the grid. I know a handful that are doing it in this province. I don't think it's a fun thing or a reliable thing to drive up to a northern lake because your generator gave out when it's minus 40 and you've got things that are going to freeze.

Ms. A. Young: — It is a choice. Of those 2,600 firms, is there a capacity estimate that could be provided either now or at a later time?

Hon. Mr. Morgan: — We have a little bit. Forty-two megawatts of that would be solar that would be customer generated. And the small independent power producers that are selling back through some form of a power purchase agreement is an additional 28 megawatts. Now I don't know how that translates or how that relates to the 2,600 that are doing it in some form. I think you drive around the province, you see homes all over the place that have got solar panels, so they're doing some. Some of them would be net metering and selling back to the grid. Some of them would just be using for their own consumption.

Ms. A. Young: — That's interesting. I was assuming there'd be kind of predominantly natural gas in there, but hearing it's solar.

Hon. Mr. Morgan: — People generating their own electricity with natural gas?

Ms. A. Young: — Or larger, not just residential customers.

Hon. Mr. Morgan: — I think there's a combination. I think the larger businesses would not be using great amounts of solar. Solar will be done by home producers. The solar farms will be a business venture where people will have acres of it and selling back to the grid, but I don't have a number or breakdown on that.

Ms. A. Young: — So with self-generation, would those individuals, corporations be across all customer classes then?

Hon. Mr. Morgan: — Yeah, I think there'd be some in virtually every class. There would be.

Ms. A. Young: — And is that a concern? You know, thinking about the rate review, is that a concern in terms of customer retention or potential grid defection for SaskPower? And are those concerns built into the application?

Hon. Mr. Morgan: — I think the challenge with customers that either are cogen or self-gen are that the utility has to continue to provide baseload power in the event that whatever system they have goes offline. So if there is a self-gen or a cogen customer that's got reliable baseload power and wants to disconnect completely, that's fine. That's their choice and it's not an obligation on SaskPower to provide baseload for those people.

But virtually all of them have the expectation that the grid will have a line into their business or their home and will continue to provide power, so if their system fails for whatever reason, they flip over and go the other way. And when it's small users, it's not a big factor. But if you have a mine that's using several megawatts, then it is an issue that you're providing them with baseload power. They're not using it, so it's not running through the meter. So that's where the challenges go. I think they're watching carefully to see what happens on it going forward.

But to your comment, I think the makeup of the customers are different than what they were a decade ago. Customers have their ESG requirements, so they're expecting to do more themselves, and there's certainly a general expectation on the part of residential consumers. They could put up a handful of solar

panels, they can do this, they can do that. And people are doing it.

Ms. A. Young: — All right. Maybe I'm mistaken. I feel like I waded through an incredibly technical third-party report on it. Am I remembering, am I mixing things? The capacity reservation service rates, is that specifically for . . . I guess my question to the self-generation there is, does SaskPower cover all the costs associated with providing that backup power?

Hon. Mr. Morgan: — When they connect a customer, they try and adjust whatever rates they think the customer is going to use. But the assumption going into it is the customer will be 100 per cent using SaskPower. They may save some money as they go forward, but the cost of the hookup, the capital, and everything else, they approach those projects with the idea that, they're assuming it will be 100 per cent consumption of SaskPower's supply.

Ms. A. Young: — So if the proposed rate increase is not accepted, or is rejected and the government makes a different decision in terms of the rate increases, I understand that Power's projecting a loss of \$28 million in 2022-2023 and \$105 million the subsequent year, which is a fairly significant jump. How do you go from \$28 million to 105?

Ms. Kaczmar: — The first-year rate increase, that would be based on six months. And so then the next year it's accumulative, so it's the six months plus another year. So that's where you get from the \$28 million loss to a \$105 million.

Ms. A. Young: — And did those losses contemplate a dividend for the subsequent year?

Ms. Kaczmar: — So we pay dividends to CIC based on our net income. So if we have a loss, there would be no dividend.

Ms. A. Young: — So I hear that, but then I know this year, without the rate increase, Power is projecting a loss of \$28 million but is currently paying a \$48 million dividend to CIC.

Ms. Kaczmar: — So for the current year, 2021-22, we're forecasting a net income of \$10.3 million.

Ms. A. Young: — Oh pardon me, I'm mixing up my years. So the 48 is on this year and the \$28 million loss is on next year and would not contemplate any dividend.

Ms. Kaczmar: — Correct.

Ms. A. Young: — So recognizing this, and the decisions that are made around utility rates are, you know, relatively independent or could change, and also recognizing the significant work that we've canvassed tonight that needs to be done to get to 2035, essentially for the Crown to fight for the survival of energy security for the province of Saskatchewan, is there contemplation forgoing dividends from the company, even if it does show a profit, to allow it to invest as necessary?

I guess, sincerely looking at the challenges facing SaskPower when it comes to infrastructure, when it comes to making those 2035 targets, I assume this goes into the assumptions that the

utility makes when projecting outwards.

Hon. Mr. Morgan: — The utility makes its best projections going forward. As additional capital costs are incurred, they could be paid for by a variety of different methods: rate changes, additional borrowing by the Crown, customer contributions from longer distance hookups, and a variety of different methods.

So I think the appropriate answer would be that it would be looked at on a year-by-year, month-by-month basis just as to how best to ensure the viability of the Crown. CIC looks at the debt/equity ratio and the ROI [return on investment]. Those are the two sort of key factors that were there.

As you're aware, last year there was a 10 per cent reduction in rates. And there was concern at the time that that would impact on SaskPower's bottom line or their debt/equity ratio. So that was provided as a direct grant from the GRF [General Revenue Fund], which is always an option.

So I wouldn't speculate as to how different capital would be financed going forward, but there's no doubt there is a substantial amount of capital, as there is with utilities across North America. Especially as they move away from renewals, those are going to become expensive capital items to try and replace, and there will be a need for money to fund all of those.

Ms. A. Young: — For sure, and thank you, Minister. You know, in talking about the rates in particular, my canvass of recent history was that in 2016 power rates were increased by 5 per cent, then increased 3.5 per cent in 2018. November 2020 you had the 10 per cent reduction through — I can't remember what we called it — the economic recovery rebate?

Hon. Mr. Morgan: — There's been no increase for the last four years.

Ms. A. Young: — Four years.

Hon. Mr. Morgan: — Yeah, there's been the reduction of the 10 per cent, but the dividends have varied. In 2011 there was no dividend. 2012 there was a \$120 million dividend. And then there was a number of years where no dividend was paid. 2018-19 it was \$20 million, and that was the same in 2019-20. 2020-21 it was \$43 million. So they would pay them based on a variety of reasons and in consultation with CIC.

Ms. A. Young: — Thank you for that. And I hear what you're saying about the . . . You know, looking at the news release, SaskPower's applied to the rate review panel for its first increase in four years, but back in, I believe it was 2018, there was kind of like a never-before-seen hue and cry over the proposed rate increase. And it was initially I think a 5 per cent ask that was walked back to three and a half per cent.

And at that point the rate review panel said that 5 per cent was too steep, citing concerns with the impacts obviously on individuals, businesses, the viability of attracting an industrial strategy to Saskatchewan with power rates. And the rate review panel at that time noted that the trend line was up.

And again it was 5 per cent in '16, three and a half per cent in '18. 2020 it was down 10 per cent for that GRF transfer, and now

it's planned to increase 4 per cent in September and another 4 per cent in April 2023. So you know, by my math that's an 18 per cent increase since 2016, and I see the words that . . . Is Troy still interim CEO [chief executive officer]?

Hon. Mr. Morgan: — He is.

Ms. A. Young: — He is, okay. That interim CEO King put on the paper in regards to, you know, power requiring additional funding to increase renewable generation, modernize the power system and ensure a sustainable future, I guess my concern is, or my question is — I'm not just reading off rate increases, I promise — if that rate increase is not granted, looking at recent history with the rate review panel, what are the consequences for SaskPower?

[16:30]

Hon. Mr. Morgan: — I think I indicated, you know, there are other options available there. You have the rate review application to look at so you know what the demands are, what information the Crown utility is putting forward. I don't speak for the rate review process; they operate independently where cabinet is not obliged to accept that recommendation and in some cases hasn't accepted the recommendation. So I don't want to speak for either the rate review panel or what cabinet might do when it comes forward.

But I think you've looked at the numbers, and I think we've talked about them today and we know what the needs are for expansion and for growth. We also know that the costs of a number of the input costs for SaskPower — cost of natural gas, cost of wages — have gone up and those ones will see inflationary pressures. So there I commend the senior management at SaskPower for working with other Crowns trying to do Crown collaboration and trying to find savings by common line, locate services, and a variety of other processes. So we expect them to be as efficient as they can while maintaining the best possible service for the citizens and businesses of our province.

Ms. A. Young: — Thank you, Minister. On the rate application — some of this is new to me, so forgive me if I'm misunderstanding — in addition to, you know, the 4 per cent general rate increase, there's the rebalancing maintenance as well.

And my read of this from the rate application is that some categories — residential, farms, small commercial, and general service — will be going up in regards to the rate change and their revenue-to-revenue-requirement ratio.

And some of these are going up more. I could be misreading, but looking at the submission it looks like residential is actually experiencing a rate change of 5 per cent; farms, 6.3; small commercial will be going up 3.6 per cent; general service, 2.6. Let me go through to oil fields, 1 per cent; street lights, 12 per cent; reseller, 5.6. Is the overall goal of this rebalancing — looking at the discrepancy between 1 per cent to 12 per cent for street lights, which I never knew was its own category — is the goal to get that revenue-to-revenue-requirement ratio to one across the board?

Ms. Kaczmar: — Yeah, that is correct. And if we're at 0.98 per cent to 1.02, we say we're within a tolerance. So that is our goal, is to be at 1-to-1 revenue to revenue requirement.

Ms. A. Young: — And I imagine the work of getting to that . . . Forgive me, I'm not sure how we say the acronym out loud. Is it R/RR [revenue to revenue requirement] ratios or RRR ratios? But to get those ratios, has that been the work of several applications or is that beginning . . . is this the first step?

Ms. Kaczmar: — Yeah, so the last time we did a revenue rebalancing was in the 2018. So we will try to smooth it out over the next couple, get back to the 1-to-1 ratio.

Ms. A. Young: — So perhaps one last question in this kind of power rate category. Understanding that, I believe that when SaskPower designs rates, these rates are designed to include recovery of the lifetime costs of assets. Is that a fair statement?

Ms. Kaczmar: — Yes, that would be included in our cost of service.

Ms. A. Young: — Yeah, so looking at what some folks will look at as a significant increase being proposed in the next year, what costs are these rate increases designed to pay for?

Hon. Mr. Morgan: — Are you talking about the capital assets and the lifespan of the various capital assets?

Mr. Eckel: — Tim Eckel, SaskPower. Yes, the number of rate classes — for example, farms and residences — were investing a lot of money into the sustainment to, you know . . . A lot of those facilities are, you know, 50, 60 years old, so they're fully appreciated. As you replace them, the depreciation costs come in. And then as well, we still have, you know, the number of customers per kilometre is really low, so there's a lot of cost there as well. And then yeah, just depending on what the capital investment is into those different categories.

Ms. A. Young: — And of the capital investments, are there specific projects that are being anticipated, built into this rate increase?

Mr. Eckel: — We have a number of capital sustainment programs and we plan to continue those because we know that we have to maintain the system. And there might be a few that we would, you know, depending on the age of the facility, start to ramp up or ramp down. And street lights would be an example of one that we've been ramping up because they're just getting to the end of life now after all those years.

Ms. A. Young: — Thank you. Yes, it's sad. I had a very old street light outside of my house, and I loved actually not having a street light as my house was dark at night. And the good people at SaskPower have replaced it, and it shines directly into my room, much to my privileged regret.

Hon. Mr. Morgan: — You could move to Saskatoon, where most of the street lights are paid for by the city.

Ms. A. Young: — I learned something new today.

Hon. Mr. Morgan: — Yeah, and Swift Current.

Ms. A. Young: — Okay, there you go. Those two generators. Yeah, if you've got a good seat open for me, Minister, I'll consider it.

Two random questions. I apologize, I neglected to ask these off the top in my kind of grab bag of questions. One question comes specifically from a First Nation, Kahkewistahaw. I understand that the province has gone to ISC [Information Services Corporation of Saskatchewan] for a number of utility projects, I believe it's Energy, Power, and SaskTel. And of course, there would be a duty-to-consult. And my question is about this First Nation specifically, but they ask this to be raised more broadly in the context of duty-to-consult, hoping to, you know, share their information and get an answer.

So again, my understanding is that the province has gone through ISC for these three proposed utility projects and that there is that duty-to consult being triggered. However, whether or not the community actually wants these projects may be in question. I actually don't know the answer to that. And of course, everyone understands that duty-to-consult is incredibly important, and consultations must be done with and by these communities, not just to them.

And the concern from Kahkewistahaw is that they actually do not have the resources to participate in sincere consultations. And I don't pretend to be an expert on this piece. But the concern from this nation is that how do they participate in consultation if they don't have the resources in place within their own community to do that?

So as a question, recognizing that with ISC, SaskPower will have some relationships with First Nations, many First Nations in the province, is there a specific budget allocation that is being made for communities to conduct that real engagement?

Hon. Mr. Morgan: — We don't know about the specific project you're referring to, but we can give you a general answer about the duty-to-consult process as well as ensuring that the First Nation has capacity. So I'll let the official speak to it.

Ms. Verret Morphy: — Sure. Rachelle Verret Morphy, SaskPower. So we do have quite a bit of experience with the duty-to-consult within the province just because of the nature of our infrastructure being widespread and impacting many Indigenous communities. So typically the duty-to-consult is triggered when a regulatory application is made to a regulator, for example, the Ministry of Environment.

There's an application made. The Ministry of Environment, if they think there might be impacts, will trigger the duty-to-consult and then in some cases delegate aspects of the duty-to-consult to SaskPower. So those activities are directed by the regulator. However my understanding and in my experience, there is funding available to help First Nations with duty-to-consult, through the Ministry of Government Relations typically is where that comes from.

Ms. A. Young: — Excellent. So that would go through GR [Government Relations] regardless of whether it's coming from a Crown or . . .

Ms. Verret Morphy: — Typically that's what we've seen in the

past, yes.

Ms. A. Young: — Excellent, thank you. During backchatter I've learned that this piece of casework belongs to the member from Moosomin who I will be handing this off to, so thank you for the answer, and thank you to the member opposite.

My last grab-bag question is in regards to the CEO replacement process. I'm looking for an update on that, and I don't think we've met since Mr. Marsh retired, so I didn't have to opportunity to ask if it's . . . I assume it's a third-party firm doing the recruitment and interview process.

Hon. Mr. Morgan: — Yeah. All I can tell you now is the process is under way. So yeah, we wish Mr. Marsh well in his retirement and thank him for many, many years of good service. He had the best interest of SaskPower and the people of Saskatchewan in his mind at all times, so he was a strong advocate for the utility. So his service is much appreciated. But anyway, in the meantime Mr. King is serving as acting, and doing a good job.

Ms. A. Young: — Hear, hear. Yes, I can't remember the exact number of years for Mr. Marsh of service, much to my regret, but I believe it was like 40.

Hon. Mr. Morgan: — I'm thinking between 85 and 88.

Ms. A. Young: — Yeah, it's truly remarkable. And I'd add for the record my congratulations and deep appreciation to him for his service. And just to follow up on that, you know, understanding that SaskPower is interviewing, I'm sure, many great and qualified candidates for the job, is it a third-party firm doing that kind of headhunting search and recruitment?

Hon. Mr. Morgan: — Yeah, it's a firm named Boyden. And yeah, I'm told the process is under way and I'm deliberately staying hands-off on it. I don't have any brothers that want to work there, so it's . . . Yeah. No, seriously, it should be a process that's run professionally and carefully, and I have faith in the people at CIC and in the folks from Boyden that are doing their work.

Ms. A. Young: — Great to hear. All different kinds of brothers.

Hon. Mr. Morgan: — I'm sorry once again for the poor humour.

Ms. A. Young: — All right. And sorry, is there like an expected decision timeline for that? Is it . . .

Hon. Mr. Morgan: — Don't know, sorry.

Ms. A. Young: — Okay. So it could be next year, could be this summer, could be 2035.

Hon. Mr. Morgan: — I'm hoping not.

[16:45]

Ms. A. Young: — All right, fair enough. I will leave that there. Let's perhaps move on to . . . I apologize, I misled the committee. I have two more random questions . . . [inaudible interjection] . . . No, and it won't be the last, to the member from Cannington. But I will note it is always due to a scattered mind and never due to

malice.

My understanding, peak power demand was hit, obviously. We've spoken about that tonight, and I noted a press release put out by the utility last summer asking customers to limit consumption. But as we know, demand goes up with heat and with cold, extreme temperatures both make it difficult to generate. I believe the minister quoted we hit peak demand twice this winter, back-to-back days, and in their press release this summer, issued . . . it noted that industrial customers are occasionally asked to curtail usage. Year over year, is this trending up, those requests to industrial customers to curtail their usage? And you know, kind of, what does that look like, how many times has it occurred, and is this trending up or down?

Mr. Eckel: — Tim Eckel, SaskPower. I would say last summer was an exceptional year and summer for heat. There was a, they called it a heat dome, and we hit some . . . broke record temperatures across the province. So in that instance we did contact a few industrial customers who were willing to help out. They just shift their time to production to another time of the day.

But as far as trending, I would say no trend right now that I'm seeing. And you know, our goal is, try to serve all the load that the customers are looking for.

Ms. A. Young: — Okay, perfect. Thank you. I understand there are, as a risk, environmental reclamation costs associated with the decommissioning and reclamation of SaskPower's three coal-fired electrical generation facilities. I know there's just . . . decommissioning plans are, you know, made as a matter of fact by process and I believe reviewed every five years. But there are potential costs and risks associated with that decommissioning and reclamation work that may be necessary. Is there a cost that can be put to the risks associated with that?

Ms. Kaczmar: — So we set up obligations for the decommissioning of our whole units as a whole. So like at the end of March of '21 we had \$257 million provision for the decommissioning of our coal, gas, and wind facilities.

Ms. A. Young: — So a point of clarification. So when you say for the unit as a whole, would that mean that, you know, with say Boundary 4 being down, that decommission and reclamation and associated costs wouldn't be realized until potentially like 3, 4, 5, and 6 were all down?

Ms. Kaczmar: — That is correct. Decommissioning of 4 and 5 won't happen till the whole unit, the whole facility is decommissioned at once.

Ms. A. Young: — And that number that was quoted, that was associated with only the coal generation, or coal and natural gas?

Ms. Kaczmar: — All our decommissioning provisions.

Ms. A. Young: — All the decommissionings. Okay, thank you.

Hon. Mr. Morgan: — Before you go on to your next random question, I have a quick . . .

Ms. A. Young: — They're organized after this.

Hon. Mr. Morgan: — I want to make a correction folks behind me have said. When we talked about SMRs, you asked about . . . [inaudible] . . . by staff or by consultants. Apparently there are some consultants working on the process, some on a technical basis and some will be working on engagement. They'll be using whatever external resources they might need for that.

Ms. A. Young: — Thank you. Thank you for that clarification. Looping back to SMRs through my disorganized questions, which I will endeavour to stay on . . . I'm looking at the clock, if I have the opportunity to move on to some climate change. But potentially we'll get bogged down with . . . Not bogged down. We'll get deeply riveted by a discussion on SMRs. As a . . . [inaudible interjection] . . . You think I'm funny today. Or you're doing a bad job masking your cruelty. It's one or the other.

Noting the conversation that already occurred this afternoon in regards to SMRs and the government's indication that, you know, it will make public the business case for the purchase and installation of a 300-megawatt SMR this fall, I would assume earnestly that there will be potentially an array of secondary items, you know, ranging from research to potential for uranium refining, increased royalty revenue, and so on. All of those may play into a business case.

Is the intention of the minister to commit to the provision of a business case, including an economic assessment that focuses solely on the SMR and the related SaskPower expenses, you know, for items such as site preparation, new transmission requirements? Or would a business case include those not unimportant but tangentially related opportunities such as, you know, uranium refining or potential for research development at the U of S [University of Saskatchewan] or wherever it would be?

Hon. Mr. Morgan: — You know, I think those are . . . You refer to them as tangential. I think . . .

Ms. A. Young: — But important.

Hon. Mr. Morgan: — The tangential but important things that you raise, I don't think I'd want to commit to specific which ones would or ought be included. But I think what the process should include is enough information that the public feels comfortable with the decision-making process and enough background of the cost of the facility, the cost changes to transmission lines, etc., the various things that are there, what the job opportunities will be there during construction, during operation. And those are the things that I'm sure they'll want to know.

The tangential but important ones, we may want to have some further discussion about them, but I'd welcome your comments on the tangential but important items, because I think if they are of some significance, we should have the discussion as to what other things can or ought to be included. And I'd certainly welcome either an offline discussion or whatever presentation you'd want to make.

I have no desire to water down the process or limit it so that people want to challenge it later on. I'm hoping for a thorough and frank input from the people of the province. We've indicated that there's no doubt that this will trigger duty-to-consult. I've reached out to some First Nations groups already, sort of to give

them a heads-up that this is coming, and we're wanting not just their input but their involvement in the process and in what's taking place.

Ms. A. Young: — Yeah, thank you, Minister. I genuinely appreciate that. And you know, for the record and all the people watching at home or chuckling across the way, I'm by no means an expert on this. But I believe that, you know, the provision of a business case that focuses solely on SMRs for SaskPower is important, is important. That, you know, the cost indicated for a 300 megawatt facility on the high end, I believe they were cited in the news as, you know, at the very high end at the \$5 billion mark.

And with the realities that Saskatchewan is facing, federal regulations with the challenges that come along with that, SaskPower is, you know, speculating, contemplating the purchase of up to four SMRs which is, you know, the overnight cost of that. And I don't say this to denigrate the opportunity. I think the minister knows where I stand on this, but the overnight cost of that is astronomical. And it would, you know, more than double potentially the net debt, and folks would have concerns about the cost of electricity.

So I guess my plug there is just, you know, not to dismiss those 10 gentle but important considerations. But those should not cloud the analysis for SMRs. That would be my rambling statement on that. But to a question: is there a cost of power necessary to make the business case viable?

Hon. Mr. Morgan: — Is there a cost to power to make it viable?

Ms. A. Young: — Yeah.

Hon. Mr. Morgan: — I'm not sure if I understand the question.

Ms. A. Young: — So pardon me. So for power generation in the province, I think it's around, you know, \$100 per megawatt hour for like power purchased from Manitoba, sometimes up closer to 104. Is there a cost per megawatt hour that is needed for SMRs, understanding once they're built the cost is. . .

Hon. Mr. Morgan: — There's a levelized cost over the lifetime of the asset. And I think that's something that the public should look at and know. There's a large upfront cost, but it's a much lower cost for operating and then a very long lifespan with it. The nuclear generating facilities in Ontario ran for 70 or 80 years, so it becomes over the long term. But you're right. The capital is a significant issue. And I think the people of the province should know what the comparisons are for natural gas and the other available baseload options that are there.

Not surprising, our cheapest option right now is wind. Wind is reasonably cheap capital but unfortunately not too good on days with no wind. So you know, you want to add it on. But our baseload options are the ones that we need to sit down and look at and say, ok, these are the ones that will make sense; these are ones that are not. As the cost of fossil fuel increases with carbon tax or just availability of fossil fuels, it starts to shift the economics of it.

So to answer your questions, I think the business case and the cost has to be a significant part of the analysis. Some of the other

choices that, you know, we enjoy right now may not be on the table in the year 2050, so we have to look at it and say, okay, where are we at for meeting the 2050 requirements?

We've got the challenge of getting to the 2050 requirements, and I think SaskPower has a relatively strong plan to get to that point. However since that time, the federal government has come back and said, okay, now these are your 2040 requirements and these are your 2035 ones and now some 2030 ones. So as time goes on, the requirements from the federal government are more stringent and more immediate and some of them are going to be incredibly difficult for us to meet.

So the direction that CIC has given to SaskPower is, you don't take anything off the table. You look at every reasonable option that's there, whether it's power purchase agreements from other entities, whether it's different things within the province. We had asked them to look at, is there anything they can do to increase the output of any of our hydro facilities?

I talked to some of the counterparts in other provinces as to whether there is a chance you would ever get a hydro licence to do anything else, and they say, with the amount of land you flood for a hydro facility, virtually non-existent. So the issue comes down to, what can you do to clean or make more efficient the natural gas facilities that we've got as we take the other things off?

You've worked in the industry, so you're aware that Estevan has got a 300-year supply of lignite which the federal government has said, you're not going to use much anymore. So it's a challenge for this utility going forward, and I credit them and their officials for coming up with a variety of different options.

Ms. A. Young: — Thank you, Minister. I appreciate and I look forward . . .

Hon. Mr. Morgan: — Sorry for the long rambling answer.

Ms. A. Young: — No, that wasn't sarcastic. I appreciate the answer. And I look forward to that comparative analysis in terms of, you know, kind of like essentially levelized costs of service for the business case for alternative sources of generation. Whether it's, you know, hydrogen or combined-cycle or whatever it is, I think it will be important and I appreciate the commitment to that.

Looping back perhaps to the feds and to some of the governance and regulation on deployment and . . . I'm a bit out of my depth here, but I've got a tenuous grasp on the current state, and I'm wondering if there's comment to be made in regards to governance and regulation, whether the current state is satisfactory. If these projects proceed, what changes are anticipated? My sense is there's a necessary harmonization of the regulations required. Is there not?

[17:00]

Hon. Mr. Morgan: — For our relation with the federal government or . . .

Ms. A. Young: — For SMRs in general, or . . . [inaudible] . . . particular.

Hon. Mr. Morgan: — Well there's an operating licence and a site licence. I think there's two separate processes we need to go through with the federal government, and they haven't given us an indication that they would be amenable to it. And depending on which ministry you talk to, there's different levels of support.

The Prime Minister has indicated publicly that he's supportive and feels that the path to the future — I think he used the words — is through nuclear or through SMRs. Minister Wilkinson, when he was the Environment minister, made some similar comments, and I had had discussions with him virtually during the worst days of the pandemic. We agreed that he was going to come out and we would meet in Weyburn-Estevan area, tour some of the facilities, and have some further discussions about what things we can and cannot do.

He was rotated out of the facility, and actually I was somewhat disappointed because he's a Saskatoon person. I think that, generally speaking, people that come from Saskatoon are wonderful, and I'm highly supportive of having them involved in virtually anything. But once again, pardon my humour. But anyway, I felt he understood our province and what our needs were. We may not have agreed on everything, but he was certainly . . . The new minister, Guilbeault, is openly . . . has been in the past, openly anti-nuclear, so the issue is whether he gets up to speed or gets enough of a direction.

We're in the process of trying to set up a meeting so we could have a face-to-face meeting. And I'd like to sit down with him and say, this is what electricity comes from coal in our province. This is what comes from natural gas. If you want us to shift to nuclear, this is what the cost might be to do one, two, or four SMRs. If you can give us some assistance on both the cost of them as well as on the regulatory process. Not wanting to take shortcuts on the regulatory . . . [inaudible] . . . to make sure that it gets dealt with, we would welcome that kind of a discussion with him across a pie chart. So I understand he's bright and intelligent, and to the extent that he's reading this transcript, I would welcome it.

Ms. A. Young: — Thank you, Minister. I look forward to additional information specifically in regards to that, the necessity of that licensing piece. Because, you know, once a design is chosen, if it can't be licensed, it can't be built and there we'd be.

I guess one last question on SMRs, tangentially related to SMRs, and I touched on this before. You know, I haven't heard this from SaskPower, but I have heard this from prominent SMR vendors speaking in Saskatchewan about, you know, the potential for Saskatchewan — which is blessed with exceptional geology — serving as a global geological repository for nuclear waste. Nuclear waste is obviously part of the concern that some folks will have — a lot of people. Some people may have it around SMRs. And I guess I'm curious. If that conversation does occur, not suggesting it is occurring . . . I don't know. I have no information as to that. Would that be a conversation happening with SaskPower, or would that be through a different ministry of government?

Hon. Mr. Morgan: — You're talking about storage of spent fuel?

Ms. A. Young: — Yeah.

Hon. Mr. Morgan: — I think the expectation would be that we would partner with OPG [Ontario power generation] or Bruce Power and store it in Ontario. That's where they're storing their spent fuel right now. But not under discussion to store in Saskatchewan.

Ms. A. Young: — Okay. So no discussion happening currently. Awesome. Thank you. Love a clean answer. Okay, respecting . . . We're done at 5:15, right?

The Chair: — Yeah.

Ms. A. Young: — Okay, perfect.

The Chair: — And I'll even cut it short a couple minutes.

Hon. Mr. Morgan: — I understand that there was some recent discussion on site selection for fuel storage in Ontario.

Ms. A. Young: — Yeah, and I did review that in the report that was put out last week. And I may have misunderstood, but I thought there were two processes going forward. There was one that had identified those two locations, but then there was a secondary process going on looking more broadly at Canada for future potential geological storage.

Hon. Mr. Morgan: — Yeah. At this point in time, there's facilities available in Ontario. I've talked to the people in Ontario and they said they're . . . [inaudible] . . . so that's the plan.

Ms. A. Young: — Great. Thank you, Minister. Couple last questions then, looking at the clock. But I know the Chair will cut me off promptly and mercilessly.

A Member: — He's like that — ruthless.

Ms. A. Young: — Yeah, it's how they grow then in Canora. A couple questions on efficiency and climate change. You know, in 2021 Efficiency Canada scored Saskatchewan as second-last, which is an improvement from 2021 when sadly we were last. And I know when I've experienced as a consumer some of the good work that SaskPower has undertaken for efficiencies. But you know, we are tied for last place with Alberta when energy-efficient programs are considered.

Could the minister or officials speak to greater efforts being undertaken to work with customers on energy efficiency? You know, a quick J-scan [jurisdictional scan] of Manitoba Hydro or Quebec or BC [British Columbia], they do of course have a different makeup than we do, but they have significantly more programs and efforts than SaskPower. So what initiatives does SaskPower have? What plan does SaskPower have for new energy efficiency initiatives?

Hon. Mr. Morgan: — Saskatchewan and Alberta do not have abundant or any significant amount of hydro. Ontario, if you look at their pie chart, they've got hydro and nuclear, so their production within the electrical utility is easy targets to meet. The same with Manitoba and Quebec. Saskatchewan and Alberta do not have that. So for us, we have to work at cleaning the grid, operating more efficiently.

So we have the 2050 targets. We will be 50 per cent of that by 2030. So we're actually ahead of what the plan was, where they need to be by way of adjusting to different fuels, different efficiencies within the operation of the grid. So I think they're going as well as or better than what they initially anticipated going into the process.

It's becoming more challenging because of the change in direction from the federal government. And naturally they'll work to the best of their ability to try and achieve the goals. The 2050 target was something that was manageable by a number of things. It was a number of years out, allowed for the longer term engineering design and development of other generating facilities, newer technologies. So anyway, I'm pleased to see that they're making the progress that they are.

The other half of your question is what they are doing with their customers to try and assist them. I can tell you, on an energy side the average consumption of natural gas in a household is down about 20 or 25 per cent over the last number of years, in spite of the fact that we've got bigger houses, more lights on, more facilities, just because of various plans to do better insulation, window designs, high-energy furnaces, water heaters. So they've made significant . . . [inaudible] . . . And I know that SaskPower . . . And I don't know whether I've got an official here that can talk about some of the programs that they've got for saving power within an adequate consumer level.

I think to your point, there is a desire on the customers that they want to see and do more. You and I both do our share of door-knocking, and I hear at the doors, well why aren't you using nuclear? Why aren't you using more solar, more wind? And why aren't you helping me buy solar panels for my house? Or why aren't you helping me do those . . . We've got the net metering program, which gives some people a benefit if they wish to have solar panels. But anyway, I will let Rachelle.

Ms. Verret Morphy: — Sure. So we have a number of programs designed to promote energy efficiency in the province. One that I am more familiar with is the northern First Nations home retrofit program. So this is a program that we're doing in partnership with the Government of Canada, and it provides customers in the North who have to use electric heat rather than gas — so it's very expensive — and it gives these customers the ability to retrofit their homes to be more energy-efficient. One of the issues is that some of the construction techniques are very inefficient when it comes to keeping heat inside. So it also includes things like upgrading installation, insulating pipes, and installing LED [light-emitting diode] lights.

And as the minister mentioned earlier, we hired in Southend a community power liaison. And we're starting to do that in other communities as well, just to help educate the customers as to how to improve their energy efficiency, which will also help address the issue of energy affordability in the North.

So that's just one example of a number. We have a municipal ice rink program as well that we have to try to help communities who have rinks reduce their power consumption and lower operating costs.

Hon. Mr. Morgan: — Yeah, the issue with what customers can do, and then Rachelle . . . [inaudible] . . . about what individual

customers can do, the note that I have is that Saskatchewan has a high industrial load, unlike provinces such as BC. So in BC they use energy efficiency at an industrial or business level to reduce some of their peaks and do it. So they'll import electricity to drive some of the efficiency programs and they're profitable compared to the domestic market. So I think that's part of the issue of being able to share things back and forth and the peaks that exist on some of the businesses that are here.

I don't know if you've ever had the opportunity to go to Evraz. If you do, you should because they don't use natural gas or anything else to heat the cars up to do it. They electrocute the cars and there's a lot of sparks, arc, and whatever else, and then molten electricity, molten steel comes to the bottom. And it's a big steel shell of a building with no heat, no insulation, and they don't need it when they're electrocuting cars. So it's one of SaskPower's best customers.

Ms. A. Young: — One last question. Okay, let's make it a doozy then. The Chinook power station, 350 megawatt, single-fired, natural gas turbine. I know Capital Power out of Edmonton is repurposing its coal-fired turbines to run on natural gas but can also use hydrogen as a fuel source. You know, looking at the future of power generation, is there the capability for a fuel for the turbine at Chinook to be switched with hydrogen? Yeah, I guess I'll leave it there since I get one more question.

Hon. Mr. Morgan: — I think I'll let Mr. Eckel answer. I think the goal is, going forward we have coal and natural gas. And whether there's other things that could be used to operate those turbines are things that have to be looked at going forward, as we have to phase from conventional coal to natural gas or to moving from single-cycle to combined-cycle.

Mr. Eckel: — Tim Eckel, SaskPower. Yes, we've been looking at hydrogen, looking at our gas fleet. Some of our units can run from anywhere from 10 up to almost 30 per cent of hydrogen with the existing units. How we get that fuel there, that's a whole other story. And there's lots of work being done on the vendors like Siemens, which is the vendor at Chinook, to develop a 100 per cent hydrogen turbine. So there is work going on, and we could use a blended amount in Saskatchewan.

[17:15]

Ms. A. Young: — Thank you.

The Chair: — Having reached our agreed-upon time for consideration of these estimates today, we will now adjourn our considerations of the estimates for SaskPower Corporation. Minister Morgan, do you have any closing comments?

Hon. Mr. Morgan: — Thank you, Mr. Chair. Yes, I know it's approaching supertime, so I'll keep my comments down to probably under 45 minutes or so for closing. I would like to thank you, Mr. Chair, the committee members on both sides, people from Hansard, Legislative Assembly Services, the building staff, broadcast services, and everybody that works to putting this together.

In particular today, I would like to thank the staff at SaskPower for the work they've done, not just over the last year but the last number of years, to give us one of the best utility services that

there is in North America. A lot of the individuals that work there worked outside under terribly adverse conditions to maintain and restore electricity during some of the worst weather and worst winters that we've had in a long time.

So I think on behalf of all of the citizens of the province, I want to thank the members of IBEW [International Brotherhood of Electrical Workers] and Unifor for their great work that they continue to do, as well as all of the rest of the people that work there. So thank you, Mr. Chair.

The Chair: — Thank you, Minister. Ms. Young, do you have any closing comments?

Ms. A. Young: — Thank you. I'll be brief. My thanks to the Chair, to the minister, and to all of his officials present and in the background preparing for this, as well as committee members, all the building staff, and Hansard who make these evenings so efficient and make us look so good, as well as to our noble Clerk who keeps us on track. Thanks, Mr. Chair.

The Chair: — Thank you, Minister. I'd like to thank the minister, the officials, committee members, and the staff here for their work today. I'd now ask a member to move that this committee do now adjourn. Mr. Harrison moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned until the next call of the Chair. Thank you.

[The committee adjourned at 17:17.]