



CCA 78-28  
Tabled by Chair (Bradshaw)  
Date Sept 17/19



SEP 17 2019

Herb Cox  
Chairman  
Standing Committee on Crown and Central Agencies

Dear Mr. Cox,

In our most recent attendance of the Crown and Central Agencies committee dated May 6, 2019 there was additional information requested that SaskPower officials did not have at the time. I can advise the following information has been provided by SaskPower officials:

**Bills at Piapot First Nation and consumption?**

SaskPower services all Indigenous communities in Saskatchewan and is consciously working to address misunderstandings of our billing processes and other common challenges across the province through different outreach mechanisms.

The efforts are greatly appreciated by the communities and are producing positive results. There are some residents of Saskatchewan that have both the normal electrical use that all Saskatchewan households require, but also the natural gas heat that most have in Saskatchewan is unavailable so they have to make that energy usage up through heating their homes with electric heat sources. This is also the case with the Piapot First Nation as they are currently not on the SaskEnergy natural gas lines.

SaskPower has conducted community visits to understand concerns around billing and consumption. From these findings, a multi-stream pilot program has been developed to address challenges in knowledge and awareness of power use, consumer behavior in the homes and direct measures to reduce power use is underway.

**Have the Output Based Pricing System regulations gone through the Gazetting process yet?**

<i>OBPS Development</i>	<i>Date Published</i>	<i>Comments Due Date</i>	<i>SPC Response</i>	<i>SK Response</i>
<i>Tech Paper Carbon Pricing Backstop</i>	May 18, 2017	June 30, 2017	Deferred to industry association / Gov't of SK	Ministerial letter June 30th
<i>Letter to Provinces on Pricing Backstop</i>	Dec. 20, 2017	Mar. 30, 2018 (federal) Sept. 1, 2018 (alternative)	Deferred to Gov't of Saskatchewan	Ministerial letter August 31 <sup>st</sup> (Prairie Resilience)
<i>OBPS Regulatory Framework (420 t CO<sub>2e</sub>/GWh)</i>	Jan. 15, 2018	Spring, 2018	Tim Eckel letter May 29, 2019	
<i>Carbon Pricing Compliance Options</i>	May 28, 2018	July 6, 2018	No response	
<i>Differentiated OBPS fuel std. proposed (370/800)</i>	Sept. 13, 2018	Nov. 1, 2018	Tim Eckel email Nov. 1, 2018 Nov. 6, 2018	
<i>Schedule 1, Orders; Criteria Notice</i>	Oct. 31, 2018	Dec. 31, 2018	(Mike Marsh) Registration Letter	
<i>Notice of Intent for regs per Part 2 of GGPPA; RIAS</i>	Dec. 20, 2018	Feb. 15, 2019	Jan. 21, 2019 (Mike Marsh)???	Ministerial letter Feb. 15, 2019
<i>OPBS regs and OBS limits (800, 650...) complete text</i>	Jan. 9, 2019	Feb. 15, 2019	Tim Eckel letter May 10, 2019	

**A copy of the SaskPower submissions on OBPS that were sent to the Federal Government?**

In some cases SaskPower comments were embedded into provincial responses and included in letters from Minister Duncan to Minister McKenna. We note also that SaskPower was regularly talking with the Canadian Electricity Association (CEA) to help develop and review draft responses to ECCC on the OBPS and other legislation.

In general, these responses were generic and did not specifically reference SaskPower requests or concerns, but did try to capture collective concerns from the electricity association members where possible. CEA responses are not attached as we do not feel they specifically identify SaskPower's position on the OBPS.

**Will SaskPower change the wording on customer bills due to the court ruling on the carbon tax?**

SaskPower will comply with the decision of the Saskatchewan Court of Appeal and will continue to meet our legislative requirements.

A key part of the federal carbon pricing system came into effect January 1, 2019. The Government of Saskatchewan is challenging the Federal Carbon Tax in court. The tax still applies during the legal process. As a result, SaskPower needs to pass along this cost to our customers by adding an estimated system average 2.7% increase starting April 1, 2019. This will be identified on customer bills as a Federal Carbon Tax and is retroactive to Jan. 1.

If the provincial government is successful with the Supreme Court, the carbon tax will be refunded to customers. It is with these details in mind that SaskPower feels the current bill formatting best describes the charges being collected from customers.

**Can we have a copy of the response NERC provided to SaskPower's Dec 4 2018 outage report?**

NERC has received SaskPower's outage report and accepted the findings; therefore a response was not deemed necessary.

**Does SaskPower have to sell any excess land it wants to dispose of back to the GTH?**

SaskPower is not restricted from selling any parcels of land purchased from the GTHA. However, prior to finalizing a sale with a prospective purchaser, SaskPower will submit to the GTHA the purchaser's intended use in order that the GTHA can satisfy itself that the intended use is in compliance with intended land use policies.

**What is the progress on the insurance claim for the damage caused by the storm at Boundary Dam in 2018? What was the impact on the shortfall payments to WhiteCap?**

The costs have now been finalized and submitted to SaskPower's insurers for consideration. The shortfall payment to WhiteCap will be submitted to insurers as part of the insurance claim.

### **How much CO2 has been stored monthly at Aquastore since Jan. 2018?**

Year	Month	Total Injection
2018	1	11215
2018	2	7425
2018	3	8735
2018	4	5471
2018	5	1169
2018	6	386
2018	7	0
2018	8	0
2018	9	724
2018	10	10917
2018	11	13366
2018	12	13642
2019	1	1058
2019	2	1191
2019	3	0
2019	4	0
2019	5	3164

These are the numbers for injection into Aquastore in tonnes of CO2.

### **How many Flare Gas projects are operating in Saskatchewan?**

There are two flare gas projects operating in Saskatchewan:

- (1) 0.75 MW project by TERIC Power- in-service since 2017, located near Cactus Lake, SK
- (2) 1 MW project developed by Kineticor – in-service since 2016, located near Shaunavon, SK

These projects were developed under SaskPower's Flare Gas Power Generation Program which existed prior to the Power Generation Partners Program (PGPP) came into existence.

### **How many Flare Gas projects are currently announced and under construction?**

Under the first round of the Power Generation Partners Program (PGPP), 25 MW of flare gas projects were awarded. These projects are going through the interconnection study process prior to signing Power Purchase Agreements (PPAs).

The First Nation Power Authority (FNPA) has a 20 MW flare gas set aside. The deadline for FNPA to bring projects forward to SaskPower is in the process of being extended from June 30, 2019 to December 31, 2019. Projects developed under this program are expected to be in-service by 2022.

**Is it possible to have copies of MOU's signed by the BHP Knowledge Center tabled to the committee?**

After reviewing the MOU's with the partnering companies and organizations it has been determined that public release of the MOU documents would be prohibited based on commercially sensitive information.

There are Six MOU's with agencies in China:

- The Research Institute of Shaanxi Yanchang Petroleum (Group) Corp. Ltd.;
- The China National CCUS Centre in Shaanxi
- Sinopec Nanjing Research Institute of Chemical Industry
- China Huaneng Clean Energy Group
- China Building Materials Academy and Sinopec Energy Saving and Environmental Protection Engineering Technology Co., Ltd.

One MOU with the Global CCS Institute.

As stated in the CCS Knowledge center media releases the MOU's are based on the lessons learned from both the Boundary Dam 3 CCS Facility and the EOR operations in Saskatchewan, the International CCS Knowledge Centre will share knowledge and best Canadian practices in areas of: technical guidance; capacity building; and informing on regulatory and policy considerations as it relates to carbon dioxide (CO<sub>2</sub>) capture, transport, utilization (including enhanced oil recovery); and storage.

Sincerely,



Dustin Duncan  
Minister Responsible for SaskPower Corporation

cc: M.J. (Mike) Marsh, President and Chief Executive Officer, SaskPower