

STANDING COMMITTEE ON CROWN CORPORATIONS

January 22, 2002

MINUTE NO. 23

10:32 a.m. - Room 10

1. **PRESENT:** Mr. McCall in the Chair and Members Addley, Brkich, Huyghebaert, McMorris (a.m. only), Prebble, Wall and Yates.

Ms. Atkinson substituting for Mr. Thomson

Ms. Eagles for Mr. McMorris (p.m. only)

Mr. Forbes substituting for Ms. Jones

Provincial Auditor's Office

Ed Montgomery, Executive Director

Andrew Martens, Principal

Appointed Auditor

Robert E. Watt, Deloitte & Touche

2. The Committee initiated its consideration of the annual reports of Saskatchewan Power Corporation (SaskPower) and its subsidiaries for the years ending December 31, 1998, December 31, 1999 and December 31, 2000 with an opening statement being made by Mr. Wright.

John Wright, President and Chief Executive Officer

David Hughes, President, SaskPower International

Bill Jones, Vice-President, Chief Financial Officer, Corporate & Financial Services

Garner Mitchell, Vice-President, Power Production

Rick Patrick, Vice-President, Planning, Environment & Regulatory Affairs

Pat Youzwa, Vice-President, Customer Services

The following documents were tabled:

CCC 105/24 Saskatchewan Power Corporation: SaskPower 1998 Annual Report.

CCC 106/24 Saskatchewan Power Corporation: SaskPower 1999 Annual Report.

CCC 107/24 Saskatchewan Power Corporation: SaskPower 2000 Annual Report.

CCC 108/24 Saskatchewan Power Corporation: SaskPower International Inc. Annual Report dated December 31, 1998.

CCC 109/24 Saskatchewan Power Corporation: SaskPower International Inc. Annual Report dated December 31, 1999.

CCC 110/24 Saskatchewan Power Corporation: SaskPower International Inc. Annual Report dated December 31, 2000.

CCC 111/24 Saskatchewan Power Corporation: Power Greenhouses Inc. Financial Statements dated December 31, 1998.

CCC 112/24 Saskatchewan Power Corporation: Power Greenhouses Inc. Financial Statements dated December 31, 1999.

CCC 113/24 Saskatchewan Power Corporation: Power Greenhouses Inc. Financial Statements dated December 31, 2000.

CCC 114/24 Saskatchewan Power Corporation: Power Corporation Superannuation Plan 1998 Annual Report.

CCC 115/24 Saskatchewan Power Corporation: Power Corporation Superannuation Plan 1999 Annual Report.

CCC 116/24 Saskatchewan Power Corporation: Power Corporation Superannuation Plan 2000 Annual Report.

CCC 117/24 Saskatchewan Power Corporation: Power Corporation Superannuation Plan Financial Statements December 31, 2000.

CCC 118/24 Saskatchewan Power Corporation: SaskPower Northern Enterprise Fund 1999 Annual Report.

CCC 119/24 Saskatchewan Power Corporation: SaskPower Northern Enterprise Fund 2000 Annual Report.

CCC 120/24 Saskatchewan Power Corporation: Presentation materials for the CCC meeting of January 22, 2002 entitled "SaskPower Corporate Performance 1998 to 2000" dated January 2002.

3. Messrs. Martens and Montgomery provided an overview of the Provincial Auditor's review of the annual report and financial statements.
4. The appointed auditor, Mr. Watt, addressed the Committee with respect to the audit report contained in the annual report and financial statements.
5. The corporate officials responded to questions put by Members.
6. At 12:00 noon, the Committee recessed until 1:30 p.m.
7. It was moved by Mr. Wall:

That this committee call upon the provincial government to follow the recommendation in the Dillon Consulting Ltd. Report to the Saskatchewan Rate Review Panel in reviewing SaskPower's 2001 rate increase application that SaskPower International be

split off into a separate fully cost-accounted corporation so that SaskPower customers are protected from power rate increase as a result of SaskPower International's business losses.

8. At 1:38 p.m. the Committee recessed until 1:43 p.m.

9. After debate, it was agreed:

That in the interests of allowing Committee members to make a well-informed decision, copies of the Dillon Consulting Ltd. Report be made available to the members of the Committee and that further consideration of the motion of Mr. Wall be postponed until the committee reconvenes on Wednesday morning.

10. The following document was tabled:

CCC 121/24 Brad Wall, MLA: Document entitled "Appendix B: Dillon Consulting Limited Independent Review of the SaskPower Rate Proposal of October 2001".

11. At 2:44 p.m., the Committee recessed until 3:02 p.m.

12. It was moved by Mr. Wall:

That this Committee do now adjourn.

The question being put, the motion was agreed to.

13. The Committee adjourned at 3:50 p.m. until 9:30 a.m. on Wednesday, January 23, 2002.

Viktor Kaczkowski
Committee Clerk

Warren McCall
Committee Chair