



SIECA ROUND 1 INTERROGATORY RESPONSES

[2018 Rate Application]



October 5, 2017

Saskatchewan Rate Review Panel
P.O. Box 1301
Saskatoon, Saskatchewan
S7K 3N1

RE: Saskatchewan Industrial Energy Consumers Association submission, September 2017

SaskPower appreciates the comments and concerns presented by the Saskatchewan Industrial Energy Consumers Association (SIECA) in its letter of September 20, 2017, regarding our 2018 Rate Application. We are grateful for the opportunity to address some of the issues presented in the submission.

“SIECA has a major concern with the financial budgeting, controls and reporting within SaskPower.” SIECA

SIECA references the difference in 2017-18 forecasts presented in the SaskPower 2016-17 Annual Report and the SaskPower 2018 Rate Application submission. The change in forecasts is primarily due to a decision to move the rate increase implementation from January 1, 2018, to March 1, 2018, resulting in a two-month reduction in the revenue lift afforded by the rate increase.

“SaskPower’s consultant very recently completed a cost of service methodology study. On September 19, 2017 SaskPower issued a memo response to the consultant’s final report including SaskPower’s stated intention to implement a change in its generation cost classification methodology. SIECA has expressed its opposition to the classification methodology change recommended by SaskPower’s consultant and will continue to oppose its implementation.

SIECA would suggest that since SaskPower has had a rate increase in 2017 and that SaskPower’s response to the consultant’s final report needs analysis and assessment; SaskPower should not be requesting a 5.1% rate increase effective March 1, 2018, but rather bringing forward a rate increase later in 2018 if necessary after all the information is analyzed.” SIECA

Our company undertakes a public review of its Cost of Service methodologies every five years, under the guidance of the Saskatchewan Rate Review Panel (SRRP) and external consultants, to ensure that the models are in agreement with accepted electric utility practices and are consistent with SaskPower’s system characteristics. The most recent review was completed in June 2017 by Elenchus Research Associates, and included a full program of public engagement. Stakeholders were provided the opportunity to participate in public meetings, interrogatory periods and a review of the draft final report.

SaskPower launched the 2018 Rate Application in August. It was determined that because time was required to further examine all aspects of the recommendations from the consultant's final report, our company would proceed with a flat increase based on existing methodology. Therefore, none of the consultant's recommendations — including those associated with generation classification methodology — will have an impact on this application.

“This is not the time for SaskPower to continue to raise rates, especially when the main purpose is to achieve a targeted 8.5% return on equity.” SIECA

As stated in the application, the rate increase is needed to refurbish or replace aging infrastructure, accommodate growth in electricity demand, and maintain a solid financial foundation by stabilizing SaskPower's debt ratio. Our company has not achieved its ROE target since 2011. A return to the ROE target in 2018-19 will ensure SaskPower is earning enough revenue to help stabilize the debt ratio at the upper threshold of our company's debt ratio target range.

For a number of years, SaskPower requested rate increases that fell short of its ROE target while letting the debt ratio climb to the upper end of the target range. This allowed our company to avoid rate shock for customers during a high-growth period experienced by both SaskPower and Saskatchewan. The current requested rate increase will help our company to earn enough revenue to cover capital-related expenses — including depreciation and finance charges — without incurring a level of borrowing that causes our debt ratio to continue to climb.

SIECA remains unable to adequately perform independent due diligence on SaskPower's rates because SaskPower does not allow customers to access the assumptions, information and data contained in the Cost of Service models. SIECA

SaskPower's Cost of Service models remain confidential, as they contain commercially sensitive and specific individual customer information. As stated, in order to ensure fairness and reasonability, SaskPower's Cost of Service methodology is subject to an independent review every five years. After each review, the consultant has noted that SaskPower's Cost of Service methodology is fair and reasonable. The SRRP also has full access to SaskPower's Cost of Service models for examination.

The most recent review was completed in June. During the 2017 Cost of Service Methodology Review, SaskPower invited public input and stakeholder participation throughout the proceedings. This included: an initial public meeting to discuss the review's scope; a public meeting to discuss the consultant's preliminary findings; an opportunity for stakeholder interrogatories; and a public meeting to discuss a draft of the consultant's final report. The consultant also ran every reasonable methodology-related scenario suggested by stakeholders, and responded to questions and submissions throughout the process. The consultant's final report and SaskPower's response is available on SaskPower's website: saskpower.com.

Conclusion

SaskPower thanks SIECA and its members for their interest in the rate application process. Our company looks forward to ongoing dialogue concerning the 2018 Rate Application and other areas of mutual interest.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q1

Please provide a fully functioning Excel spreadsheet version of each of the Tables and Schedules in the 2018 Fiscal Test Embedded Cost of Service Study complete with all cell formulas and links.

Response:

SaskPower is unable to provide a fully functioning Excel spreadsheet version of each of the schedules in the 2018 Fiscal Test Embedded Cost of Service Study with all links and formulae intact. SaskPower's Cost of Service models contain commercially sensitive and confidential customer information that cannot be disclosed. The Saskatchewan Rate Review Panel has full access to SaskPower's Cost of Service model for its examination.

SaskPower undertakes a public review of its Cost of Service methodologies every five years, under the guidance of the Saskatchewan Rate Review Panel and external consultants, to ensure that the models are in agreement with accepted electric utility practices and are consistent with, and reflective of, SaskPower's system characteristics. The most recent review was completed in June 2017 by Elenchus Research Associates, and included a full program of public engagement.

Please see the following link on SaskPower.com for the results of that review:

<http://www.saskpower.com/accounts-and-services/power-rates/2017-cost-of-service-methodology-review/>

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q2

Provide the fully functioning cost allocation model (complete with all cell formulas and links) wherein SaskPower classifies and then allocates its revenue requirement among customer classes.

Response:

SaskPower is unable to provide a fully functioning cost allocation model (complete with all cell formulas and links) wherein SaskPower classifies and then allocates its revenue requirement among customer classes. SaskPower's Cost of Service models contain commercially sensitive and confidential customer information that cannot be disclosed. The Saskatchewan Rate Review Panel has full access to SaskPower's Cost of Service model for its examination.

SaskPower undertakes a public review of its Cost of Service methodologies every five years, under the guidance of the Saskatchewan Rate Review Panel and external consultants, to ensure that the models are in agreement with accepted electric utility practices and are consistent with, and reflective of, SaskPower's system characteristics. The most recent review was completed in June 2017 by Elenchus Research Associates, and included a full program of public engagement.

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2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q3

Please provide a single Excel spreadsheet showing the hourly power consumption of each customer class listed in Table 1, page 8 for each hour during 2016. If a customer class hourly power consumption is not determined by individual customer 15 minute interval meter data, please describe how the hourly consumption is determined and provide all supporting data, work papers and Excel worksheets used to calculate the customer class hourly consumption data.

Response:

A spreadsheet containing the 2016 calculated hourly demand by customer class has been provided electronically.

SaskPower is unable to provide hourly power consumption by each customer class listed in Table 1 of the 2018 Fiscal Cost of Service Report as we do not have the metering capability to do so.

The annual hourly load shapes provided are estimated using a combination of sample meter data for mass market customers and actual load data from Power, Large Oilfield and Reseller customers. The results of these estimated load shapes are not utilized within SaskPower's Cost of Service.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q4

Please provide a fully functioning Excel spreadsheet showing the calculations and results of SaskPower's Equivalent Peaker ratio calculation.

Response:

SaskPower is unable to provide a fully functioning Excel spreadsheet version showing the calculations and results of SaskPower's Equivalent Peaker ratio calculation. SaskPower's cost of service models contain commercially sensitive and confidential customer information that cannot be disclosed. The Saskatchewan Rate Review Panel has full access to SaskPower's Cost of Service model for their review.

Commercially sensitive information limits our response to the interrogatory, however a summary has been provided in the table below. It is important to note that as all customer classes are receiving equal increases under this rate proposal, the results of the Equivalent Peaker Method (EPM) analysis have no impact on the application. Capital costs used to determine the ratio calculations under the EPM have been provided to the Saskatchewan Rate Review Panel.

2015 Summary of Classification of SaskPower Generating Assets			
Generating Asset Type	Average Demand Related	Average Energy Related	Total Average Related
Simple Cycle Gas Plants a)	100.0%	0.0%	100.0%
Conventional Coal b)	51.9%	48.1%	100.0%
Clean Coal C)	19.2%	80.8%	100.0%
Combined Cycle Gas d)	81.5%	18.5%	100.0%
Hydro e)	18.6%	81.4%	100.0%
Wind	20.0%	80.0%	100.0%
Diesel	100.0%	0.0%	100.0%
Total All Units %	45.7%	54.3%	100.0%
Total All Units \$	\$ 3,043,548,485	\$ 3,617,595,515	\$ 6,661,144,000

- a) Simple Cycle Gas Plants - Landis, Success, Meadow Lake, Ermine, Yellowhead
- b) Conventional Coal - Boundary Dam (1,2, 4-6), Shand & Poplar River
- c) Clean Coal - Boundary Dam #3
- d) Combined Cycle Gas - All QE Units
- e) Hydro - Coteau Creek, Island Falls, EB Campbell, Nipawin, Athabasca



2018 RATE APPLICATION SIECA INTERROGATORIES

SaskPower undertakes a public review of its Cost of Service methodologies every five years, under the guidance of the Saskatchewan Rate Review Panel and external consultants, to ensure that the models are in agreement with accepted electric utility practices and are consistent with, and reflective of, SaskPower's system characteristics. The most recent review was completed in June 2017 by Elenchus Research Associates, and included a full program of public engagement.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q5

Please provide an Excel spreadsheet showing the following for each of SaskPower's power generation facilities:

- a. Plant Name
- b. Plant type
- c. Fuel type
- d. Heat rate
- e. Plant maximum generating capacity
- f. Hourly power production for each hour of 2106
- g. Date plant went in service.
- h. Original plant investment.
- i. Accumulated depreciation as of December 31, 2016
- j. 2016 Depreciation Expense
- k. 2016 fuel consumption.
- l. 2016 fuel cost.

Response:

Fuel contract confidentiality clauses or commercially sensitive information limits our response to the information provided in the table below.

Please note that in addition to coal consumption, there was a total of 829,106 GJ of gas consumed at Boundary Dam and Shand Power Stations for flame stabilization and for unit start-up procedures. The associated gas fuel cost for the two plants was \$3,695,007.

5 a.	5 b.	5 c.	5 d.	5 e.	5 g.	5 h.	5 i.	5 j.	5 k. *	5 l.
Plant Name	Type	Fuel	Net Heat Rates Design kJ/kWh	Net Capacity (MW)	In-Service Date	Original Plant Investment	Accumulated Depreciation	2016 Depreciation Expense	2016 Fuel Consumption	2016 Fuel Costs (\$,000)
Boundary Dam	Fossil (Steam)	Lignite	11,119	672.3	12/1/1969	\$ 2,162,339	\$ (561,746)	\$ 71,501		
Poplar River			11,136	582.0	5/31/1981	\$ 954,742	\$ (601,402)	\$ 23,055	8,717,753	\$242,917
Shand			10,975	276.3	7/14/1992	\$ 758,993	\$ (476,649)	\$ 35,878		
QE	Fossil/Comb. Turb.	Gas	8,574	633.4	11/1/1958	\$ 861,708	\$ (184,833)	\$ 34,675	24,720,093	\$92,049
Ermine			9,627	92.2	12/1/2009	\$ 142,651	\$ (39,694)	\$ 6,374	3,687,965	\$13,251
Landis			12,329	78.9	11/1/1975	\$ 43,565	\$ (33,592)	\$ 2,052	915,987	\$4,198
Meadow Lake			12,357	43.9	12/11/1984	\$ 13,285	\$ (12,459)	\$ 189	394,888	\$1,442
Yellowhead			9,627	138.3	12/1/2010	\$ 183,935	\$ (43,212)	\$ 7,218	2,536,700	\$11,765

* Coal consumption is in tonnes and gas consumption is in GJ's.

An Excel file has been attached that contains hourly power production for each hour of 2016.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q6

Reference 2018 Fiscal Test Embedded Cost of Service Study, page 4, first paragraph.
What are the beginning and ending dates of the period referred to as “the “test year”
of 2018 Fiscal?

Response:

The beginning date for the 2018 Fiscal Test Embedded Cost of Service is April 1, 2017, and the ending date is March 31, 2018.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q7

Please provide an Excel spreadsheet showing the individual plant amounts which total to the \$6,661.1 million shown in Schedule 1.1.

Response:

The Excel file below has also been sent electronically.

Description	Acquisition value	Accumulated depreciation	Book value
Boundary Dam	2,183,320,089.53	(576,063,241.20)	1,607,256,848.33
Poplar River	975,381,099.17	(596,695,395.74)	378,685,703.43
Shand	758,993,477.26	(476,648,688.18)	282,344,789.08
Athabasca	66,572,085.24	(25,808,986.61)	40,763,098.63
Coteau Creek	66,890,941.17	(40,831,132.68)	26,059,808.49
Island Falls	215,723,832.77	(79,785,155.29)	135,938,677.48
Nipawin	558,200,936.85	(326,079,921.41)	232,121,015.44
EB Campbell	139,242,319.83	(76,779,207.10)	62,463,112.73
Landis	43,574,076.86	(34,150,987.92)	9,423,088.94
Meadow Lake	13,285,111.78	(12,505,275.47)	779,836.31
Success	3,000.00	-	3,000.00
QE	866,968,321.90	(191,225,833.44)	675,742,488.46
Ermine	142,771,876.59	(41,270,867.14)	101,501,009.45
Yellowhead	183,929,885.79	(44,984,817.73)	138,945,068.06
Tantallon	17,589,657.99	(1,946,112.29)	15,643,545.70
Chinook	398,591.52	-	398,591.52
Diesel Sites	242,532.40	(167,562.40)	74,970.00
Cypress	16,993,597.67	(10,877,772.58)	6,115,825.09
Centennial	233,490,268.96	(132,950,715.39)	100,539,553.57
Generation assets as at March 31, 2017	6,483,571,703.28	(2,668,771,672.57)	3,814,800,030.71
Asset Retirement Assets - Generation as at March 31, 2017	64,246,084.86	(7,425,899.03)	56,820,185.83
2017/18 Estimates			
Estimated generation depreciation		(241,741,543.00)	(241,741,543.00)
Variance 2017		(45,000,000.00)	(45,000,000.00)
Gain/loss on asset retirement		(22,000,000.00)	(22,000,000.00)
Estimated asset retirement depreciation expense		(2,400,000.00)	(2,400,000.00)
Estimated Additions net of disposals	113,200,000.00		113,200,000.00
	6,661,017,788.14	(2,987,339,114.60)	3,673,678,673.54

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q8

Please provide a copy of each PPA and an Excel spreadsheet showing the individual PPA amounts which total to the \$1,233.2 million shown in Schedule 1.1.

Response:

The spreadsheet that follows has also been submitted electronically.

Description	Acquisition value	Accumulated depreciation	Book value
Meridian Leased Assets	160,000,000.00	(110,400,000.00)	49,600,000.00
Cory Leased Assets	228,210,594.00	(130,080,038.26)	98,130,555.74
Spy Hill Leased Asset	145,000,000.00	(31,900,000.00)	113,100,000.00
NBEC Leased Asset	700,000,000.00	(134,166,666.67)	565,833,333.33
Actual book value and accumulated depreciation			
Generation leased assets as at March 31, 2017	1,233,210,594.00	(406,546,704.93)	826,663,889.07
Estimated depreciation - 2017/18		(56,328,423.76)	(56,328,423.76)
	1,233,210,594.00	(462,875,128.69)	770,335,465.31

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q9

Please explain why \$8.4 million of transmission assets are assigned to the generation function. If the \$8.4 million amount is the result of an allocation, please provide work papers showing the calculation of the allocated amount.

Response:

The \$8.4 million of transmission assets assigned to generation represent generator step – up transformers. These assets are necessary to tie generation plants to the power grid and are therefore assigned to the generation function within Cost of Service.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q10

Please provide a fully functioning Excel spreadsheet showing the calculation of each of the General Plant Asset allocated amounts in Schedule 1.1.

Response:

Please see the attached Excel spreadsheet "SIECA Q10.xls."

Operational Classification of General Plant Assets

2015Base - Allocation Factors

Description	Total Amount (\$)	Fuel Supply (\$)	Power Production (\$)	Transmission (\$)	Distribution (\$)	Customer Services (\$)	Common General Plant (\$)	Ancillary Services (\$)
GENERAL PLANT (ACQUISITION VALUE)								
Unused Land	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Buildings	100.0%	0.3%	15.2%	14.3%	35.6%	12.6%	22.0%	0.0%
Office Furniture & Equipment	100.0%	0.3%	15.2%	14.3%	35.6%	12.6%	22.0%	0.0%
Vehicles & Equipment	100.0%	0.0%	12.2%	23.3%	57.8%	5.1%	1.6%	0.0%
Computer Development & Equipment	100.0%	3.7%	78.6%	12.0%	29.8%	19.5%	-43.9%	0.4%
Communication, Protection & Control	100.0%	0.0%	0.0%	55.6%	12.9%	0.0%	0.0%	31.4%
Tools & Equipment	100.0%	0.0%	38.0%	31.9%	30.0%	0.0%	0.0%	0.0%

2018 Fiscal Test - Prorated

Description	Amounts Being Calculated (\$)	Fuel Supply (\$)	Power Production (\$)	Transmission (\$)	Distribution (\$)	Customer Services (\$)	Common Overhead (\$)	Ancillary Services (\$)
GENERAL PLANT (ACQUISITION VALUE)								
Unused Land	\$ 2,325,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,325,000	\$ -
Buildings	\$ 260,654,224	\$ 677,034	\$ 39,740,138	\$ 37,328,518	\$ 92,776,071	\$ 32,717,213	\$ 57,415,249	\$ -
Office Furniture & Equipment	\$ 38,090,401	\$ 98,938	\$ 5,807,379	\$ 5,454,959	\$ 13,557,723	\$ 4,781,092	\$ 8,390,310	\$ -
Vehicles & Equipment	\$ 248,832,000	\$ -	\$ 30,313,869	\$ 57,860,273	\$ 143,805,570	\$ 12,811,400	\$ 4,040,888	\$ -
Computer Development & Equipment	\$ 354,450,000	\$ 12,959,401	\$ 278,647,891	\$ 42,466,620	\$ 105,546,279	\$ 69,032,116	\$ (155,651,103)	\$ 1,448,796
Communication, Protection & Control	\$ 161,764,000	\$ -	\$ -	\$ 89,989,769	\$ 20,915,324	\$ -	\$ -	\$ 50,858,906
Tools & Equipment	\$ 31,805,375	\$ -	\$ 12,092,928	\$ 10,158,773	\$ 9,553,674	\$ -	\$ -	\$ -
TOTAL GENERAL PLANT (ACQUISITION VALUE)	\$ 1,097,921,000	\$ 13,735,372	\$ 365,602,205	\$ 243,258,913	\$ 386,154,641	\$ 119,341,821	\$ (83,479,655)	\$ 52,307,703

Functionalization Factors - 2018Fiscal Test

Description	Total Amount (\$)	Generation	Transmission	Distribution	Customer Services	Schedule Reference
Fuel Supply	100.0%	100.0%	0.0%	0.0%	0.0%	2.00 - Fuel Expense SaskPower Units
Power Production	100.0%	100.0%	0.0%	0.0%	0.0%	2.04 - Power Plant Operations
Transmission	100.0%	0.0%	99.6%	0.0%	0.4%	2.14 - Total T&D Expense & 2.34 - Planning Support
Distribution	100.0%	0.0%	0.0%	91.5%	8.5%	2.24 - Total T&D Expense & (2.34 - Customer Services & 2.34 - Metering Services)
Customer Service	100.0%	29.6%	0.0%	0.0%	70.4%	2.04 - Demand Side Management & 2.34 - Total Customer Services Expense
Common	100.0%	53.8%	9.6%	25.4%	11.1%	Total OM&A Expense % from 2.04, 2.14, 2.24 & 2.34
Ancillary Services (Communication, Protection & Control Assets)	100.0%	100.0%	0.0%	0.0%	0.0%	2.01 - Communication, Protection & Control

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q11

Please identify the amount of transmission plant in service constructed to connect SaskPower's wind generation assets to its distribution system.

Response:

The amount of transmission plant in service specifically constructed to connect SaskPower-owned wind generation facilities to its distribution system is \$21.5 million.

2018 RATE APPLICATION
SIECA INTERROGATORIES

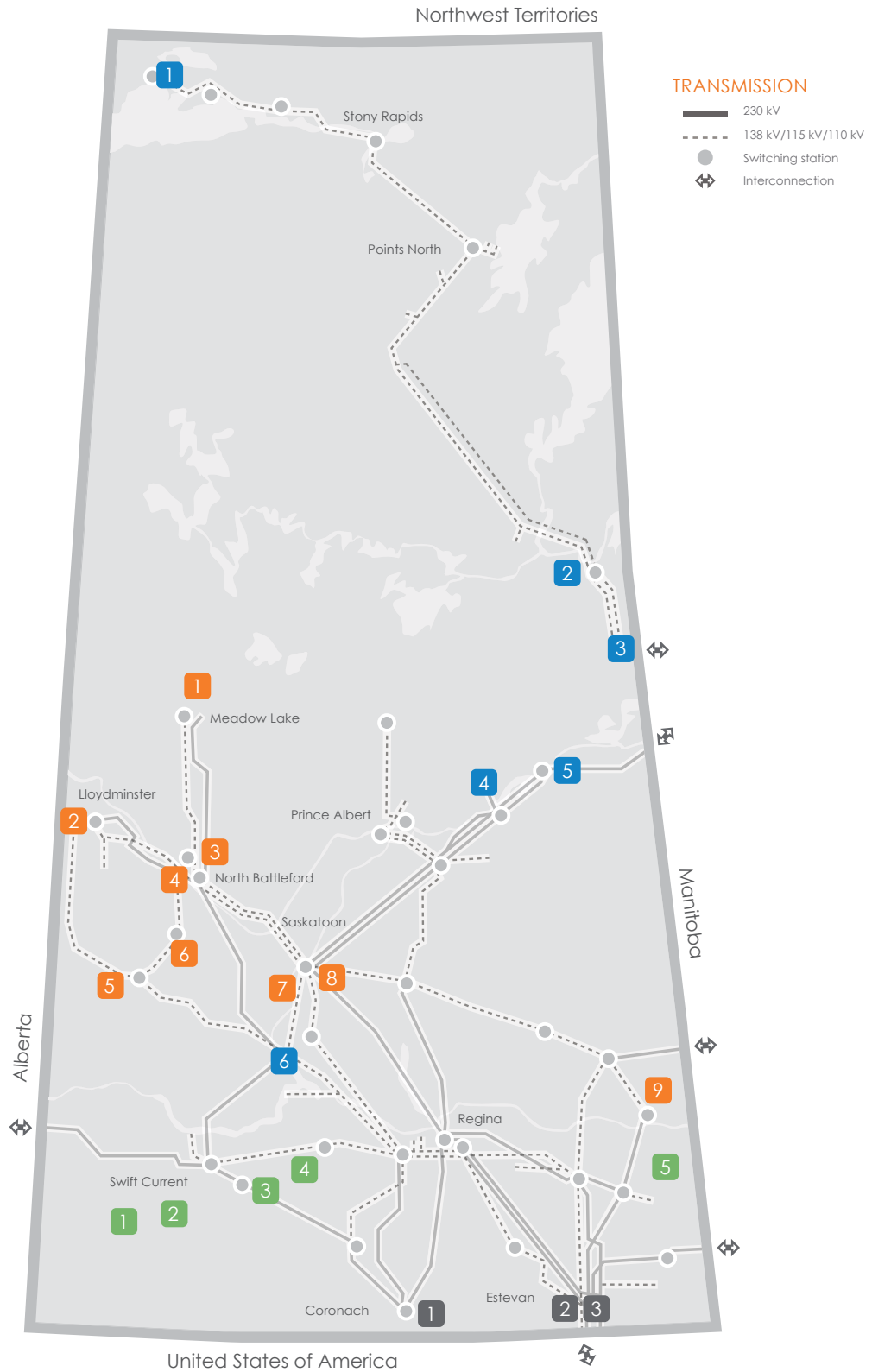
SIECA Q12

Please provide a large scale map of SaskPower's transmission and distribution system showing the size (voltage) of transmission lines and location of generation facilities.

Response:

A map of the grid and a map of generation facilities have been attached and provided electronically.

SYSTEM MAP





As of March 31, 2017

Facility	Owner	Net Capacity (MW)	Fuel
Hydro			
1. Athabasca Hydroelectric System			
• Wellington	SaskPower	5	Hydro
• Waterloo	SaskPower	8	Hydro
• Charlot River	SaskPower	10	Hydro
2. Island Falls Hydroelectric Station	SaskPower	111	Hydro
3. Manitoba Hydro Northern Power Purchase Agreement	Manitoba Hydro	25	Hydro
4. Nipawin Hydroelectric Station	SaskPower	255	Hydro
5. E.B. Campbell Hydroelectric Station	SaskPower	289	Hydro
6. Coteau Creek Hydroelectric Station	SaskPower	186	Hydro
Total Hydro		889	
Coal			
1. Poplar River Power Station	SaskPower	582	Coal
2. Boundary Dam Power Station	SaskPower	672	Coal
3. Shand Power Station	SaskPower	276	Coal
Total Coal		1,530	
Natural Gas			
1. Meadow Lake Power Station	SaskPower	44	Natural Gas
2. Meridian Cogeneration Station	Independent Power Producer	228*	Natural Gas
3. North Battleford Generating Station	Independent Power Producer	271*	Natural Gas
4. Yellowhead Power Station	SaskPower	138	Natural Gas
5. Ermine Power Station	SaskPower	92	Natural Gas
6. Landis Power Station	SaskPower	79	Natural Gas
7. Cory Cogeneration Station	SaskPower International/ ATCO Power Canada	249*	Natural Gas
8. Queen Elizabeth Power Station	SaskPower	634	Natural Gas
9. Spy Hill Generating Station	Independent Power Producer	89*	Natural Gas
Total Natural Gas		1,824	
Wind			
1. Cypress Wind Power Facility	SaskPower	11	Wind
2. SunBridge Wind Power Facility	Independent Power Producer	11	Wind
3. Centennial Wind Power Facility	SaskPower	150	Wind
4. Morse Wind Energy Facility	Independent Power Producer	23	Wind
5. Red Lily Wind Energy Facility	Independent Power Producer	26	Wind
Total Wind		221	
Small Independent Power Producers	Various	27	Various
Total Small Independent Power Producers		27	
Total Available Generating Capacity		4,491	

* The net capacity amount has been restated to reflect the generation station's winter capacity rating in order to align with the capacity rating used for North American Electric Reliability Corporation (NERC) regulatory reporting requirements.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q13

Please provide an Excel spreadsheet showing the individual plant amounts which total to the \$(2987.0) million shown in Schedule 1.2.

Response:

Please refer to the table below. The spreadsheet has also been sent electronically.

Description	Acquisition value	Accumulated depreciation	Book value
Boundary Dam	2,183,320,089.53	(576,063,241.20)	1,607,256,848.33
Poplar River	975,381,099.17	(596,695,395.74)	378,685,703.43
Shand	758,993,477.26	(476,648,688.18)	282,344,789.08
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EB Campbell	139,242,319.83	(76,779,207.10)	62,463,112.73
Landis	43,574,076.86	(34,150,987.92)	9,423,088.94
Meadow Lake	13,285,111.78	(12,505,275.47)	779,836.31
Success	3,000.00	-	3,000.00
QE	866,968,321.90	(191,225,833.44)	675,742,488.46
Ermine	142,771,876.59	(41,270,867.14)	101,501,009.45
Yellowhead	183,929,885.79	(44,984,817.73)	138,945,068.06
Tantallon	17,589,657.99	(1,946,112.29)	15,643,545.70
Chinook	398,591.52	-	398,591.52
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2017/18 Estimates			
Estimated generation depreciation		(241,741,543.00)	(241,741,543.00)
Variance 2017		(45,000,000.00)	(45,000,000.00)
Gain/loss on asset retirement		(22,000,000.00)	(22,000,000.00)
Estimated asset retirement depreciation expense		(2,400,000.00)	(2,400,000.00)
Estimated Additions net of disposals	113,200,000.00		113,200,000.00
	6,661,017,788.14	(2,987,339,114.60)	3,673,678,673.54

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q14

Please explain why a PPA is depreciated and provide the basis for and calculation of the \$ (462.9) million shown in Schedule 1.2.

Response:

In accordance with International Financial Reporting Standards (IFRS) certain PPAs are treated as capital finance leases. Under IFRS, assets held under finance leases are depreciated over the lease term.

The basis of the calculation is:

Description	Acquisition value	Depreciation Rate	Annual Depreciation	Accumulated depreciation	Book value
Meridian Leased Assets	160,000,000.00	4.0%	6,400,000.00	(116,800,000.00)	43,200,000.00
Cory Leased Assets	228,210,594.00	4.0%	9,128,423.76	(139,208,462.02)	89,002,131.98
Spy Hill Leased Asset	145,000,000.00	4.0%	5,800,000.00	(37,700,000.00)	107,300,000.00
NBEC Leased Asset	700,000,000.00	5.0%	35,000,000.00	(169,166,666.67)	530,833,333.33
Generation leased assets as at March 31, 2018	1,233,210,594.00			(462,875,128.69)	770,335,465.31

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q15

Please provide an Excel spreadsheet showing the individual generation expense account amounts which total to the \$190.4 million shown in Schedule 1.4.

Response:

Please see the following spreadsheet, which has also been sent electronically. Please note that the spreadsheet is intended to answer both SIECA Q15 and SIECA Q16, as the two questions have answers that are dependent upon one another.

The \$190.4 million that is assigned to the Power Plant Operation category was calculated in 2 parts:

- i. Prorating out the total \$210.0 million in Operating, Maintenance, & Administration (OM&A) budgeted to Power Production and splitting that amount between Power Plant Operation and Power Production Overhead based on the actual amounts spent in those two categories in 2015, and;
- i. Prorating out a portion of the \$12.5 million in the Other Expenses OM&A category. The Other Expenses category includes insurance, human resource programs, and customer services OM&A associated with servicing bad debt — all are considered corporate expenses and are shared by all customer classes. They are prorated based on the budgeted amounts for fiscal 2018 OM&A for each category.

Please note that in the attached Excel spreadsheet all formulas remain intact so that all calculations can be followed and reproduced. The \$190.4 million amount in questions is highlighted in yellow in the sheet for ease of identification.

2018 RATE APPLICATION
SIECA INTERROGATORIES

2018 Fiscal Power Plant Operation & Power Production Overhead OM&A

	2015 Base (Actuals) (\$M)	% of 2015 Actuals (%)	Prorated Power Prod OM&A (\$M)	Prorated Other Expenses OM&A (\$M)	Total Category OM&A (\$M)
Q15	184.2	89.0%	187.0	3.5	190.4
Q16	22.7	11.0%	23.0	0.4	23.5
Totals	206.9	100.0%	210.0	3.9	

Budgeted Power Production OM&A (\$M)	210.0
--------------------------------------	-------

Total Budgeted OM&A (\$M)	689.1
Budgeted Other Expenses OM&A (\$M)	12.5
Total Budgeted OM&A less Other Expenses (\$M)	676.6

- 2018 Fiscal budgeted OM&A for entire Corporation

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q16

Please provide an Excel spreadsheet showing the individual generation expense account amounts which total to the \$23.5 million shown in Schedule 1.4.

Response:

Please see the following spreadsheet, which has also been sent electronically. Please note that the spreadsheet is intended to answer both SIECA Q15 and SIECA Q16 as the two questions have answers that are dependent upon one another.

The \$23.5 million that is assigned to the Power Production Overhead category was calculated in 2 parts:

- i. Prorating out the total \$210.0 million in Operating, Maintenance, & Administration (OM&A) budgeted to Power Production and splitting that amount between Power Plant Operation and Power Production Overhead based on the actual amounts spent in those two categories in 2015, and;
- i. Prorating out a portion of the \$12.5 million in the Other Expenses OM&A category. The Other Expenses category includes insurance, human resource programs, and customer services OM&A associated with servicing bad debt — all are considered corporate expenses and are shared by all customer classes. They are prorated based on the budgeted amounts for fiscal 2018 OM&A for each category.

Please note that in the attached Excel spreadsheet all formulas remain intact so that all calculations can be followed and reproduced. The \$23.5 million amount in questions is highlighted in green in the sheet for ease of identification.

2018 RATE APPLICATION
SIECA INTERROGATORIES

2018 Fiscal Power Plant Operation & Power Production Overhead OM&A

	2015 Base (Actuals) (\$M)	% of 2015 Actuals (%)	Prorated Power Prod OM&A (\$M)	Prorated Other Expenses OM&A (\$M)	Total Category OM&A (\$M)
Q15	184.2	89.0%	187.0	3.5	190.4
Q16	22.7	11.0%	23.0	0.4	23.5
Totals	206.9	100.0%	210.0	3.9	

Budgeted Power Production OM&A (\$M)	210.0
--------------------------------------	-------

Total Budgeted OM&A (\$M)	689.1
Budgeted Other Expenses OM&A (\$M)	12.5
Total Budgeted OM&A less Other Expenses (\$M)	676.6

- 2018 Fiscal budgeted OM&A for entire Corporation

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q17

Please provide an Excel spreadsheet showing the individual generation expense account amounts which total to the \$ 27.2 million shown in Schedule 1.4.

Response:

Please see the following spreadsheet, which has also been sent electronically.

The \$27.2 million that is assigned to the Purchase Power Agreement (PPA) category was calculated in 2 parts:

- i. \$26.7 million in Operating, Maintenance, & Administration (OM&A) is budgeted to Purchase Power Agreements for fiscal 2018, and;
- ii. Prorating out a portion of the \$12.5 million in the Other Expenses OM&A category. The Other Expenses category includes insurance, human resource programs, and customer services OM&A associated with servicing bad debt — all are considered corporate expenses and are shared by all customer classes. They are prorated based on the budgeted amounts for fiscal 2018 OM&A for each category.

Please note that in the attached Excel spreadsheet all formulas remain intact so that all calculations can be followed and reproduced. The \$27.2 million amount in questions is highlighted in yellow in the sheet for ease of identification.

2018 RATE APPLICATION
SIECA INTERROGATORIES

2018 Fiscal Purchase Power Agreement (PPA) OM&A

Q17	Purchase Power Agreements (PPA)	Budgeted PPA OM&A (\$M)	Prorated Other Expenses OM&A (\$M)	Total Category OM&A (\$M)
		26.7	0.5	27.2

Budgeted Purchase Power Agreements OM&A (\$M)	26.7
2018F Total Budgeted OM&A (\$M)	689.1
2018F Budgeted Other Expenses OM&A (\$M)	12.5
2018F Total Budgeted OM&A less Other Expenses (\$M)	676.6

- 2018 Fiscal budgeted OM&A for entire Corporation

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q18

Please explain why \$9.5 million of Planning Support expense is assigned to the generation function. If the \$9.5 million amount is the result of an allocation, please provide work papers showing the calculation of the allocated amount.

Response:

As per page 17 of the 2018 Fiscal Test Embedded Cost of Service Report, a small amount of the Transmission and Distribution Business Unit's Operating, Maintenance, & Administration (OM&A) expense relating to the transmission planning, scheduling & dispatch and generation regulation and frequency response are functionalized to generation. The \$9.5M of Planning Support expense assigned to the Generation function is made up of OM&A assigned to the System Control Centre and the Communication Protection/SCADA group.

These groups annually provide allocation percentages (56.53%) based upon staffing occupancy in these areas, which are then allocated to the expenses incurred for the Base and Test (forecasted) years.

Similarly to Q17, the Forecasted Planning Support expense of \$16.8M is also prorated with a portion of the \$12.5 million in the Other Expenses OM&A category. The Other Expenses category includes insurance, human resource programs, and customer services OM&A associated with servicing bad debt — all are considered corporate expenses and are shared by all customer classes. They are prorated based on the budgeted amounts for fiscal 2018 OM&A for each category.

Please see the following Excel spreadsheet, which has also been attached electronically. The \$9.5 million amount in question is highlighted in yellow in the sheet for ease of identification.

2018 RATE APPLICATION
SIECA INTERROGATORIES

	2015 Base (Actuals) (\$M)	2015 Generation Allocation (%)	2018 Forecasted Generation (\$M)	Pro-rated Allocation (\$M)
Planning Support	14.4	56.53%	16.8	9.5

	2018 Forecasted (Pro) (\$M)	2018 Forecasted Generation (\$M)
Forecasted Planning Support	16.5	16.8

	2018 Forecasted (Pro) (\$M)	2018 Forecasted Generation (\$M)
2018F Total Budgeted OMA (\$M)	689.1	0.3
2018F Budgeted Other Expenses OM&A (\$M)	12.5	
2018F Total Budgeted OM&A less Other Expenses (\$M)	676.6	

2018 Fiscal budgeted OM&A for entire Corporation

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q19

Please explain why \$12.6 million of Demand side Management expense is assigned to the generation function.

Response:

Demand Side Management (DSM) costs focus on customer programs and services relating to energy efficiency, conservation, load management and self-generation, which directly impact Generation. DSM OM&A expenses are therefore functionalized 100% to the Load sub-function within the Generation function, and classified equally to demand and energy within Cost of Service.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q20

Please provide a fully functioning Excel spreadsheet showing the calculation of each of the Support Group Expenses allocated amounts in Schedule 1.4.

Response:

Please see attached Excel spreadsheet "SIECA Q20.xls" for the calculation of each of the Support Group Expenses allocated amounts in Schedule 1.4.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q21

Please provide a fully functioning Excel spreadsheet showing the individual plant amounts which total to the \$266.1 million shown in Schedule 1.5.

Response:

The table below has also been attached within an Excel file.

Description	Depreciation & Depletion
Boundary Dam	81,944,950.58
Poplar River	29,007,780.89
Shand	43,006,855.56
Athabasca	1,154,900.91
Coteau Creek	1,264,609.60
Island Falls	3,926,677.97
Nipawin	9,789,507.28
EB Campbell	2,607,788.18
Landis	1,785,595.50
Meadow Lake	181,589.07
QE	36,685,384.84
Ermine	7,794,998.83
Yellowhead	8,977,791.45
Tantallon	351,793.16
Cypress	912,853.91
Centennial	12,348,465.27
Depreciation forecast March 31, 2018	241,741,543.00
Asset retirement asset - depreciation	2,400,000.00
Estimated gain/loss on asset retirements	22,000,000.00
Total Forecast March 31, 2018	266,141,543.00

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q22

Please provide a fully functioning Excel spreadsheet showing the individual PPA amounts which total to the \$56.3 million shown in Schedule 1.5.

Response:

The spreadsheet that follows has also been attached within an Excel file.

Description	Depreciation & Depletion
Meridian Leased Assets	6,400,000.00
Cory Leased Assets	9,128,423.76
Spy Hill Lease Asset	5,800,000.00
NBEC Leased Asset	35,000,000.00
Estimated depreciation 2017/18	56,328,423.76

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q23

Please provide a fully functioning Excel spreadsheet showing (complete with all cell formulas and links) showing the calculation of the allocation percentages shown on schedules 5.0 through 5.3.

Response:

The allocation methodology is based on the classifications of Demand, Energy and Customer related costs within the Generation, Transmission, Distribution and Customer functions:

Class of Service	Average Annual # of Accounts	Annual Sales @ Meter (MWh)	2 CP Demand (KW)
Urban Residential	332,725	2,560,286	540,217
Rural Residential	61,698	763,604	161,120
Total Residential	394,423	3,323,890	701,337
Farms	58,987	1,308,360	218,146
Urban Commercial	47,422	2,776,509	419,847
Rural Commercial	14,778	1,076,329	162,611
Total Commercial	62,200	3,852,838	582,458
Power - Published Rates	87	6,718,850	794,655
Power - Contract Rates	14	2,498,808	320,515
Total Power	101	9,217,658	1,115,169
Oilfields	19,015	3,445,340	402,647
Streetlights	2,886	61,632	7,282
Resellers	3	1,285,754	212,579
Total System	537,614	22,495,472	3,239,619

- Within the Generation function, the energy-related rate base and expenses are allocated based on annual sales. The demand-related rate base and expenses are allocated using the 2CP (Coincident Peak) method.
- Within the Transmission function, all rate base and expenses are demand-related and are allocated using the 2CP method.
- Within the Distribution function, the demand-related functions use the 2CP methodology. The customer-related functions within Distribution utilize weighted averages of customers within each class.
- Within the Customer Service function, the customer-related functions are allocated by the weighted number of customers in each class.

The spreadsheet is attached within an Excel file.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q24

Please provide the following tables in a fully functioning Excel spreadsheet format:

- a. Revenue (page 7)
- b. Consolidated Statement of Income (page 26)
- c. Saskatchewan Sales, \$ (page 28)
- d. Saskatchewan Sales, GWh (page 28)
- e. Fuel and Purchase Power Expense, \$ (page 33)
- f. Fuel and Purchase Power Expense, GWh (page 33)
- g. Fuel and Purchase Power per Generation Source (page 34)
- h. Finance Expense (page 39)
- i. Capital Spending (page 41)

Response:

An Excel file has been attached with the requested tables.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q25

Contract Power Rates – Please provide an Excel spreadsheet showing the following information for each Power-Contract Rate customer agreement.

- a. Contract Beginning Date
- b. Contract Expiration Date
- c. Contract Rate Terms including the current contract rate and any formula adjustments and/or additional charges.
- d. Maximum hourly contract amount (kW)
- e. 2016 average hourly consumption (kWh)
- f. 2016 maximum hour consumption (kW)
- g. Maximum hour consumption at system peak hour (kW)

Response:

The terms and conditions of SaskPower's Electrical Service Agreements (ESAs) are confidential and, as such, any details pertaining to them cannot be disclosed.

The Saskatchewan Rate Review Panel has full access to SaskPower's Electrical Service Agreements for its examination.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q26

Is the 12 month data shown for a calendar year? If not please identify the fiscal year period.

Response:

The 12-month data for the Consolidated Income Statement is not a calendar year. The data represents SaskPower's fiscal year, from April 1 to March 31.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q27

Please reconcile and explain the difference between the sales amount shown in the table on page 26 for 2017-18 and 2018-19 (\$2,428.7 million and \$2,566.6 million respectively) and the \$2,539.4 million revenue requirement shown in SaskPower's 2018 Fiscal Test Embedded Cost of Service Study.

Response:

The Cost of Service Study is based on SaskPower's 2017-18 Business Plan. The 2018 Rate Application was written based on an updated Business Plan so that the information provided is the most up-to-date at the time of submission to the Saskatchewan Rate Review Panel.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q28

Please provide a fully functioning Excel spreadsheet version of the Consolidated Statement of Income assuming a 6.9% ROE for the forecast 2018-19 and 2019-20 periods.

Response:

The following spreadsheet has also been included within an attached Excel file.

2018 RATE APPLICATION
SIECA INTERROGATORIES

	Rate App 2018	Rate App 2019	Adj	Adjusted 2019	Rate App 2020	Adj	Adjusted 2020
Revenue							
Sask Sales	2,428.7	2,566.6	(40.2)	2,526.4	2,646.1	(46.0)	2,600.1
Export	9.2	14.3		14.3	20.8		20.8
Net Sales from Trading	0.5	0.5		0.5	0.5		0.5
Other	117.7	116.2		116.2	117.0		117.0
Total Revenue	2,556.1	2,697.6	(40.2)	2,657.4	2,784.4	(46.0)	2,738.4
Expense							
Fuel	645.3	681.6		681.6	716.6		716.6
Operating, maint. & admin	689.1	703.2		703.2	718.2		718.2
Depreciation	542.3	572.0		572.0	575.8		575.8
Finance charges	417.0	423.7	0.3	424.0	436.7	1.0	437.7
Taxes	72.5	77.4		77.4	80.9		80.9
Other	30.0	30.0		30.0	30.0		30.0
Total expense	2,396.2	2,487.9	0.3	2,488.2	2,558.2	1.0	2,559.2
Operating income	159.9	209.7	(39.9)	169.2	226.2	(45.0)	179.2
Unrealized market value adjust	(0.3)	0.0		0.0	0.0		0.0
Net income	159.6	209.7	(39.9)	169.2	226.2	(45.0)	179.2
Opening Retained earnings	2,241.1	2,372.6		2,372.6	2,561.3		2,524.9
OCI	(28.1)						
Dividends		(21.0)		(16.9)	(22.6)		(17.9)
Closing Retained Earnings	2,372.6	2,561.3	(39.9)	2,524.9	2,764.9	(45.0)	2,686.2
Average equity	2,306.9	2,467.0		2,448.7	2,663.1		2,605.5
Return	159.6	209.7		169.2	226.2		179.2
ROE	6.9%	8.5%		6.9%	8.5%		6.9%

Revenue adjustment

(40.2)

(46.0)

Impact on borrowing - Year 1

half year

20.1

full year

40.20

ST rate

1%

2%

Finance Charges

1st year

0.2814

2nd year

0.6432

Impact on borrowing - Year 2

half

23

ST rate

2%

Finance Charges

1st year

0.368

Total impact on Finance Charges

0.28

1.01

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q29

Please provide a fully functioning Excel spreadsheet version of the table on page 28 showing the sales revenue (\$) and volume (GWh) for each customer class listed in Table 1 of the 2018 Fiscal Test Embedded Cost of Service Study and including the actual results for 2012-13, 2013-14, and 2014-15 periods.

Response:

Please see the table on Page 2 of this response that contains the sales, revenue and price per MWh for each class of customer.

Please note that the costs of service schedules in the 2018 Fiscal Test Embedded Cost of Service Study are calculated on an annualized basis. The existing rates revenue (\$2,418.5M) for 2018 is based on a full fiscal year without a rate increase, while the 'adjusted rates' revenue (\$2,539.4 million) contains sales revenues for a full fiscal year with the proposed rate increase.

Since the proposed increase is effective March 1, 2018, the table below provides a summary of the revenue increase for the one-month period before the end of the fiscal year (March 31, 2018)

Customer Class	Rates Effective March 1, 2018					
	Existing Rates (2018 Fiscal)		Adjusted Rates (2018 Fiscal)			
	Energy Sales (GWH)	Sales Revenue (\$ x 1,000,000)	Revenue Lift (\$ x 1,000,000)	Sales Revenue (\$ x 1,000,000)	1 month increase (%)	12 month increase (%)
Urban Residential	2,560.3	439.7	1.9	441.5	0.4%	5.1%
Rural Residential	763.6	128.4	0.5	129.0	0.4%	5.1%
Farms	1,308.4	177.3	0.8	178.0	0.4%	5.1%
Urban Commercial	2,776.5	354.4	1.5	355.9	0.4%	5.1%
Rural Commercial	1,076.3	136.5	0.6	137.0	0.4%	5.1%
Power - Published Rates	6,718.9	513.7	2.2	515.9	0.4%	5.1%
Power - Contract Rates	2,498.8	190.7	0.6	191.4	0.3%	4.1%
Oilfields	3,445.3	356.9	1.5	358.4	0.4%	5.1%
Streetlights	61.6	17.0	0.1	17.1	0.4%	5.1%
Reseller	1,285.8	103.9	0.4	104.3	0.4%	5.1%
Total	22,495.5	2,418.5	10.1	2,428.6	0.4%	5.0%

The results do not exactly equal the amounts on Page 28 of the application, as the Cost of Service matches SaskPower's most recently approved corporate forecast, while the table on Page 28 of the application represents SaskPower's most recent projection at the time of the filing of the application, which includes year-to-date actuals.

Previous year actual data is displayed in calendar year format (January to December) as the financial reporting changes were made in 2016.

2018 RATE APPLICATION SIECA INTERROGATORIES

Customer Class	Existing Rates (2018 Fiscal)		Adjusted Rates (2018 Fiscal)		Actuals (2015 Calendar)		Actuals (2014 Calendar)		Actuals (2013 Calendar)				
	Energy Sales (GWh)	Sales Revenue (\$ x 1,000,000)	\$/MWH	Sales Revenue (\$ x 1,000,000)	Energy Sales (GWh)	Sales Revenue (\$ x 1,000,000)	\$/MWH	Energy Sales (GWh)	Sales Revenue (\$ x 1,000,000)	\$/MWH			
Urban Residential	2,560.3	439.7	172	462.0	180	376.0	157	2,519.9	377.1	150	2,461.0	351.9	143
Rural Residential	763.6	128.4	168	135.0	177	111.7	155	761.3	113.2	149	729.0	100.7	138
Farms	1,308.4	177.3	135	186.3	142	159.0	125	1,363.9	163.8	120	1,332.2	155.2	116
Urban Commercial	2,776.5	354.4	128	372.4	134	308.3	116	2,725.1	303.6	111	2,652.7	278.9	105
Rural Commercial	1,076.3	136.5	127	143.4	133	124.2	115	1,003.8	113.3	113	952.4	101.4	106
Power - Published Rates	6,718.9	513.7	76	539.8	80	464.5	70	6,408.8	432.1	67	6,314.9	399.2	63
Power - Contract Rates	2,498.8	190.7	76	198.5	79	144.6	71	1,769.7	113.8	64	1,547.6	95.0	61
Oilfields	3,445.3	356.9	104	375.0	109	332.6	95	3,503.1	323.5	92	3,448.3	300.0	87
Streetlights	61.6	17.0	276	17.9	290	15.0	248	59.3	15.3	257	58.5	15.8	271
Reseller	1,285.8	103.9	81	109.2	85	89.9	73	1,273.9	87.1	68	1,256.8	80.7	64
Total	22,495.5	2,418.5	108	2,539.4	113	2,127.7	98	21,388.8	2,042.8	96	20,753.3	1,878.8	91

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q30

Please provide a fully functioning Excel spreadsheet showing the monthly sales revenue (\$) and volume (GWh) for each customer class listed in Table 1 of the 2018 Fiscal Test Embedded Cost of Service Study during the 12 month 2016-17 and 2017-18 periods.

Response:

Please see the following spreadsheet, which is also attached within an Excel file.

Actual energy and revenue by class is available through August 2017.

Note: SaskPower is unable to provide a breakdown of the actual energy sales and revenue among urban and rural customers. Sales by rate code, which would provide the breakdown of the sales and revenue among urban and rural customers, are compiled after each calendar year end and incorporated into the next revenue forecast.

2018 RATE APPLICATION SIECA INTERROGATORIES

2016/2017, 2017/2018 Actual Revenue and Energy Sales by Class

	Energy Sales (Gwh)																
	2016 April	2016 May	2016 June	2016 July	2016 August	2016 September	2016 October	2016 November	2016 December	2016 January	2016 February	2016 March	2017 April	2017 May	2017 June	2017 July	2017 August
Residential	233	230	233	248	245	228	247	255	294	308	268	281	248	249	235	248	251
Commercial	294	298	302	311	309	299	311	312	346	348	315	334	304	305	300	322	323
Oilfields	293	349	303	314	308	189	292	285	295	393	280	320	303	385	311	327	349
Power	737	717	692	714	760	708	752	803	861	867	764	831	756	798	784	774	793
Farm	93	96	89	96	96	98	97	98	112	108	98	108	94	109	103	105	111
Reseller	93	99	104	108	104	94	98	97	112	111	95	103	90	94	98	111	104
Total	1,743	1,789	1,723	1,790	1,822	1,616	1,798	1,850	2,019	2,135	1,820	1,976	1,795	1,940	1,831	1,888	1,931

	Revenue (000's \$)																
	2016 April	2016 May	2016 June	2016 July	2016 August	2016 September	2016 October	2016 November	2016 December	2016 January	2016 February	2016 March	2017 April	2017 May	2017 June	2017 July	2017 August
Residential	\$ 37,649	\$ 37,666	\$ 37,851	\$ 42,060	\$ 41,308	\$ 38,668	\$ 42,211	\$ 42,247	\$ 48,519	\$ 51,036	\$ 45,582	\$ 48,990	\$ 43,563	\$ 43,668	\$ 41,526	\$ 43,475	\$ 43,881
Commercial	\$ 35,066	\$ 36,499	\$ 36,534	\$ 39,424	\$ 38,729	\$ 37,447	\$ 39,488	\$ 38,557	\$ 42,896	\$ 43,242	\$ 40,679	\$ 43,787	\$ 40,031	\$ 40,080	\$ 39,552	\$ 41,763	\$ 41,612
Oilfields	\$ 28,093	\$ 31,515	\$ 28,830	\$ 30,861	\$ 30,452	\$ 20,718	\$ 28,954	\$ 28,340	\$ 29,036	\$ 37,336	\$ 30,150	\$ 32,652	\$ 31,312	\$ 37,027	\$ 32,354	\$ 33,185	\$ 34,911
Power	\$ 52,547	\$ 51,410	\$ 50,123	\$ 53,594	\$ 56,625	\$ 53,409	\$ 55,894	\$ 59,494	\$ 61,048	\$ 64,900	\$ 59,169	\$ 62,741	\$ 58,095	\$ 60,788	\$ 59,631	\$ 59,710	\$ 60,061
Farm	\$ 12,060	\$ 12,254	\$ 11,331	\$ 12,820	\$ 12,845	\$ 12,937	\$ 13,225	\$ 12,944	\$ 14,824	\$ 14,641	\$ 13,453	\$ 14,866	\$ 13,490	\$ 14,965	\$ 14,022	\$ 14,024	\$ 14,873
Reseller	\$ 6,675	\$ 7,665	\$ 8,073	\$ 8,692	\$ 8,403	\$ 7,617	\$ 7,232	\$ 7,453	\$ 8,411	\$ 8,668	\$ 7,690	\$ 7,884	\$ 6,990	\$ 7,655	\$ 8,285	\$ 9,173	\$ 8,731
Total	\$ 172,089	\$ 177,009	\$ 172,743	\$ 187,452	\$ 188,361	\$ 170,797	\$ 187,005	\$ 189,035	\$ 204,734	\$ 219,824	\$ 196,724	\$ 210,920	\$ 193,482	\$ 204,183	\$ 195,369	\$ 201,330	\$ 204,070

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q31

Please provide a detailed report that discusses SaskPower's sales forecasting methodology and identifies the embedded assumptions including, but not limited to, those assumptions for:

- a. Historical load and weather data.
- b. Economic variables from the provincial economic model (potash and oil production, population, number of households and commercial gross domestic product (GDP) growth data.
- c. Residential end-user data.
- d. Forecast provided by industrial customers.

Response:

SaskPower produces a load forecast report annually that summarizes the methodologies for each of our major customer classes. Our company is unable to provide details regarding individual customer forecasts due to confidentiality concerns.

The most recent report available at the time of filing is the 2017 Fiscal Q1 document which can be found on the SRRP's website at the following link:

<http://www.saskratereview.ca/docs/saskpower2017/load-forecast.pdf>

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q32

Please provide a fully functioning Excel spreadsheet version of the table on page 41 including the actual data for 2012-13, 2013-14, and 2014-15.

Response:

The following spreadsheet has also been attached within an Excel file.

2018 RATE APPLICATION SIECA INTERROGATORIES

Capital spending	(in millions)											
	Actual Twelve months 2013*	Actual Twelve months 2014*	Actual Twelve months 2015*	Actual Twelve months 2015-16	Actual Twelve months 2016-17	Forecast Twelve months 2017-18	Forecast Twelve months 2018-19	Forecast Twelve months 2019-20				
Capital sustainment investment												
Generation	\$ 94	\$ 127	\$ 126	\$ 133	\$ 140	\$ 132	\$ 139	\$ 139				
Carbon capture			24	28	26	37	-	-				
Transmission	27	24	62	98	67	106	90	92				
Distribution	55	37	50	54	76	68	82	83				
Other	87	86	98	85	106	82	70	73				
Total sustainment investment	263	274	360	398	415	425	381	387				
Growth & compliance investment												
Generation	93	220	173	103	179	319	287	288				
Carbon capture	546	237	21									
Transmission	147	239	164	156	119	167	173	177				
Distribution	36	53	80	79	21	18	25	25				
Customer connects	165	230	170	149	130	134	132	135				
Total growth & compliance investment	987	979	608	487	449	637	617	625				
Total strategic & other investments	68	26	22	46	22	59	114	121				
Total capital spending	1,318	1,279	990	931	886	1,121	1,112	1,133				
Total power purchase agreement spending	700	-	-	-	-	-	35	36				
Total capital spending and PPAs	\$ 2,018	\$ 1,279	\$ 990	\$ 931	\$ 886	\$ 1,121	\$ 1,147	\$ 1,169				

*reported on calendar year

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q33

Please provide a fully functioning Excel spreadsheet showing SaskPower's latest forecast of system peak hour demand for each year through calendar 2020.

Response:

Please see the following spreadsheet, which has also been included within an attached Excel file.

Forecast Potential Interval System Peak

Year	MW
2017	3839
2018	3871
2019	3969
2020	4001

*Note: this is a calendar peak, not fiscal

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q34

Please provide a fully functioning Excel spreadsheet showing SaskPower's latest forecast of each customer class demand during the peak system hour identified in answer (b) above.

Response:

Please see the following spreadsheet, which has also been included within an attached Excel file.

Forecast Potential Interval Peak by Class (MW)

	Power	Oil	Commercial	Residential	Farm	Reseller	Corp Use	Losses	Total
2017	1166	443	564	796	289	217	15	350	3839
2018	1174	454	567	807	283	217	16	353	3871
2019	1223	461	571	816	281	218	16	383	3969
2020	1247	469	572	829	279	218	16	371	4001

*Note: this is a calendar peak, not fiscal

2018 RATE APPLICATION SIECA INTERROGATORIES

SIECA Q35

Please explain how the amounts for Customer Connects in the Capital Spending table are determined. Include in your explanation how SaskPower determines the portion of customer connection cost included in rate base and the portion paid directly by the customer.

Response:

SaskPower will make an investment into the provision of all new service installations on the distribution system. Our company's investment levels into new distribution connected customers are determined using a net present value calculation based on the difference between the incremental revenues and costs associated with adding new customers over a five-year period.

Once the level of investment is determined using this methodology, it is then converted into the appropriate investment in terms of either a fixed dollar amount for residential and standard farm services, or a fixed number of months of anticipated revenue from that customer for a general service, oilfield, streetlight or large farm service. The current investment levels for distribution connected customers are:

- \$1,300 investment into new residential and standard farm services
- 18 months of anticipated revenue into new large farm services
- 24 months of anticipated revenue into new general service, oilfield and street light services
- An investment based upon an individual discounted cash flow analysis for each new large (greater than 2000 kVA) general service

The new customer pays all estimated construction costs in excess of SaskPower's calculated investment amount.

For transmission customers, requests are first identified by SaskPower's Key and Major Accounts Department. After preparing cost estimates for the requested services, the project timeframe and degree of probability are assessed before including the project in the Customer Connect capital budget.

There is no investment based upon expected revenue into transmission connected services. New transmission connected customers are assessed a construction charge based on the number of kilometres to the nearest transmission line of a voltage capable of serving the customer's anticipated load times the per kilometre cost of constructing a line of that voltage. SaskPower has a network upgrade policy for transmission connected customers which allows for all costs associated with any network upgrade or reinforcement to be completed at SaskPower costs.

2018 RATE APPLICATION
SIECA INTERROGATORIES

SIECA Q36

Please explain why SaskPower must absorb the cost of moving its transmission facilities to accommodate the highway infrastructure project. Include in your explanation a list any and all Right-of-Way agreements related to the transmission facilities involved and a discussion of any SaskPower effort to avoid responsibility for these costs.

Response:

SaskPower is not absorbing the cost of moving its transmission facilities in relation to the highway infrastructure project. Regina Bypass Design Builders (RBDB) is accountable for the actual costs of SaskPower modifying its transmission lines.

SaskPower and the Government of Saskatchewan Ministry of Highways have an Agreement for Utilization of public highway Right-of-Way, dated November 1994, which outlines the cost sharing responsibility for line modifications driven by Ministry of Highway related requests. This agreement applies to the Regina Bypass Project. In all but one of 13 transmission line modification projects, RBDB will be paying all of the actual projects costs associated with the permanent modifications.

2018 RATE APPLICATION SIECA INTERROGATORIES

SIECA Q37

Please provide an excel spread sheet containing the data used to produce the Debt Level chart of page 44.

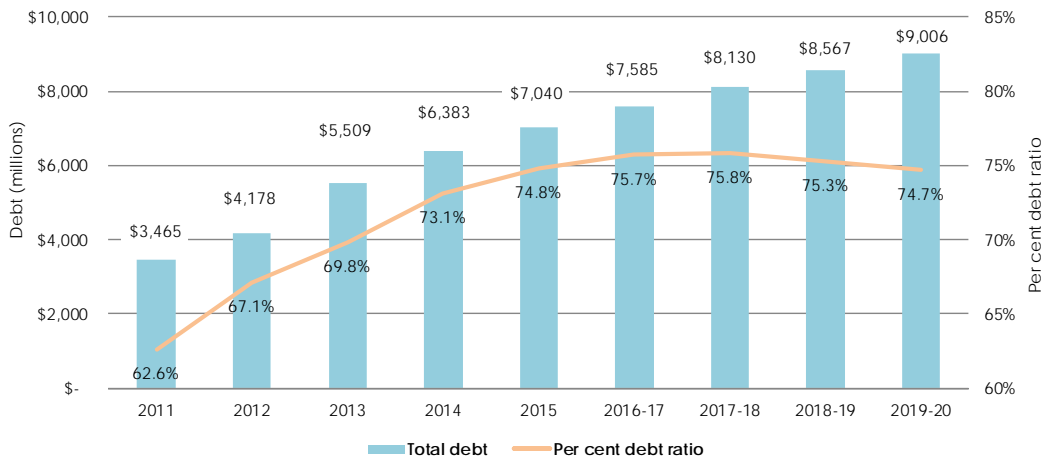
Response:

Please see the following spreadsheet and debt level chart. Both have been included within an attached Excel file.

SaskPower Debt Levels

	2010	2011	2012	2013	2014	2015	2016-17	2017-18	2018-19	2019-20
Short-Term Advances	\$ 159	\$ 251	\$ 763	\$ 804	\$ 890	\$ 950	\$ 900	\$ 1,136	\$ 1,213	\$ 1,296
Long-Term Debt	\$ 2,782	\$ 2,778	\$ 2,980	\$ 3,568	\$ 4,355	\$ 4,954	\$ 5,559	\$ 5,881	\$ 6,224	\$ 6,568
Capital Leases	\$ 293	\$ 437	\$ 435	\$ 1,137	\$ 1,138	\$ 1,136	\$ 1,126	\$ 1,114	\$ 1,131	\$ 1,142
Per cent debt ratio		62.6%	67.1%	69.8%	73.1%	74.8%	75.7%	75.8%	75.3%	74.7%
Total debt	\$ 3,234	\$ 3,465	\$ 4,178	\$ 5,509	\$ 6,383	\$ 7,040	\$ 7,585	\$ 8,130	\$ 8,567	\$ 9,006

SaskPower debt levels





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