

SaskPower 2014-2016 Rate Application - Consultant's First Round Information Requests.

November 15, 2013

Source Application and Annual Report

1. What time period(s) were used for revenue and expenditure actual data and forecasts to prepare this Application?
2. Please:
 - a) Confirm the economic forecasts that were used to underpin this application for the years 2014 to 2016 relative to: inflation rates of 2.0% for all three years; short term borrowing rates of: 2014 – 1.1%; 2015 -1.5% and 2016 – 1.7%; long term interest rates of 3.7%, 3.9% and 4.1% respectively; weighted average cost per GJ of natural gas for: 2014 - \$4.22, 2015 - \$4.59 and 2016 \$4.52.
 - b) Specify the wage and salary adjustments factors used together with housing starts statistics, and similar information and identify all the data sources. In addition to the Conference Board of Canada report filed, please discuss any economic data used by SaskPower that was prepared by an agency of the Province or did SaskPower prepare its own Saskatchewan based economic report or forecast?
3. Please confirm that the last rate change occurred on January 1, 2013 which provided a system wide average increase of 4.9%.
4. Please confirm that the revenue to be generated by this application over the three year period is forecasted to be \$ 641.5 million.
5. Please provide a graph which illustrates SaskPower's actual and proposed rate changes that have been implemented or are proposed to occur for the period 2007 to 2016 for each class of customer.
6. Please provide a table showing the actual and budgeted Return on Equity in dollars and in percentage terms for the period 2007 to 2016, on an actual and weather normalized basis.
7. Please confirm that the 2014-2016 forecasted return on equity will be significantly less than the current CIC long term target.
8. Please provide the percentage rate increase that would be required in each year of the Application to meet the minimum ROE long term target of 8.5%.

9. Please provide a table showing the actual and forecasted debt-equity ratio for the period 2007-2016.
10. Please provide a table showing the actual and forecasted interest coverage ratio for the period 2007-2016.
11. Please provide performance tables similar to those on pages 29, 30, 37, 38 of the 2012 annual report) for:
 - a) OM&A cost / revenue breakdown for the period 2007 – 2016.
 - b) Employee Productivity Indicator GWh/ employee for the period 2007 – 2016.
 - c) Fossil fuel CO2 emissions intensity (tonnes CO2/ MWh) for the period 2007-2016.
 - d) Demand Side management accumulated savings for 2007-2016.
12. Please confirm that without the proposed rate increase for the years 2014-2016, and based on the current load forecast/electricity demand and expenses, SaskPower would have an operating deficit of \$ 76.2 million in 2014, \$ 169.5 million in 2015 and \$ 287.2 million in 2016 for a combined deficit over the three years of \$ 532.9 million.
13. Please provide a table showing the actual and/or forecast data for customer (by class) additions, costs and customer contributions for the period 2010 to 2016.
14. Please:
 - a) provide a table showing the revenue category of export sales (revenue & MWh and market price) for the period 2011 to 2016. (similar to Application page 25 table)
 - b) provide a detailed overview on the future Alberta Electricity Market together with the expected market influences as a result of the maintenance program of the BC/Alberta tie line and the new interconnect between Alberta and Montana. Please provide a detailed explanation as to the reasons that Export Revenue will not during the period covered by this application return to a more normal level of financial results.
 - c) provide details on when SPC expects the above mentioned maintenance program on the BC/Alberta tie line will be completed.
 - d) discuss any public sources that SPC uses to forecast future electricity prices in the export market.
 - e) confirm the Montana-Alberta line was energized in June 2013.
 - f) Discuss whether SaskPower participated in the BC – Alberta tie line workshop that occurred early this year.
15. Please provide a table showing net sales (actual & forecasts) for electricity trading for the period 2010 to 2016, and explain any variances.

16. Please provide details of the firm transmission position SaskPower has in British Columbia.
17. Please provide a detailed schedule for Miscellaneous Revenue in the Other Revenue category together with an explanation for the \$ 5.6 million reduction forecasted in 2016.
18. Please confirm:
 - a) that an agreement has been reached for the sale of all the CO₂ captured from the Boundary Dam Integrated Carbon Capture & Storage project to an oil extraction company and provide details of this agreement.
 - b) whether there are any new capital expenditures necessary by SPC to fulfill the above noted agreement?
19. Please provide details of the lease arrangement of the Clean Coal Test Facility for the time period covered by this application together with the annual lease payments.
20. Please provide a schedule showing all long term debt (i.e. advances from the Government of Saskatchewan General Fund) including date of issue, date of maturity, effective interest rate, coupon rate, par value, unamortized premium and outstanding amount.
21. Please provide a schedule showing long term debt, including lease obligations (similar to Table 6.20 of the last Forkast report) of the actuals and forecasted debt for the period 2011-2016.
22. Please provide a schedule showing details of the total finance charges for the period 2011 to 2016 (actual & forecasted), including long and short debt, finance leases less interest capitalized together with the details between forecasts/budgets and actual or expected variances for the years 2011-2013 (similar in format to note 9 in the 2012 Annual Report)
23. Please confirm that SaskPower has no foreign currency exposure in either debt or capital market activities or alternatively provide details of any such exposure.
24. Please provide a schedule for the period (actual & forecasted) 2011-2016 showing the depreciation and amortization costs including amortization of past customer contributions and Asset Retirement Expense.
25. With respect to the planned future retirements at the Boundary Dam Generating Station, please provide a complete schedule of all future unit retirements together with any expected unamortized financial obligations relative to each unit.

26. Please discuss any changes relative to individual asset Depreciation Rates from those approved for implementation in 2012 flowing from the 2011 internal study estimating the useful lives of certain assets.
27. Please provide a continuity schedule of Plant in Service and Total Property, Plant and Equipment.
28. Please provide an updated schedule detailing working capital requirements for the period 2011-2016.
29. Please provide a Table displaying SaskPower's Tax Obligations for the period 2012-2016 (actual & forecast) including corporate capital tax, grant in lieu of taxes and all miscellaneous tax obligations and please provide details for any significant year to year variance changes.
30. For the period 2007 – 2016 please provide a table itemizing all payments made or forecast to be made to the Province of Saskatchewan including water rentals, corporate capital taxes, coal royalties and dividends.
31. Please confirm that except for a dividend paid in 2012 to its shareholder to mitigate widespread flooding in 2011, SaskPower has been exempted from paying dividends to the provinces general fund for 2013 thru to and including 2016. Does the current 2014 to 2023 Business Plan contemplate any dividend payments?
32. Please quantify the benefits (if any) of this dividend exemption.
33. Please provide a table of SaskPower's Other Expense category for the period 2012-2016 with a break-out of Asset Disposals, Asset Retirements, Foreign exchange (if any) and Environmental Expense.

Business Plan

34. In compiling the multi-year rate application was a specific business plan for the time period 2014-2016 prepared?
35. Please update the table on Page 14 of the BP to include the years 2012-2016.
36. Please update the table on page 15 of the BP to include 2014, 2015 & 2016 OM&A budgets.
37. Please provide revised tables on Page 20 of the 2014 BP to include only the years 2012 to 2016.
38. Please update the table on Page 21 of the BP to include the years 2015 and 2016.

39. Please provide a brief overview of changes (if any) being considered to the organization structure from 2012 to 2016 including an overview for the reasons to change the structure.

Operating, Maintenance and Administration (OM&A)

40. Please provide a table depicting the OM&A per customer actual or forecasted costs for the period 2010 to 2016.

41. Please provide a graph of FTE's by division and indicate the number of customers for the years 2007-2016.

42. Please provide a breakout schedule of OM&A costs for Wages and Salaries, benefits, pension expense, labour credits and allocated labour costs as well as external services, material & supplies and other administration actual costs/forecasts for the period 2012-2016.

43. Please file a schedule detailing the OM&A actual costs/forecasts for expenses capitalized by labour, overhead, interest and other for the period 2012-2016.

44. Please file the most recent actuarial report relative to the Pension Plan(s) for employees.

45. Please re-file the OM&A table under Tab 5 of the MFR to include the years 2011-2016

46. Please:

- a) confirm the major increase in OM&A operations expense in 2014 is associated with the overhauls planned at Shand, Boundary Dams units 4 & 6 and at Western Plants.
- b) provide greater detail of the anticipated expenditures together with a brief overview on the benefits (including the expected life extension benefits) of these investments.

47. Please confirm that, of the total \$80.1 million OM&A expenditure forecasts for the period covered by this rate application, \$49.1 million is as result of proposed undertakings in the Power Production, Transmission and Asset Management operations business units.

48. Please indicate when the current employee labour agreements are set to expire.

49. Please confirm that the gas and electrical inspection service business unit is a profit centre within SaskPower.

50. Please provide a table similar to table 6.12 (OM&A by function) in the Consultants 2012 report to the Panel for the years 2013-2016.
51. Please detail new initiatives (if any) proposed in this rate application in each of the years 2014-2016 relative to OM&A expenditures.
52. Please update the response to the 2013 Rate Application Round 1 Interrogatory 32 (b) for the final expected costs in 2013 and forecasted for 2014 - 2016 for the credit card program.
53. Please provide the Business Renewal Scorecard to include the targets at 2013 thru to 2016 year end.

Debt and Equity

54. Please discuss how SaskPower differentiates between short term debt and long term debt and also please confirm that at the present time SaskPower's short term debt is within the its current policy that limit of 15%.
55. With respect to the DBRS May 2013 report Tab 15 -
 - a) please confirm that under the Power Corporation Act that SaskPower is currently authorized to have outstanding borrowings up to \$8 billion.
 - b) please provide SaskPower's actual unused credit capacity at the end of 2012, and forecasts for end of calendar years 2013 and 2016.
56. Please discuss whether SaskPower has sought any external advice relative to the current policy limits with respect to weighting the financial benefits of using short term borrowings and the potential longer term risks associated with this policy.
57. Please discuss whether SaskPower is aware of other Canadian electric utilities short term/long term debt policy(ies) relative to this matter. If so please provide a comparison.
58. Please discuss SaskPower's understanding of other Canadian crown utilities current debt equity ratios.
59. Please provide the actual calculations underpinning the savings of \$ 27.3 million as a result of increasing SaskPower's debt and reducing the equity ratio.

Business Renewal (BR) and Service Delivery Renewal (SDR)

60. Please:
- a) provide schematics of previous procurement processes and the current customer connect processes relative to the new procurements transformation and customer connect improvement process.
 - b) demonstrate using wood poles purchasing as an example of how the forecasted savings will materialize.
61. Does SaskPower consider there to be any downside risks to either the utility or customers associated with the streamlined process for customer connects?
62. Please summarize and provide any additional information as deemed necessary showing all BRP programs shown in Tab 7 of the MFR to include: Programs totally implemented, programs underway, but not yet completed and new programs envisioned for 2014 to 2016. For each such program quantify and discuss total actual final and/or to date saving and total program savings anticipated. Please further quantify the savings as being actual or representing future avoided costs. Please also provide and quantified each program saving into labour, materials and other.
63. Please outline the processes implemented to date and the major milestones (critical path) anticipated over the next two years for the Automated Metering Infrastructure Program?
64. Please provide an update on the implementation of automated scheduling and dispatch program.
65. As result of implementing the field worker technology project, please discuss whether SaskPower is able to statistically confirm at this stage in the program development that there is a reduction in fuel consumption, windshield time, increased productivity and reduced overtime hours for field staff.
66. Please provide the number of staff reassigned and cost savings as a result of outsourcing line locates program.
67. Please indicate when the outsourcing of the line relocates program occurred. Are there other provincial underground utilities using or involved with the line locates program?
68. Please provide the complete business case relative to IT&S sourcing strategies demonstrating the effectiveness of the program and quantification of the forecasted savings generated.

69. Please provide a brief overview on the current disaster recovery service employed within SaskPower and confirm whether there is any downside risks associated with the new approach.
70. Please provide Service Delivery Renewal (SDR) financial results for the period (actual) 2009 – 2012 and forecasted 2013- 2016 for OM&, Capital and Total.
71. Please provide a schedule of the actual savings generated as result of the Business Renewal Program in 2012, expected for 2013 and forecasted in each year for 2014 to 2016.
72. Please detail the action taken (if any) relative to the 2013 NERC Compliance Audit reports.

Fuel and Purchased Power (F&PP)

73. Please provide schedules showing new generation added, retired and/or refurbished from 2010 and 2011 and that planned for 2014 to 2016, including applicable PPAs.
74. Please provide schedules showing actual fuel mix volumes and expenses from 2010 to 2012 and current projections for 2013 and explain all variances. Please include the amount(s) related to “Take or Pay” (TOP) obligations under the PPAs (in total), and also provide estimated and actual unit costs for each fuel type and overall F&PP unit cost.
75. Please discuss the reasons for the variance in unit costs for Gas, Coal, Wind, Hydro, Imports and Other for 2012, expected for 2013 and forecast for 2014, 2015 and 2016.
76. Please explain the differences in unit costs for each applicable fuel type between that supplied by SPC and that purchased under the PPAs.
77. Please provide the volumes, revenues and costs related to electric imports and exports, by transaction type from 2010 to 2012 and projected for 2013, 2014, 2015, and 2016. Please explain significant changes for future projections relative to historic results.
78. Please discuss whether SPC has been required to pay for energy not utilized because of Take or Pay obligations under PPAs.
79. Please describe the nature of and discuss when the net metering program was instituted, costs by year and benefits to date to SaskPower, power produced and unit cost of purchases.

Natural Gas

80. Please describe any changes to SaskPower's or NorthPoint's procedure, Risk Management Policy and Risk Management Manual, related to procurement and pricing of Natural Gas supplies, including Storage and hedging since the last application
81. Please discuss whether there are any differences in procurement procedures, hedging activities or pricing considerations between natural gas supplies used for SPC generation and for PPA generation.
82. Please provide a table and discuss natural gas purchases from within and outside Saskatchewan from 2010 to 2013 and estimated for 2014, 2015, and 2016 for both volumes and prices.
83. Please provide a schedule showing natural gas hedged actual volumes for 2012 and 2013 and the 2014, 2015 and 2016 estimated natural gas requirements that are hedged, and indicate hedges already in place for volumes beyond 2016. Please provide the financial instrument cost-volume breakdown and indicate the overall annual cost of hedged volumes in aggregate and on a unit basis.
 - a) Please provide details related to gas in storage for 2012 and 2013, including contracted storage capacity, capacity utilized, pipeline penalties incurred, and WACOGs during each of the 2 years.
 - b) In light of the future forecasted increased natural gas generation requirement please discuss whether the current contracted storage arrangement are sufficient or whether there will be a requirements for additional storage going forward for 2014 -2016.
84. Please provide a schedule showing original estimates and final results for all components of natural gas costs, including the financial impacts on flowing from NorthPoint's and/or SaskPower hedging activities from 2006 to 2012.
85. Please provide the natural gas costs (\$/Gj) for 2012, and projected for 2013, 2014, 2015 and provide detailed schedule(s) that were used to determine the forecasted natural gas. Please indicate the date used for the forecast and undertake to provide updated schedules based on the natural gas futures market as at January 1, 2014.
86. Please discuss the Natural Gas Volume SaskPower purchases from TransGas priced at the TransGas Energy Price Pool (TEP) Price for 2012 and 2013.

Coal

87. Please provide details regarding SPC's renegotiated (or to be renegotiated) coal supply contract(s) as mentioned in this Application. Please indicate if the new contract will cover all of SPC's required supply arrangements or if certain existing contracts will carry on in and beyond 2014.
88. Please file data from 2010 to 2013 for coal volumes supplied, average heat values, locations of sources, and unit costs by source and in aggregate.
89. Please provide an updated schedule indicating the amount of 2012 and 2013 coal royalties actually paid and forecasted for 2014, 2015 and 2016, based on coal use estimated in this application.
90. Please discuss whether SPC has assessed any changes in future heat value of coal resulting from potential alternate sources of supply.
91. Please discuss any factors still to be considered and evaluated by SPC respecting future of coal as a viable fuel source in light of the ICCS experience to date and any changes as more knowledge of actual ICCS is gained.
92. As a result of the flooding that recently occurred relative to coal supplies, please discuss what actions has SaskPower taken to reduce a similar event reoccurring in the future.

Hydro

93. Please confirm the generation forecasts for Hydro reflect median flow conditions for each of 2014, 2015 and 2016.
94. Please update the schedule showing the actual and forecasted water rental fees imposed by Saskatchewan Watershed Authority from 2010 to 2012 and forecasted for 2013, 2014, 2015 and 2016.
95. Please provide the projected and actual total GWh hydraulic generation produced from 2010 to 2013 and projected for 2013, 2014, 2015 and 2016, including the basis of the specific flow conditions estimate for each year.
96. Please provide the actual flow conditions for SPC's various water shed basins for the prior 40 years.
97. Please discuss the impacts on rates of using low and high flow conditions for each of the three years.

98. Please quantify the impacts of using a 30 year rather than a 40 year weather pattern on median flow determinations from 2008 to 2013.

99. Please provide a brief overview on the MOU signed by SaskPower with the First Nations Power Authority and Government of Saskatchewan as noted on page 45 of the Sustainability Report.

Export Power

100. Please provide the volumes, revenues and costs related to electric imports and exports, by transaction type from 2010 to 2012 and projected for 2013, 2014, 2015, and 2016. Please explain significant changes for future projections relative to historic results.

101. Please update the schedule showing variances between actual and forecasted export quantities and revenues for 2010 to 2013.

102. Please discuss whether SaskPower's Generation Planning and future resource planning is based only on Saskatchewan's domestic supply requirements and continues to specifically exclude provisions for export power.

Wind

103. Please provide an historic perspective of SPC's involvement with wind generation. Please include a record of wind generation brought on stream to date and expected to be utilized in the future decade, including wind energy pricing, operational restrictions, advantages and disadvantages from an operating and environmental viewpoint. Please discuss the maximum wind generation capacity that can be incorporated into SaskPower's grid.

104. Please indicate if there have been any changes to the wind capacity factors or the Saskatchewan wind generation system planning since 2010, and if so explain the reasons for such changes.

105. Please provide a schedule showing monthly generation in GWh and wind capacity factors for the related wind facilities from 2010 to 2012.

Planned Maintenance

106. Please provide a list of all planned maintenance projects completed in 2012, projected for 2013, and estimated for 2014, 2015 and 2016, including estimated outage durations per project and project costs broken down into the majors' components, of internal labour, contract labour, equipment purchases, materials purchases, administration costs, and interest and overhead capitalized, as applicable.
107. Please discuss, for each of 2012 and 2013 fuel and OM&A cost savings attributed to the increased maintenance cycles and decreased outage durations resulting from the new SPC policies/procedures instituted in these aspects.
108. Please provide an update on all programs implemented, or proposed until 2016 related to SPC's Asset Management Initiative as applicable to Planned Maintenance and Capital spending in general.
109. Please discuss the criteria employed by SaskPower to determine its planned maintenance program for any given year. Please provide a schedule showing the future maintenance cycles for each of the projects undertaken in 2012 and 2013.
110. Please undertake to provide further data as and if it becomes available with respect to any changes to the planned maintenance and capital program for 2013, 2014, 2015 and 2016.

Capital Program

111. Please provide and undertake to provide further data as it becomes available with respect to any changes to the capital program for 2013 and subsequent years to 2016
112. Please provide the following:
 - a) for each year from 2010 to 2012 actual and 2013 projected, for each project in each major capital asset category (T&D, Power Production, Other) the budgeted allocation, the actual results in terms of project direct costs, capitalized interest and overheads, and other charges, quantify and explain all major variances. Please indicate the reason for each (i.e. replacement, refurbishment, capacity upgrade, and new assets to accommodate growth).
 - b) also provide the related Depreciation and Finance expenses, Corporate Capital Tax and Other costs related to the annual capital programs.
 - c) please provide the same information, as well as any cost/benefit analyses completed on a forecast basis, for the capital programs for 2014, 2015 and 2016.

113. Please discuss any changes in depreciation and asset retirements expense; life expectancies, and other related matters, other than those contained in Tab 12 of the Consultant MFR.
114. Please discuss the potential impacts related to the treatment of the residual book values for the various planned Boundary Dam unit retirements.
115. Please confirm that SaskPower does not anticipate any capital programs designed to attach the current non-grid customers to the grid in 2014, 2015 and 2016, and discuss any future plans in this regard.
116. Please discuss any change in SaskPower's capital budgeting process and capitalization policy since the 2012 Application and provide schedules showing the actual amounts capitalized in the OM&A and other related budgets for 2010, 2011 and 2012 and projected for 2013, and forecast for 2014 through 2016.
117. Please provide SaskPower's actual customer connections for 2012 and 2013 and projected for 2014, 2015, and 2016, by customer class.
118. Please update the following statement made by SPC in the 2012 Application:
"As a general rule of thumb, for every \$100 million in capital expenditures, SaskPower will see its depreciation expense increase by \$3 million and finance charges increase by \$4 million. This is based on an estimated depreciation rate of 30% and a financing cost of \$4 million. Based on a capital spending program of approximately \$1 billion, expenses would be expected to increase by about \$80 million. This increase in expense would equate to a 4.4% rate increase."
119. Please confirm that capital programs budgeted allowances do not include third party contributions from customers and/or other sources and are shown as Other Revenue
120. Please describe any change in SPC's policy with respect to customer contributions related to Capital Projects and Customer attachments since the last application.
121. Please provide the amount of customer contributions received by SPC for each applicable capital program since 2010 (actual to 2012 and estimated for 2013, 2014, 2015, and 2016). Please also indicate where these amounts are included in Other Revenue for each year.

122. Please discuss SPC's policy with respect to tendering capital projects and whether SPC gives preferential treatment firstly to Provincial and secondly to Canadian companies in this process. Please provide the amount of the 2010, 2011, 2012 and 2013 Capital Programs that was constructed (or supplied) by Saskatchewan and Canadian based companies and what portion was "imported". Also, please provide estimates for 2014, 2015 and 2016.
123. Please discuss whether SPC's capital programs for 2014, 2015 and 2016 include any upgrades to transmission interties with Manitoba, Alberta, and/or North Dakota. If so please discuss the nature of the upgrades, potential increased import/export capacity, projected costs and tentative schedules.
124. Please indicate what portion of the proposed 5.5%, 5% and 5% for 2014, 2015 and 2016 percent and dollars) are specifically related to the capital programs.
125. Please discuss the Boundary Dam ICCS project, including current status and future plans and generation start up dates. Please include a brief discussion of the genesis of the project, capital cost estimates and currently projected final costs, retirements and/or refurbishments of each of the BD units, changes in available generating capacity, and potential impacts on fuel mixes.
126. Please discuss whether SPC would be able to defer any of its capital programs in any of its major program types without compromising ability to meet projected load and system peak, system reliability and safety. Please include a discussion on the impacts of actual load projections being 10% less or 10% greater than included in the current load forecasts.
127. Please discuss whether SPC has considered the potential financial and operational risks related to its long term capital program as a result of changing technologies, including innovations related to nuclear generation, and other new generation sources.
128. Please discuss SaskPower's efforts to examine the feasibility of Small Modular Nuclear Reactors in its future power resources plans.

Load Forecasts

129. Please confirm that the four main recommendations to enhance SPC's load forecasting methodology made by Itron Inc. in the 2010 study were implemented for the 2012 and 2013 Load Forecasts, including the use of the 30 year rather than 40 year weather pattern to define median flows.

130. Please confirm that both the Application (MFR 5) and the Load Forecast (MFR 8) uses the Q1 2013 forecasts for 2013 and the 2014 Business Plan for 2014, 2015 and 2016 forecasts.
131. Please undertake to provide the updated 2013 to 2023 Load Forecasts as they are completed, commenting on any variances from the forecasts underpinning the Application.
132. Please reconcile all differences respecting load forecast data between the Application and the Load Forecasts (MFR 8 &MFR 5)
133. Please confirm that SPC used a thirty year average weather pattern to forecast median river flows for the 2013 load forecast.
134. Please confirm that load forecasts prior to 2009 utilized 40 year weather patterns and for each of 2013, 2014, 2015 and 2016 estimate the impacts on annual load requirements as a result of this change.
135. Please discuss whether SPC's initial annual load forecasts are conducted at the same time of the year and use Q1 forecasts.
136. Please provide, in tabular form, SPC's initial annual load forecasts and actual results for each year from 2005 to 2012 and discuss the reasons for any significant variances, including variances related to changes in methodology. Please provide the data for each of the 6 customer classes, corporate sales, line losses and non-grid volumes used in the load forecasting model, on an actual and on weather normalized basis.
137. Please confirm that SPC rely heavily on individual interviews with its Key Account and Reseller Customers to determine future load requirements.
138. Please indicate how frequently such meetings are held and also discuss internal processes or activities utilized by SPC to assess the validity of the load forecasts provided by Key Account customers
139. Please confirm that the 2013 winter peak was 3,329 MW and provide generation capacity by fuel types used to supply this load.
140. Provide a table showing estimated peak load and actual peak load and available generation capacity for each year since 2007, as well as forecasts for 2014, 2015 and 2016.
141. Please discuss the generation planning criteria related to the amount of required available generation capacity in excess of the estimated peak load.

142. Please confirm that the DSM adjusted load forecasts for 2013, 2014 , 2015 and 2016 flow from all existing and/or planned programs and initiatives described in Section 4.3 of the Application document.
143. Please discuss the impacts on SaskPower's annual energy and peak load adjusted for average weather and what these amounts would be for the warmest and coldest years on record. Please use 2012 consumptions and peak loads for this analysis.

Demand Side Management

144. Demand Side Management (DSM) costs are expected to decline in 2014 to \$ 14.3 million, down \$ 1.1 million from the 2013 forecast and then move modestly up to \$ 14.9 million in 2016. Please provide a table showing DSM expenditures for the period 2012 to 2016 together with the expected energy savings in each of those years.
145. Please provide a complete list (portfolio) of all DSM programming for those same years, with the targeted energy savings, investment and estimated/actual energy savings results where known.
146. Please discuss the rationale for discontinuing the three programs in each of the residential and commercial program options of Demand Side Management Programs shown in Tab 22 of the MFRs.
147. Please provide a table showing the savings SaskPower is planning to achieve by demand-side management programming methods as a percentage of estimated growth during the next decade.
148. Please discuss the weights SaskPower assigns to each of the four industry economic cost benefit tests to decide whether or not to implement a new program.
149. Please provide an overview of the current demand response program and update on the costs and benefits of the program.
150. Please provide an analysis and discuss the expected benefits of the Municipal Turbine demand side management program.

Sustainability Report

151. Please provide a table for the period 2007-2016 of the actual and forecast carbon dioxide equivalent emissions (million tonnes) and the Mercury (Hg) emissions.

152. Please provide a copy/report of the CEA's Sustainable Electricity Program?
153. Please provide a status report on the removal of equipment from sensitive areas containing PCB's.

Sensitivity Analysis & Fuel Cost Variance Account (FCVA)

154. Please:
- a) Provide a table showing sensitivity analyses in the dollar impacts for some of the key assumptions employed in developing your 2014-2016 rate application such as:
 - i. 1% change in rate assumption:
 - ii. 100 GWh change in power customer consumption
 - iii. 100 GWh change in residential power consumption
 - iv. \$ 1 /Gj change in natural gas price assumption
 - v. 10% change in hydro volume assumption
 - vi. 10% change in coal generation assumption
 - vii. \$ 100 million change in capital budget (following year)
 - viii. 1% change in interest rates change on short term debt
 - ix. 1% change in long term debt interest rates
 - b) Provide a summary of the total final costs associated with the summer storm of 2011.
155. Please discuss whether, for example a 10% increase in coal consumption would have the same, but opposite impact on the bottom line as would a 10% decrease.
156. Please discuss the impacts on net income of the various components of revenues and expenses over which SaskPower has little or no control. Please quantify and discuss the impacts of the following:
- a) River flows 10% greater and less than normal
 - b) Natural gas commodity AECO C cost \$0.50 greater and \$0.50 less than that currently estimated
 - c) Weather 10% warmer and colder than normal
 - d) Capital program 10% less and 10% more than that estimated
 - e) Interest rates 0.5% less and 0.5% more than currently estimated
 - f) Load 10% greater and 10% less than currently estimated
157. Please provide the Terms of Reference for the RFP regarding the FCVA Study
- a) Please discuss how many submissions were received
 - b) Please provide the total consulting fees paid for this study and indicate in which fiscal period the cost expensed.
158. Please explain why the consultant was not required to make recommendations.
159. Please discuss the study findings considering that a major consideration appears to be the fact that SaskPower would be making annual rate adjustment requests

- where fuel cost variances could be dealt with annually, as opposed to the current 3 year application.
160. Please explain why SaskEnergy is able to implement a GCVA, notwithstanding the consultant's concerns with respect to the IFRS requirements for SaskPower.
161. Please discuss the reasons for the differences in natural gas acquisition processes, hedging and pricing between SaskEnergy and SaskPower, including rationale for SaskEnergy being able to implement a purchased gas variance account while SaskPower appears to maintain that a FCVA is not a viable option.
162. In view of this Application being the first SaskPower multi-year rate request please discuss process suggestions that SaskPower has considered to mitigate the year over year risks associated for both the utility as well as the ratepayers. Please consider the potential for future forecasts being offside with actual results for factors such as load growth projections, revenues streams, all expenses including capital requirements and Fuel and purchase power costs. Consider processes or recommendations so as to ensure all parties (utility, ratepayer and general public) future risks are contained and not unduly compromised in 2014, 2015 and 2016 time period.

Cost of Service Study

163. Please confirm that the R/RR changes shown on Table on Page 44 of the Application are relative to 2013 COSS results and that: "Winter Peak – Sask. Load Research" column shows R/RR ratio if only the results of the Saskatchewan load research were to be applied and all else were to remain unchanged; while the "Winter & Summer Peak – Sask. Load Research" shows the R/RR ratio after applying both factors.
164. Please discuss the impacts of the change in the determination of peak demand on the various customer classes.
165. Please discuss the genesis of, methodology employed, results and comparative change data related to SaskPower's internal Load Research study. (File a copy if formal document exists).
166. Please describe or provide information of any other methodological changes flowing from the revised COSS.
167. Please confirm that the R/RR ratios shown in the table on Page 45 are determined assuming that the functionalization, classification and allocation factors for assets and expenses are the same for 2015 and 2016 as they are for 2014.

168. Please confirm (or provide information in the alternative) that there have been no changes in the functionalization or classification of SaskPower's assets and costs in the new COSS.
169. Please confirm that the application of SaskPower's internal Load Research, the use of summer-winter peak allocator, and determination of peak demand under normal as opposed to extreme (coldest) weather are the only changes in the revised COSS.
170. Please discuss whether SaskPower is considering further review of the classification of generation costs and distribution costs as mentioned in the Elenchus Study.
171. Please provide an update of the status of SaskPower's "time-of-use" rates.
172. Please confirm that SaskPower continues to apply the intra-class coincident factor adjustment to recognize differing demands within certain applicable customer classes.
173. Please discuss whether SaskPower is considering collapsing any of its existing customer classes in 2014, 2015 or 2016, and if any further action is likely to be taken in this regard beyond 2016.
174. Please discuss the status of any review related to elimination of SaskPower's numerous Rate Codes beyond those addressed in this Application (Oilfield E44 and E45, Farm Class E43 to E19.)
175. Please provide additional detail with respect to rate codes E10 and E12
176. Please confirm that the range of R/RR ratios for 2013 (existing rates) is expected to be 0.94 to 1.29, and the proposed range for 2014 is from 0.96 to 1.16 and for 2016 from 0.98 to 1.02.
177. Please discuss whether it is SaskPower's expectation that the R/RR range of 0.98 to 1.02 will be maintained in future years.
178. Please:
 - a) discuss the ramifications of moving the R/RR for Streetlights closer to unity at a faster pace, for example from an R/RR of 1.29 in 2014 to an R/RR of 1.20 and 1.16.
 - b) what would be the financial impact (in dollars) to bring the Streetlight Class R/RR within the range 0.95 to 1.05?

179. Please provide a table showing the allocated revenue requirement to each of the 10 Class of Service groups and indicate the dollars and percentage of the total revenue requirement generated by the Basic Monthly Charge, Energy Charge and where applicable the Demand charge, for each of 2014, 2015 and 2016.
180. Please provide a Table showing the amount of customer allocated costs recovered by the Basic Monthly Charge for each of 2014, 2015 and 2016 for each Class of Service.

System Operations

181. Please provide all Hydro, Natural Gas, Co-Gen, Wind, IPP and Diesel sites added and retired in 2013, and proposed for 2014, 2015 and 2016.
182. Please also provide all new transmission lines (by line KV capacity) from each of the added generation sites to the various load centers, indicating grid inerties.
183. Please provide schedules from 2010 to 2013 and forecasts for 2014 to 2016 showing the generation capacity added, generation capacity retired and total capacity available by fuel type.
184. Please describe any changes in dispatch policies and rules for use of the various fuel sources to meet annual load and the peak load for 2010, 2011, 2012 and 2013.
185. Please discuss the extent to which the potential unavailability of traditional coal generation and/or anticipated higher cost for coal as well as higher efficiency gas fired generation units will impact dispatch policies
186. Please show the fuel type to meet peak load requirements as well as the annual fuel mix percentages from 2010 to 2013.
187. Please provide a status update related to the Black Lake First Nations partnership in the Tazi Twe Hydro project, including expenditures to date, and schedule milestones.
188. Please update of changes (if any) with respect to the British Columbia firm transmission Service and how it will impact NorthPoint access to the Alberta.
189. Please provide a summary schedule related to power outages in excess of 2 hours, indicating the cause of the outages, for both generation and transmission, and the length of time required to restore power for each of the years 2009, 2010 and 2011.

190. Has the Saskatchewan Electric Reliability Authority issued any reports or directives and explain how it is facilitating compliance of NERC reliability standards.
191. Please discuss SaskPower's expectations with respect to future line losses considering new transmission lines to accommodate expected load growth and upgrades of existing transmission infrastructure.

Resource Supply Plans

192. Please explain the methodology employed including the factors used and goals or objectives to generate the future Resource Supply Plans. Please also indicate how these plans are used internally and when they are reviewed, revised or updated.
193. Please list and discuss all changes in the 40 year Supply Plan from that supplied with the 2013 Rate Adjustment Application filed in 2012.
194. Please confirm that SaskPower has developed 10 year, 20 year and 40 year Supply Plans and provide copies of these, if they are not all incorporated in to the 40 Year Supply Plan.
195. Please file the current plans related to the Far North Resource Supply strategy.
196. Please provide updates with respect to any other partnership or stand-alone hydro projects envisioned over the next decade planning period.
197. Please discuss whether SaskPower's planning criteria has changed to allow for consideration of export power opportunities as indicated by the potential plan to advance the construction of the next CCGT unit to take advantage of the Alberta market opportunities.
198. Please discuss whether and to what extent SaskPower has considered the possibility of some its larger Key Account customers opting to install their own generating facilities and to sell any excess power.
199. Please outline what costs (if any) are associated with the funding the provincial Water Security Agency, as mentioned on Page 59 of the 10 Year Supply Plan.
200. Please provide the status and discuss the ramifications of potential changes to provincial regulations on carbon tax/emissions on rates related to the \$672 million cost over the next 10 years.

201. Please update the response to IR #67 of the 2013 Application related to Grid Losses.
202. Please provide and discuss any data SaskPower's that indicates decreased grid losses resulting from upgrades to existing transmission infrastructure.
203. Please confirm, quantify and discuss the total potential decrease in generating capacity related to the Boundary Dam generations site and provide updated schedules for the various unit retirements/modifications.
204. Please provide any updates with respect to the Contingency Plans in the 2014 to 2023 Resource Supply Plan.

Other General

205. Please discuss whether Saskatchewan Crown Investment Corporation has adopted a formal policy for the Crown Sector relative to Advertising, Sponsorships and Donations. If so, please provide a summary of the policy.
206. Please provide a copy of SaskPower's current advertising, sponsorship and donations policy.
207. The Business Development Unit in the 2014 OM&A budget is forecasted to be \$ 1.4 million. Please provide a brief overview of the Business Development Unit goals, objectives and budget line items for the period 2012-2016.
208. For each of the following, please provide a summary and brief description of the various types of activities and programs undertaken or proposed to be undertaken, including actual or forecasted budget costs for the period 2012-2016 with respect to:
 - a) General advertising and marketing
 - b) Electrical Safety and awareness
 - c) Energy efficiency programs and tips
 - d) Customer Services
 - e) Professional dues and memberships
 - f) Sponsorships and
 - g) Donations