



SASKATCHEWAN
**RATE REVIEW
PANEL**

October 24, 2012

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Saskatchewan Industrial Energy Consumers Association

Attention: Eugene Setka

At the Saskatchewan Rate Review Panel's public meeting on October 2, 2012, I indicated I would request that our consultant review your concerns relative to the number of confidential responses by SaskPower during the current review process.

In March, 2010, the Saskatchewan Rate Review Panel adopted confidentiality guidelines which were intended to provide guidance to the Panel and the Crown corporations surrounding the classification, use and disclosure of confidential information supplied by the Crown to the Panel during the course of a rate application. These guidelines are posted on the Panel's web-site www.saskratereview.ca and a copy is included for your reference.

The basic and fundamental principle in assessing whether or not to maintain information in confidence is to achieve an appropriate balance between the interests of the public in disclosure and the potential harm that could result to the Crown from disclosure of such information, taking into account whether or not the information is already generally available to the public.

Should the Panel agree with the Crown corporation's assessment of the material as confidential information as defined in the Guidelines, the Panel will not disclose the confidential information to the public, nor will it include it in the Panel's report to the Minister. There is an adjudicative process to follow in the event the Panel disagrees to the Crown corporation's assessment of the confidential nature of the relevant information. No party raised any specific concerns directly with the Panel during the process, other than your observation made at the public meeting in Regina on October 2, 2012.

I am certain you recognize that disclosure of confidential information could harm the Crown corporation and other third parties, including your association members, and that maintaining the confidentiality of the information is important, but receiving the information is also necessary and integral to our process to test the merits of a specific application.

In the case of SaskPower, confidential information is as described as follows:

- All commercial Power Purchase Agreements
- Key Account Customer Contracts/Information;

- Natural Gas Purchase Policies and Protocols together with Natural Gas Price Management/Hedging Policies;
- Current and Future Business and Strategic Plans.

During the current SaskPower review, 29 of the questions posed by the Panel and its consultants fell under the confidential protocol. A few of the foregoing questions had subsets to the original question, resulting in 37 individual confidential responses from the information requests. In total, there were 200 (138 first round, 55 second round and 7 Supplemental round) information requests submitted to SaskPower by the Panel. Many of the questions posed and responded to by SaskPower had multiple components related to a specific topic area. All the questions were fully addressed and responded to, albeit some confidentially.

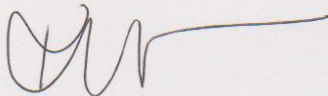
We asked our consultants to examine each question and response identified as confidential to determine whether they fell within the spirit and intention of the confidential guidelines. Of the 37 responses, our consultants confirmed that 29 clearly fell within the one of the aforementioned categories. The other 8 were not, in our opinion, material to the application nor are they under active consideration either at this time or of broad public interest and, therefore, we did not see any merit in pursuing them further with the adjudicative process.

During the process, the Panel and our consultants are fully satisfied that SaskPower supplied the information requested at each juncture, whether in meetings with the Panel and its consultants or in the formal disclosure process.

Once this review has concluded, we will discuss your concerns with Crown Investments Corporation officials, as well as senior officials at SaskPower. The Panel's objective of any review is to make it as transparent and open as possible, while recognizing the confidentiality principles followed by others in the Canadian regulatory arena.

We thank you for your ongoing participation in the rate review process in Saskatchewan. If you should require additional information with respect to this matter, we would be pleased to hear from you.

Yours truly,



Kathy Weber, Chair
Saskatchewan Rate Review Panel