

February 27, 2026

Saskatchewan Rate Review Panel  
400 – 2400 College Avenue  
Regina, Saskatchewan S4P 1C8  
Email: [feedback@saskratereview.ca](mailto:feedback@saskratereview.ca)

**RE: SaskPower 2026 and 2027 Rate Application**

Dear Panel Members,

The Saskatchewan Association of Rural Municipalities (SARM) has represented the interests of rural municipalities and agricultural producers since 1905. Our mission is to ensure the voices of our members are heard at all levels of government so that decisions reflect the real needs and priorities of rural Saskatchewan. On behalf of SARM's members, we are writing to express our concern regarding SaskPower's recent rate application and to offer constructive, alternative approaches to meeting the utility's revenue requirements without imposing further burdens on rural customers.

SaskPower faces the dual challenge of making substantial capital investments to transition toward a cleaner, greener electricity system while managing ongoing operational pressures. We urge the Panel to require SaskPower to fully examine and implement non-revenue-based strategies before approving any further rate increases that would place additional burdens on farm residences, agricultural operations, and rural municipal governments.

SARM would also like to emphasize to the Panel that the rate application must strike an appropriate balance between ensuring SaskPower's financial stability and minimizing customer impacts—particularly for those in rural Saskatchewan. Rural power rates should be offset or reduced because rural customers face higher connection costs, fewer alternatives, and are being asked to finance system changes that disproportionately benefit others, despite already carrying significant infrastructure and input-cost burdens.

**1. Disproportionate cost impact on farms**

- SaskPower's own figures show the "average farm customer" will see more than double the monthly increase of a typical residential customer (\$11 vs. \$5 in both 2026 and 2027), even though both face the same 3.9% rate change.
- Farm and rural operations rely heavily on electricity for essential activities such as pumping, grain handling, ventilation, irrigation, and shop work, meaning that the same percentage

increase produces a much larger dollar impact on the farmers bill than it does for urban households.

## 2. Existing rural infrastructure and connection burdens

- Rural customers already pay for long, sparsely loaded distribution lines and higher connection costs, reflecting distance and low customer density, which urban customers do not face to the same extent. (See Appendix A)
- Farm rate structures include basic monthly charges, demand charges, and energy charges that together create a higher fixed cost floor for simply being connected, making any rate increase harder on a farmer bottom line to absorb when commodity prices drop or yields are poor.
- Higher power rates tighten operating margins for rural community rinks by raising already-significant fixed and seasonal electricity costs, which can force higher user fees, more fundraising, or cuts to hours and programs. (See Appendix A) Many rural rinks are older, less efficient facilities with higher baseline consumption and limited capital to invest in upgrades, so they have less ability to pull from their own municipal revenues in response to higher rates.

## 3. Limited alternatives and structural vulnerability

- Rural customers have fewer practical alternatives to SaskPower (no competing utilities, limited access to gas where electrification is the only option, and higher upfront costs for self-generation), making them captive to rate changes in a way that undermines affordability and competitiveness for agriculture.
- Agricultural producers are classic price-accepting producers- they cannot pass higher power costs on to buyers and already face volatile commodity prices, rising interest rates, and increasing input costs, and decreased export markets so cumulative utility hikes directly erode farm viability, rural economic stability and impact food security.

## 4. Fairness in financing system-wide and growth-oriented investments

- On February 23, 2026, the Government of Saskatchewan announced a report titled "Strengthening Saskatchewan's Grid: Transmission to Power Communities and Growth". That report highlighted the need to expand interconnections with neighbouring provinces and U.S. markets to improve resilience for power imports and exports. The 20-year agreement with the Southwest Power Pool (SPP) made in 2022 will come to fruition starting in 2027. This agreement will allow us to receive power from our neighbours in the United States (US). This expansion will help SaskPower monetize surplus generation which should be put towards offsetting a need for a rate increase. A customer impact analysis and a cost-of-service study should be done to see if a rate increase is warranted.

- Proactive recruitment and retention of large industrial customers like mines, processing facilities and oilfield operations help spread fixed costs across higher sales volume. These industrial developments secure long-term commitments for power demand that help improve SaskPower's revenues without having to resort to rate increases. Fairness principles require that cost responsibility align with beneficiaries, who are the industrial businesses, rather than loading a disproportionate share onto rural non-industrial customers.

#### 5. Public-interest and Panel-mandate justification

- The Saskatchewan Rate Review Panel is explicitly mandated to test the "fairness and reasonableness" of rate changes, balancing interests of its customers, the Crown corporation, and the public.
- Given the essential role of agriculture in Saskatchewan's economy, the heightened vulnerability of rural customers, and the disproportionate dollar impact of uniform percentage increases, providing targeted offsets or lower effective rate increases for rural and farm customers aligns squarely with the Panel's duty to safeguard the broader public interest.

These points together support concrete asks such as rural/farm bill credits, lower percentage increases for farm rate codes, or provincial rebates that specifically recognize rural customers' higher exposure and limited ability to adapt.

Thank you for taking the time to carefully consider how SaskPower's rate application will affect rural customers. Your attention to the unique circumstances facing farm operations, rural households, and rural municipalities is greatly appreciated. By closely examining these impacts and exploring options to mitigate them, you are helping to ensure that the benefits and burdens of Saskatchewan's power system are shared in a fair, transparent, and responsible manner for all residents of the province.

If the Panel wishes to discuss this matter further, please reach out to me by contacting me at [sarm@sarm.ca](mailto:sarm@sarm.ca) or by calling (306) 757-3577.

Respectfully submitted,



Bill Huber  
President of Saskatchewan Association of Rural Municipalities

cc. The Honourable Jeremy Harrison, Minister Responsible for Saskatchewan Power Corporation

## Appendix A

### SARM Active Resolutions with Regards to SaskPower

#### **SaskPower & SaskEnergy to Lower or Subsidize Costs for Rural Residential Service Connections**

**Res #: 16-24M**

**Departments: SaskPower, SaskEnergy**

**WHEREAS** the Canadian Mortgage and Housing Corporation has determined that there is a housing crisis/shortage in Canada.

**WHEREAS** municipalities across Canada have been encouraged to promote residential development through changes to policy and by accessing provincial/federal grant funding created to help solve the housing shortage.

**WHEREAS** individuals in rural Saskatchewan who receive all required permits for residential development from their municipalities are required to work with SaskPower and/or SaskEnergy to coordinate new service connections for their new homes.

**WHEREAS** the costs for these potential developers/homeowners to provide/install power and gas services to new rural residences in Saskatchewan is often cost prohibitive and detrimental to needed residential development.

**BE IT RESOLVED** that SARM lobby SaskPower and SaskEnergy to subsidize or lower the costs for service connections to new rural residences until the housing crisis/shortage in Canada has been resolved.

#### **SaskPower Rates for Municipal Rink Facilities**

**Res #: 15-24M**

**WHEREAS** skating and curling rinks in small communities throughout Saskatchewan are an essential part of community life.

**WHEREAS** balancing the costs to operate rink facilities while charging fees that most people can afford is difficult for communities and the current Rink Affordability Grant covers only a small fraction of the costs associated with operating these rinks.

**WHEREAS** SaskPower charges rink facilities their Business Standard rate for electricity, which is designed for profit, and puts an unfair burden on municipal owned rink facilities which are not-for-profit.

**BE IT RESOLVED** that SARM lobby SaskPower and the Minister Responsible for SaskPower to recognize the not-for-profit nature of municipal rinks and the value that they provide by offering a reduced electrical rate for all municipal-owned rink facilities.

## **Recreation Facilities Power Costs**

### **Res #: 21-23M**

**WHEREAS** the cost of running a recreational facility is growing exponentially each year.

**WHEREAS** recreational facilities in small communities are most often run by volunteers and fundraising revenue which is stretched thin in today's economy.

**WHEREAS** the imposed carbon tax added to power bills has increased by 3% in 2023 and SaskPower increased rates by 4% in September 2022 and another 4% in April 2023.

**BE IT RESOLVED** that SARM lobby SaskPower to reduce rates for recreational facilities run by volunteer organizations.

**BE IT FURTHER RESOLVED** that SARM lobby the provincial government to provide more funding opportunities for volunteer organizations running recreational facilities via fundraising efforts.

## **SaskPower Poles**

### **Res #: 20-23M**

#### **Departments: SaskPower**

**WHEREAS** the provincial rural electric grid system was put in place in the 1950s and 60s and it has served rural Saskatchewan very well.

**WHEREAS** the farming equipment in use 50 or 60 years ago was vastly different from the equipment of today, which is much wider and higher contributing to serious safety issues near this infrastructure.

**BE IT RESOLVED** that SARM work with SaskPower to develop an action plan to revitalize the electrical grid to meet today's needs and into the future by using taller power poles and moving power lines to the property line adjacent to roads as opposed to in the fields.