

# POWER GENERATION PROJECT TOOLKIT

The world around us is changing, and so is SaskPower. We're investing in the province's power system to ensure reliable and affordable power for our customers, and to support our growing province. Wind and solar facilities are cost-effective generation sources that don't produce greenhouse gas (GHG) emissions while generating power. We're making investments in these facilities with the help of independent power producers (IPPs).

If you're considering developing a power generation project or you've been approached by an IPP to develop a partnership, this toolkit explains how SaskPower evaluates power generation projects.

## Benefits of Using IPPs

We know many companies have experience building and operating generating facilities. When we partner with these companies, we're able to take advantage of their expertise while also ensuring we get the best price for our customers.



**Expertise**



**Efficiency**



**Lower Risk**



**Cost-Competitive**



**Existing relationships  
with communities**

## Generating Power for Sale

SaskPower typically chooses IPPs for wind and solar generation projects through a competitive process. We pick the best proposals based on specific requirements and we sign a Power Purchase Agreement (PPA) with the chosen IPP. Opportunities are posted on [SaskTenders.ca](https://www.sasktenders.ca) and [Merx.com](https://www.merx.com).

For more info, visit [saskpower.com/IPP](https://saskpower.com/IPP).

IPPs can also sell power through SaskPower's Renewable Access Service (RAS). This program allows large commercial and industrial customers to achieve their Environmental, Social and Governance targets by buying power from an IPP of their choice, while also using SaskPower's transmission system.

For more information visit [saskpower.com/RAS](https://saskpower.com/RAS).

If your generation project doesn't fall within the two options outlined above, there may still be an opportunity available. Please contact us to discuss further.

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## PLANNING YOUR PROJECT

Adding new power to our grid is complex and requires careful planning. That's why it's important to fully assess and understand the risks of a project to ensure long term success.

Here are some criteria SaskPower looks for when determining which projects are an attractive option for the grid:



### Experience/Capability

**What experience does the IPP have with similar projects?**

Each IPP will have varying levels of experience. It's important that an IPP has the technical and financial capability, and a proven track record with similar-sized projects in climates like Saskatchewan's. References and case studies can showcase past expertise.



### Financial Assessment

**Has the IPP provided a full financial assessment of the project?**

A comprehensive financial assessment will outline all potential cost elements. This includes the initial investment, operating costs, and projected revenues, as well as interconnection costs, which can vary considerably based on location, required upgrades and protection devices.

Building and operating a power generation facility is complex. Sometimes this means unexpected costs or operating outages that reduce projected revenues. The IPP must be financially prepared to absorb these costs.



## Key Agreements

**Does the IPP have all their required agreements in place?**

Most generation projects require additional agreements to be in place to support the facility for the duration of its operations. These include lease agreements, fuel supply agreements, partnership agreements, and more. It's important to understanding the specifics of these long-term agreements and how they may impact the operations of the facility.



## Environmental Impacts

**What are the potential environmental impacts? How will they be addressed?**

Every project impacts the environment in various ways. IPPs are required to assess the environmental impact of the project and take measures to make the least impact possible. This includes following all municipal, provincial, and federal regulations and taking any extra steps required to protect the environment.



## Timeline

**What is the project timeline from start to finish?**

A clear timeline helps in planning and managing expectations. This includes key milestones such as:

- obtaining permits
- construction start/end dates
- commissioning of the facility
- commercial operation date.

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## Community Benefits

**How will the project benefit the local community?**

An IPP will typically have a plan for community engagement and consultation. This plan should provide information about the social and economic benefits the project will bring to the community and/or region, such as new jobs, community programs, and development of infrastructure. It's also important for the IPP to understand and have a plan to address any concerns the community may have with the project.



## Risks

**Are there any hidden costs or potential liabilities?**

Additional costs may arise during the project's lifecycle related to insurance, available fuel supply, maintenance, decommissioning, or other unknown factors. It should be clear who will be responsible for these costs and any liabilities.

## CONTACT US

This document is intended for information purposes only. If you have any questions, or would like to talk more about your project, contact us at [IPP@saskpower.com](mailto:IPP@saskpower.com).

