## HOW WE WORK WITH INDEPENDENT POWER PRODUCERS

#### What's an Independent Power Producer (IPP)?

We talk about IPPs a lot. An IPP is a company separate from SaskPower that we select to develop, construct, own, operate and maintain power generation facilities. The IPP sells the power to SaskPower.

### Why do we use IPPs?

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We're investing in the province's power system to ensure reliable, affordable power for our customers, and to support our growing province. We're also committed to achieving a net-zero greenhouse gas (GHG) emissions power system by 2050 or earlier. To achieve these goals, we're making major investments in generation with the help of IPPs.

We know many companies have experience building and operating wind and solar facilities. When we partner with these companies, we're able to use their expertise and secure a better price for our customers.

### How are IPPs selected?

We typically select IPPs for specific projects through a competitive procurement process. We post these opportunities on **SaskTenders.ca** and **Merx.com**.

We pick the proposal that best meets the requirements of the project. The successful IPP must then sign a Power Purchase Agreement (PPA) to complete the process.

## How can a municipality be involved in the IPP process?

Community engagement is important to SaskPower. As part of the procurement process, we ask every IPP to explain how they will engage with communities. We measure the strength of each proponent's community engagement strategy based on:

- how they'll share project information with Rightsholders, municipal authorities and other key stakeholders
- how they'll proactively ask for feedback
- how they'll work with communities to acknowledge concerns and reduce impacts



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### What's in the PPA ?

Each Power Purchase Agreement (PPA) between the IPP and SaskPower includes:

- a commitment from the IPP that they'll plan, develop, finance, construct, own, operate, maintain and decommission the facility, and remediate the site following SaskPower's requirements and all local, provincial and federal laws.
- a fixed purchase price that ensures we are getting power at a cost-effective price.
- requirements on how the facility is designed and operated to maintain the safety and reliability of the SaskPower grid.
- Indigenous ownership and participation requirements for the IPP. This provides more opportunity for Indigenous participation in generating power and supports SaskPower's commitment to economic reconciliation.

# How sustainable is a wind and solar power grid?

There's no one source that can meet all our province's power needs. It will take a combination of sources to provide reliable and affordable power into the future. That's why it's important that we keep a diverse mix of generation options, including baseload, intermittent, and peaking generation options.

Renewables will help us meet GHG emissions standards and provide a cost-effective generation option. But wind and solar are intermittent sources, so when the sun doesn't shine or the wind doesn't blow, we must rely on other options.

### **Planned Projects**

Several wind and solar projects are currently in development around the province. These include:



**200 MW Seven Stars Wind Energy Project** near Weyburn – in planning stage with selected IPP



**100 MW lyuhana Solar Facility** near Estevan – in pre-construction



Two **200 MW wind projects** in south central Saskatchewan – in procurement process



Two **100 MW solar projects** in south central Saskatchewan – in procurement process