

SASKATCHEWAN SUPPLIERS' ENERGY FORUM

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DIRECTOR, PROCUREMENT & CONTRACTS
MANAGEMENT



AGENDA

- Procurement Investments
- The Future
- Guiding Principles
- Industry Observations
- Major Procurements
- Our Engagement with Suppliers
- Sustainability



PROCUREMENT SPEND (SEPTEMBER)

- Annual Procurement Spend ~ **\$800M**
- Indigenous Procurement: **14.8%**
Benchmark target 8.5%
 - YTD: \$47.5M
- Saskatchewan Procurement: **68.6%**
Benchmark target 75%
 - YTD: \$320 M



THE FUTURE

- Energy transition
- Expectations
- Electrification
- Power systems
- Modernization
- Innovation
- Changing Workforce
- Partnerships
- Affordable electricity
- Uncertainty



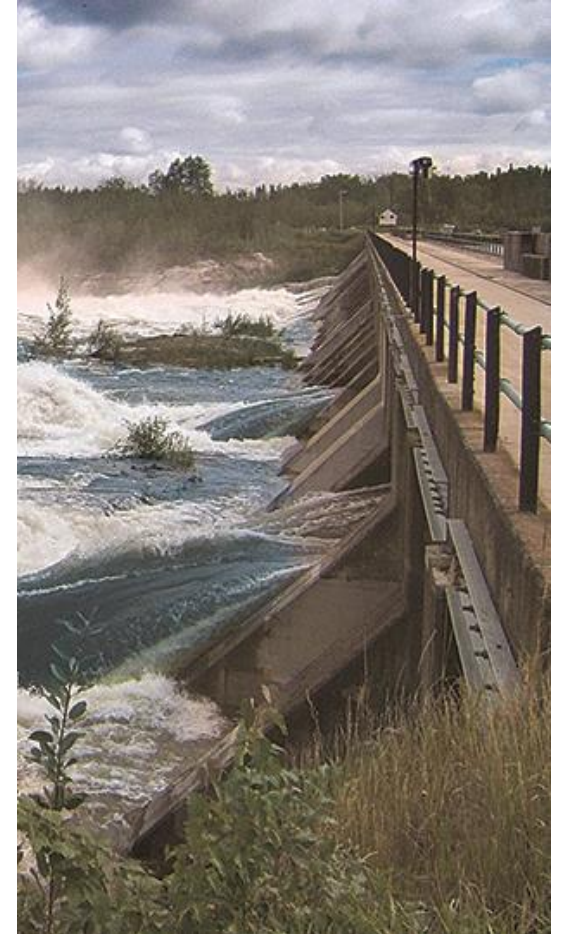
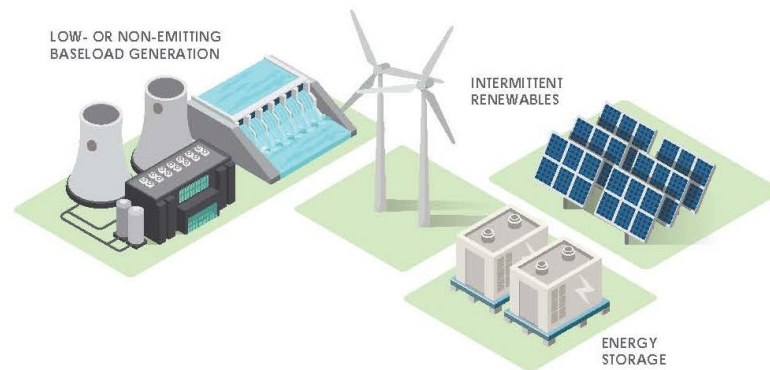
A CUSTOMER-CENTRIC ORGANIZATION

- Saskatchewan residents, farms, businesses, and industries will consume, generate, and store electricity and will be highly interconnected.
- We will work closely with customers in support of Environmental, Social and Governance (ESG) and other business objectives.
- Electricity will play a central role in reducing the GHG emissions of resource and manufacturing industries, agriculture, and transportation.



INCREASED LOW/ZERO CARBON ELECTRICITY SOURCES

- SaskPower must replace over 1,400 megawatts of conventional coal with lower carbon supply options.
- By 2030, up to 50% of generation will be from renewables.
- By 2030, we will reduce GHG emissions 50% from 2005 levels.
- We are planning for a net-zero GHG future by or before 2050.



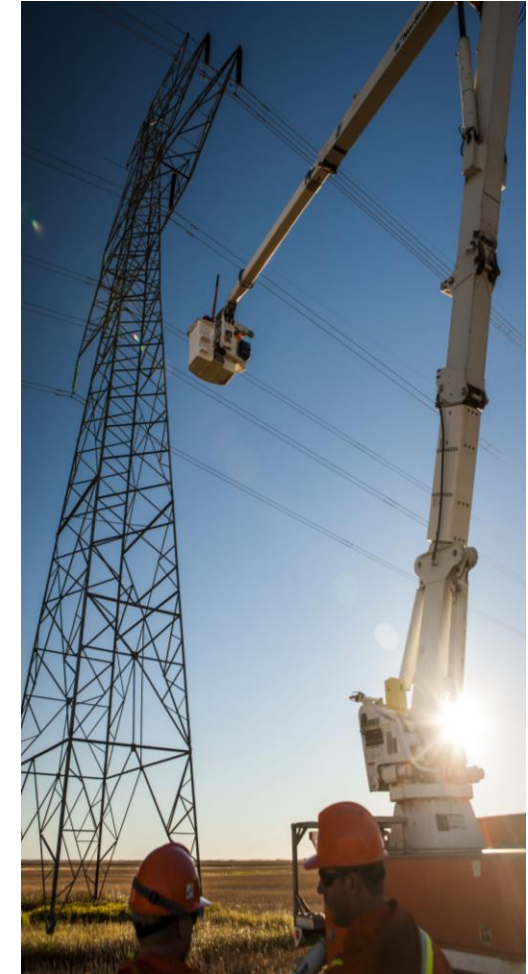
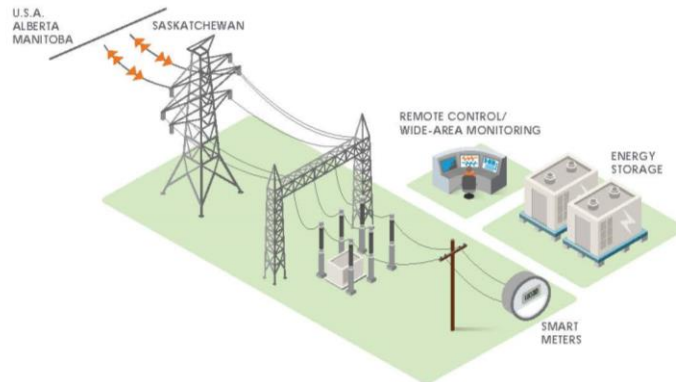
A MODERNIZED GRID FOR SASKATCHEWAN

Improving service and quality

- Enhanced visibility, control and automation of the grid.
- Customers will see increased reliability and resiliency, reduced emissions, and improved safety.

Supporting customer choice, control and convenience

- Enabling of two-way energy services and increased penetration of Distributed Energy Resources (DERs).



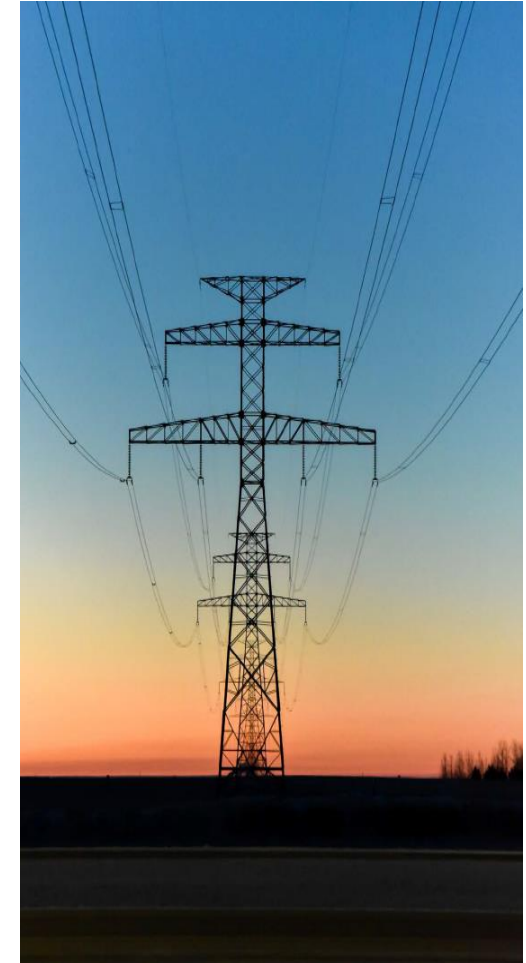
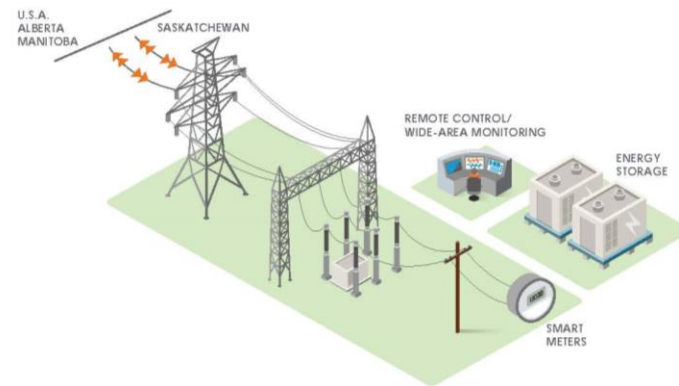
EXPANDED INTERCONNECTIONS

Increasing system reliability, flexibility and resiliency

- Will provide much needed flexibility to integrate renewables and accommodate uncertainty in demand.
- Increased reliability and resiliency in the case of extreme weather.

Supporting a low-carbon and low-cost future

- Will assist in meeting GHG targets while enabling more renewables and the potential integration of emerging supply technologies.



INDUSTRY OBSERVATIONS

- Commodity Prices Increase
- Reduced Bidding
- Capacity Shortages

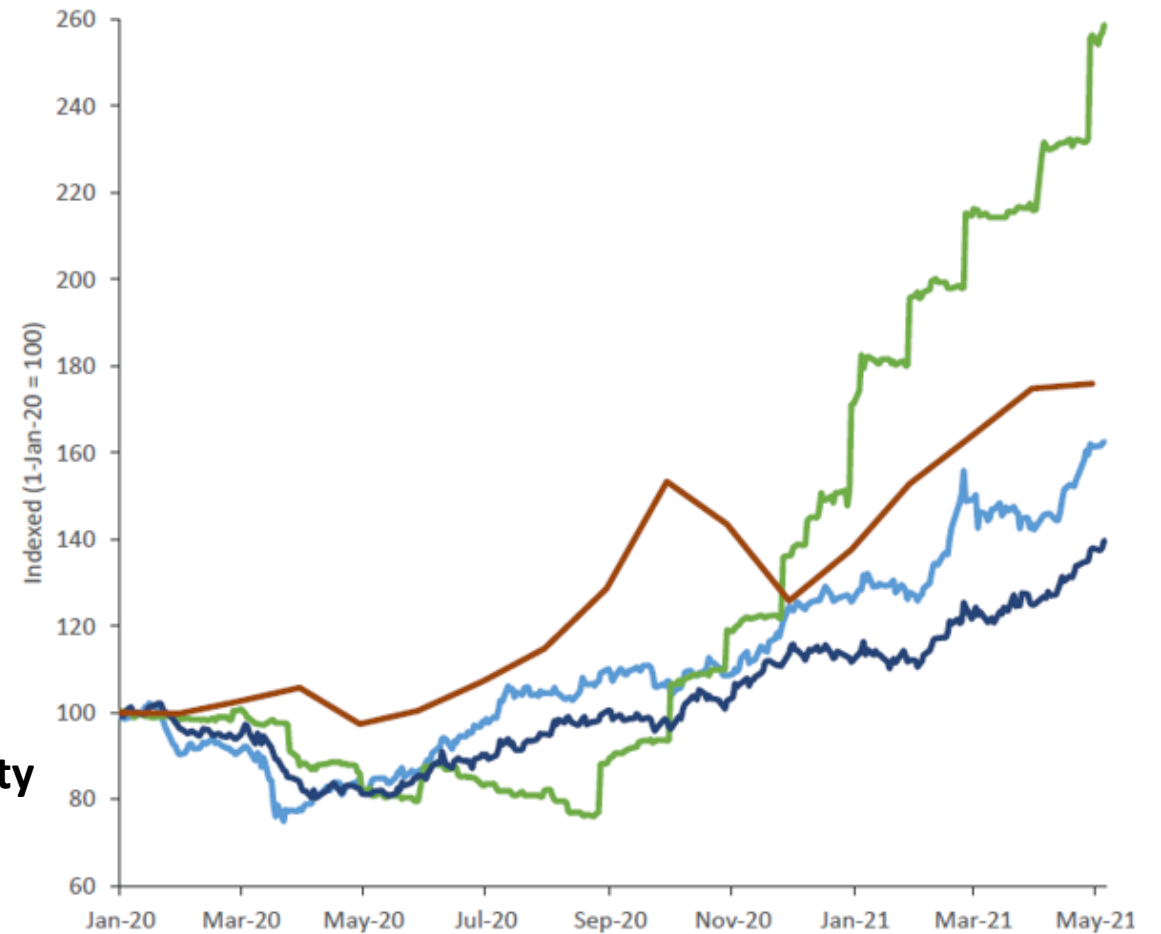
2020 FY by commodity

Blue- Copper

Green- Steel

Navy-Aluminum

Red- Lumber



MAJOR PROCUREMENTS



OUR ENGAGEMENT WITH SUPPLIERS

1. Feedback
2. Development
3. Training
4. Performance



ESG IN SUPPLY CHAIN

- Environmental, Social and Governance
- Supplier Code of Conduct
- Supplier Diversity Program Expansion
- CEA Sustainable Electricity Company Designation
- PAR Gold Status



QUESTIONS?

