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DEBATES and PROCEEDINGS

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Bill No. 80 – *The Power Corporation Amendment Act, 2012*

Mr. Forbes: Thank you very much, Mr. Speaker. It's a pleasure to enter into this debate on Bill No. 80, An Act to amend The Power Corporation Act. And of course as the minister alluded in his comments, SaskPower is entering into some very interesting times. If there was ever a time for challenges for a power corporation in the world, North America, in our province, today is it. And so it's an important one and we need to make sure we take the time to reflect on this bill and all that it means because clearly as the minister referred to, that we've come to really trust and believe and we hold that Sask Power Corp. or SaskPower, as many of us will obviously know it from, they provide safe, stable, predictable, and affordable electricity to both our homes and to our workplaces, our schools, our hospitals.

And so clearly it's very, very important. And so as we go through this and we come to understand it better and more details . . . You know, this is what we do as an opposition. So if it seems the right thing, then we will support it. But clearly the questions will be making sure we strike a balance between the consumer and the corporation, and is this suitable and is this an appropriate balance in the legislation? And of course this is something that I think that it will be an interesting debate and I know as many of us will want to get into this discussion, that there is a lot to be said about SaskPower and how do we modernize it; how do we get it ready for the new millennium?

Essentially what we hear is an awful lot around the investment aspect. The minister referenced the number 10 to \$13 billion that will be needed over the next few years to make sure the investment, that we can see a renewal of the SaskPower portfolio. And this is critical as we draw new people and as we draw new investments to Saskatchewan, and new industry, that we want to make sure that we can do it in the most affordable way possible.

Of course there are challenges, and we have . . . And I don't know what the numbers will be, and I can only just imagine what they are in terms of the number of power lines that

we have per capita. And it's a tough province. It's a very tough province. I know when they took the new power line up to La Ronge what an issue that was, and it's not an easy thing to do.

And so we need to make sure we get it right, that we take the time to examine this and we talk to the stakeholders who will advise us about making sure that there is the appropriate balance between accountability and making sure our Crown corporation is sustainable and it can do the work that it needs to do, but that it's not gone overboard and we've given them too much, too many protections — that it becomes then when people have concerns that there is a way to get redress from the change.

So there is that whole renewal aspect. But again today, as we've talked about, and there was some very, very good questions around climate change and what we're doing about climate change. And the minister alluded to it a bit, but clearly we need to do much more. And while SaskPower in many ways is taking a leadership role, it can do much more.

And I think that when we talk about the many characteristics — we think about SaskPower being safe, stable, predictable, and affordable — we also should be adding sustainable. That in fact in this province we've been known to be leaders when it comes to integrating the whole idea of good social policy and also economic policy. And if we can link those two together and strengthen them, particularly with SaskPower, this would be a great thing and it would show real leadership in the world. And so I think that while we can congratulate SaskPower in a lot that it's done to date, I think that it could even do much more.

And so I really want to think about (a) the whole issue around climate change and that we need to really step that up and whatever it takes. And I know that there's a cost involved, but I think that people are willing to say that the power they purchase is one that's ethically appropriate in terms of sustainability. You know, I know that SaskPower a while ago had Green Power initiatives, and whether they're still going, you know, I'm not sure. I'd like to know more about it. And we talk about the net metering, but we've also heard that there's challenges around the net metering program because people are not finding it easy to do.

And while we think, boy, in a world where Saskatchewan in many ways is so blessed with sunshine generally and with wind and all those renewable energy sources, that we could be doing much more, we have come a long way. And I'm pretty proud of the fact that I was part of a government that took wind energy and made it a real component, a real critical part of the SaskPower portfolio. But I do think that there's so much more that we can do, and I think we should not rest until we have done all that we can to make sure SaskPower's portfolio is a strong, sustainable, green portfolio, one that will take us not just a few decades down the road but into the next millennium.

You know, we see that people often talk about peak oil and the concerns around coal and how can we make sure we're doing the very best that we can, that we transition to a green, sustainable power regime. And of course it's important as well, and SaskPower's done some work in this area. But it's also the demand side of the area that we need to

make sure that we can, that we don't just pay to the production side. I think that in this new world way of thinking about energy, that we also see a demand side. But how do we manage the demand side of the portfolio? How can we help people be a better consumer?

And in many ways I think about SaskEnergy and how they're the manager of the pipes and what they've done, such good work in terms of energy conservation and helping people understand vis-à-vis their bill how much energy they're also consuming. I'm not sure I can say the same with SaskPower. But it is good. It is very good.

I don't want to necessarily be overly negative or overly critical, but this is our challenge around the world in terms of sustainability, and this is our opportunity here in Saskatchewan to show real leadership. So I'm thinking more about opportunities and missed opportunities, and I would hate to see that. But I would also want to underline that it's not just a boutique type of idea, that actually it's a critical piece. It's a very important piece, and really there's an urgency to it.

So I know, and we can see for example the hurricane that hit New York and the coast just a few weeks ago and how critical it was — power, the production — and actually after the hurricane how the power companies went in to put the power back on. And I'm not even sure if today all the power is back on in New York City because of the hurricane. I know that a few weeks afterwards it was not the case. It was taking them a long time.

But we have such an outstanding power corporation and the people who work there that we take power outages . . . it's a real rare occasion when it does happen. And when it does happen, boy, SaskPower seems to be right on the spot. And we don't seem to see the challenges they have in many of the states where in fact the power corporation is a privately held corporation. Either we're talking about the hurricane . . . But I was thinking about what was happening in Washington this summer, Washington, DC [District of Columbia] where they were having power outages. And the company that was providing the electricity just couldn't meet the demands that were put upon it in terms of the repair and maintenance and just the regular delivery of electricity.

So I think that this is an important one. And of course the minister has talked about that in fact this will increase, the bill allows SaskPower to increase its borrowing limits. And as he said, it hasn't happened for nearly a decade. I think he said eight years. Clearly we need to talk more about this and understand this. We have seen this government raid or take a special dividend from SaskPower last year. And now we see a situation where it's ironic that SaskPower customers will see a potential rate increase of up to 4.9 per cent to essentially replace the money that this government took from that special dividend.

And we are alarmed when we see that kind of thing because on one hand you have a government pleading poverty and saying, we have to make sure we get every dollar and every penny and every dime from whatever corner we can get, and then on the other hand the next day it will be complaining about the fact that its hands are tied and it wants to do more and it needs to be able to borrow money. And here's a perfect example of that. So it's that inconsistency, I think, that people have that they would like to have straightened out.

I mean if they're taking money from SaskPower to make their budgets work, then we have a problem. People are concerned about that. But if we're raising rates and we can see a direct line and it's very accountable and very transparent that this is helping SaskPower become a company that is, that they're investing in, that they believe in, then I think this is appropriate. But that's not what people see. They wonder, why are my rates going up? And yet the government's taking 100 million-plus from SaskPower to make its budget work.

So we have questions about that when it comes to the financing part. Of course though we realize these are big numbers when you're talking about a 10 to \$13 billion investment, and the renewal of their portfolio.

Now we talked about the standards, North American energy regulation standard. I believe that's the NERC [North American Electric Reliability Corporation] that he was talking about. And that seems appropriate because, as I said, it is very interesting I think that in many ways Saskatchewan is seen as a leader when it comes to how to organize economic activity around our basic resources such as SaskPower, and then you also have SaskEnergy or SaskTel. And so I think that's appropriate that it makes that connection.

Now this is one that I do want to spend some time on, this protection from nuisance claims and the protection from . . . And he used the examples of municipalities and other places. And I think, on one hand we think, well that's a reasonable, very reasonable suggestion, and we can see a lot of value on that. But we can also see that we've got to have some way, some way of when concerns are raised about SaskPower and its activities, what powers, what do customers have as a way to make, to get some redress, make a point about service or something that they feel is untoward? And when SaskPower is such a major player, major player in many ways, some people would argue — and it does in certain ways, a monopoly — that if this could be taken advantage of. And so I just think that this section where it talks about:

The following subsections are added after subsection 3(2.1):

“(2.2) The corporation is not liable in an action based on nuisance, or on any other tort that does not require a finding of intention or negligence, for any loss or damage, arising directly or indirectly, from:

(a) its land, buildings, machinery, plant or other works, including any of its transmission and distribution lines, apparatus, equipment or other facilities; or

(b) its operation or non-operation as a public utility.

And then (2.3) goes on to say:

“No action or proceeding lies or shall be commenced against the minister, any member of the corporation, any officer or employee of the corporation or any [other] person authorized by the corporation, if that person is acting pursuant to the authority of this Act or the regulations, for anything in good faith done,

attempted to be done or omitted to be done by that person or by any of those persons pursuant to or in the exercise or supposed exercise of any power conferred by this Act or the regulations or in the carrying out or supposed carrying out of any order made pursuant to this Act or the regulations or any duty imposed by this Act or the regulations”.

So, Mr. Speaker, that's a pretty wide, pretty wide umbrella or shield that's protecting SaskPower. And in many ways, I understand that if that's against nuisance charges. But I think — or an action based on nuisance — this is something we need to find out more. Because if this can be a shield that's gone too far, that will be, that has the potential to be abused, then I think that there needs to be questions raised on this, and we will definitely do that. So that part there, we understand that.

And as the explanatory notes said, this is becoming a big thing in other jurisdictions. We see this in the United States. And it's a tough thing when you're dealing, spending a lot of time in the corporation fighting off these nuisance claims, and I do understand that. But I do think there's that balance, that critical balance, that we must have to make sure that there's some way that this doesn't close off all avenues of ways to get some issues addressed by the corporation. And so I think there needs to be a balance there, and we'll be asking a lot of questions about that.

And so I think that, Mr. Speaker, I think that we could have many more examples of different things that we have questions on. And I know members will want to get up and speak. But as I said, that this is an important time for SaskPower. There are challenges ahead in the next years and decades. And it's a real opportunity to put itself in a place of real leadership when it comes to maintaining — as we've agreed — safe, stable, predictable, affordable electricity.

But I think that people really want to see it actually move even further in terms of sustainability, in terms of leadership around the environment, that in fact environmental regulations are not seen as something that's bogging them down but opportunities to do much more so. The people of Saskatchewan say, boy, we think that SaskPower is actually the best company when it comes to electricity in Canada. And it should be.

And I think the way to do that is to do what it traditionally has done but to move into its next area of expertise, and that is dealing with climate change. And we've talked a bit about that, how to make sure because we know that the production, particularly around Estevan, depends so much on coal. We have to get that right, get that right whether it's with carbon capture or whatever, make sure that that's done and it's working well but also just in the environmental day-to-day things of doing its business in the most appropriate way.

So it's a real time for opportunity. I would not think the minister should take the dimming of the lights when he got up to speak as an omen. I think that's just something that happens. I thought it was unusual though. But I think that this is a real opportunity. It got all our attention to the issue at hand. It got our attention to the issue at hand. And I think that we can do more. This company, SaskPower, is something that we're all so proud of.

It's a real cornerstone of who we are in Saskatchewan, and so we want to see it thrive and we want to see it do well. But it is a new time, and it's a new opportunity to get things done right. And we don't want to see them miss its opportunity.

So, Mr. Speaker, I know that many people here will want to be able to address this issue. I think that it's an important one, and we'll be looking forward to finding out more from people who are interested about this issue over the winter months. And we'll be talking more about it in the days and months ahead. So with that, Mr. Speaker, I'd like to adjourn debate on Bill No. 80, an Act to amend the power corporation. Thank you.