ANNUAL REPORT

2023-24

SaskPower

Powering our future®

ON THE COVER: POWERING GROWTH THROUGH INNOVATION

SaskPower is in the midst of an energy transition that will result in a net-zero greenhouse gas (GHG) emissions electricity system by 2050 or sooner. Emerging technologies like battery energy storage systems (BESS) will play an important role in ensuring reliability and resiliency. SaskPower's first ever utility-scale BESS is expected to come into service in the summer of 2024. Strategically situated in northeast Regina, it is capable of powering 20 megawatts (MW) of load for up to one hour. It will assist in balancing our electricity system as we add more intermittent renewable generation, such as wind and solar. In addition to battery storage, other innovative solutions being considered include nuclear small modular reactors and increased transmission interconnections with neighbouring jurisdictions.

SASKPOWER'S FIRST UTILITY-SCALE BATTERY ENERGY STORAGE SYSTEM IS LOCATED IN REGINA

CORPORATE PROFILE

Established in 1929, SaskPower is Saskatchewan's leading energy supplier. We are defined by our commitment to support economic growth and enhance the quality of life in our province. Our corporate mission: ensuring reliable, sustainable and cost-effective power for our customers and the communities we serve.

SaskPower's team is made up of over 3,200 permanent full-time employees. We manage almost $14 billion in generation, transmission, distribution and other assets. Our company operates seven natural gas-fired power stations, three coal-fired power stations, seven hydroelectric stations, and two wind facilities. Combined, they generate 3,874 MW of electricity. SaskPower also buys power from various independent power producers. Our company's total available generation capacity is 5,355 MW.

We are responsible for serving over 550,000 customer accounts within Saskatchewan's geographic area of approximately 652,000 square kilometres. We maintain nearly 160,000 circuit kilometres of power lines, 65 high voltage switching stations and 191 distribution substations. About three customer accounts are served per circuit kilometre.

Our company also has transmission interties at the Manitoba, Alberta and North Dakota borders.

CONTENTS

SaskPower's 2023-24 Annual Report reflects the fiscal period April 1, 2023, through March 31, 2024.

OUR STRATEGIC CONTEXT

OUR VISION

Powering Saskatchewan to a cleaner energy future through innovation, performance and service.

OUR MISSION

Ensuring reliable, sustainable and cost-effective power for our customers and the communities we serve.

OUR VALUES

Safety, openness, collaboration and accountability.

CORPORATE STRATEGIC PRIORITIES

DELIVER IMPROVED VALUE FOR OUR CUSTOMERS AND STAKEHOLDERS
[p 19]

DEVELOP OUR WORKFORCE TO MEET THE NEEDS OF THE UTILITY OF THE FUTURE
[p 21]

ENSURE OUR FINANCIAL HEALTH IN A TRANSITIONING INDUSTRY
[p 23]

BUILD A CLEANER, RELIABLE AND MODERNIZED ELECTRICITY SYSTEM
[p 26]

PERFORMANCE HIGHLIGHTS

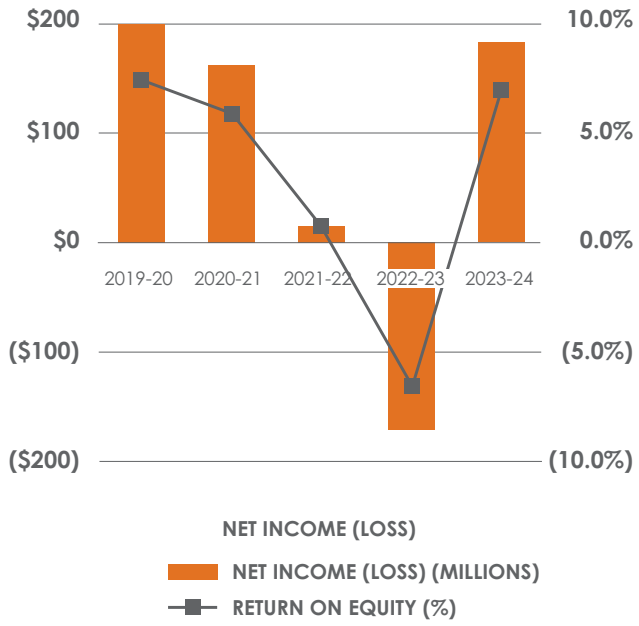
FINANCIAL INDICATORS

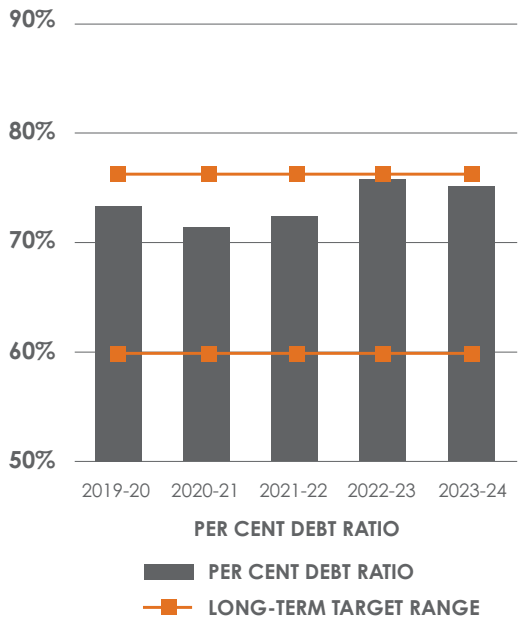
(in millions)	2023-24	2022-23	Change
Revenue	$ 3,379	$ 3,067	$ 312
Expense	3,195	3,239	(44)
Net income (loss)	184	(172)	356
Capital expenditures	1,213	1,065	148
Net cash from operating activities	751	445	306
Return on equity[1]	6.7%	(6.3%)	13.0%
	March 31 2024	March 31 2023	Change
Long-term debt	$ 7,647	$ 7,068	$ 579
Short-term advances	910	790	120
Lease liabilities	850	903	(53)
Total debt	$ 9,407	$ 8,761	$ 646
Debt retirement funds	799	717	82
Cash and cash equivalents	374	192	182
Total net debt	$ 8,234	$ 7,852	$ 382
Retained earnings	2,237	2,071	166
Equity advances	593	593	-
Total capital	$ 11,064	$ 10,516	$ 548
Per cent debt ratio[2]	74.4%	74.7%	(0.3%)

1. Return on equity = (net income (loss))/(average equity), where equity = (retained earnings + equity advances).
2. Per cent debt ratio = (total net debt)/(total capital).

$184M
NET INCOME

74.4%
PER CENT DEBT RATIO





REVENUE HIGHLIGHTS

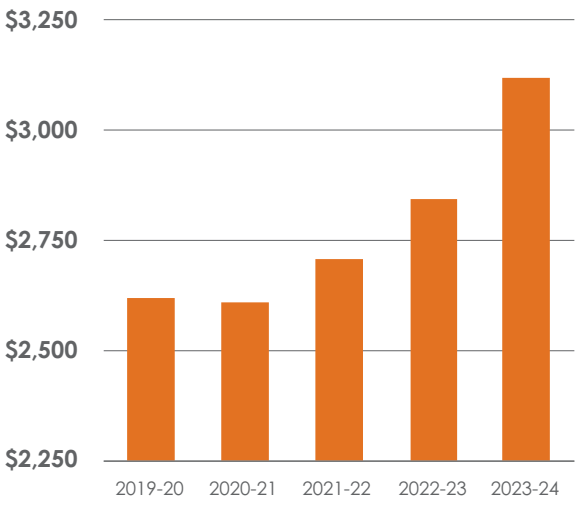
(in millions)	2023-24	2022-23	Change
Saskatchewan electricity sales			
Residential	**$ 632**	$ 606	$ 26
Farm	**198**	185	13
Commercial	**557**	528	29
Oilfield	**469**	440	29
Power	**895**	815	80
Reseller	**105**	99	6
	$ 2,856	$ 2,673	$ 183
Federal carbon charge collected	**240**	171	69
	$ 3,096	$ 2,844	$ 252

(in GWh)	2023-24	2022-23	Change
Electricity sales volumes			
Residential	**3,224**	3,294	(70)
Farm	**1,305**	1,288	17
Commercial	**3,749**	3,776	(27)
Oilfield	**4,320**	4,211	109
Power	**10,531**	10,087	444
Reseller	**1,150**	1,162	(12)
	24,279	23,818	461

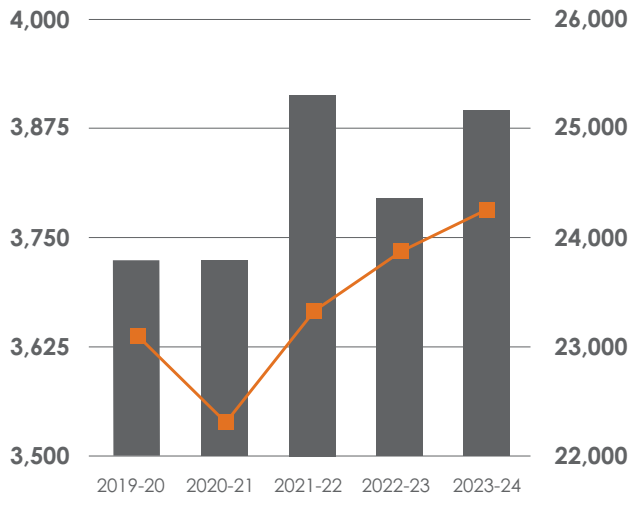
	2023-24	Record
Summer peak load (net megawatts (MW))	**3,669**	3,669
Annual peak load (net MW)	**3,896**	3,910

1.9%
INCREASE IN SALES VOLUMES

557,443
CUSTOMER ACCOUNTS



SASKATCHEWAN ELECTRICITY SALES (MILLIONS)



ANNUAL PEAK LOAD AND DEMAND

ANNUAL PEAK LOAD (NET MW)

ELECTRICITY SALES (GWH)

FUEL HIGHLIGHTS AND GENERATING CAPACITY

(in millions)	2023-24	2022-23	Change
Fuel and purchased power			
Gas	**$ 366**	$ 449	$ (83)
Coal	**296**	318	(22)
Imports	**178**	163	15
Wind	**84**	93	(9)
Hydro	**16**	20	(4)
Solar	**6**	5	1
Other	**25**	25	-
	$ 971	$ 1,073	$ (102)
Federal carbon charge	**269**	210	59
	$ 1,240	$ 1,283	$ (43)

(in GWh)	2023-24	2022-23	Change
Gross electricity supplied			
Gas	**11,934**	10,575	1,359
Coal	**7,895**	8,424	(529)
Imports	**2,027**	1,806	221
Wind	**1,981**	2,177	(196)
Hydro	**2,490**	3,244	(754)
Solar	**71**	55	16
Other	**177**	145	32
	26,575	26,426	149

(in net MW)	2023-24	2022-23	Change
Available generating capacity			
Fossil fuel generating capacity	**3,454**	3,549	(95)
Renewable generating capacity	**1,901**	1,888	13
	5,355	5,437	(82)

5,355 MW

AVAILABLE GENERATING CAPACITY

35%

RENEWABLE GENERATION CAPACITY

2023-24 AVAILABLE GENERATING CAPACITY
5,355 NET MW

- **GAS** 39%
- **COAL** 26%
- **HYDRO** 21%
- **WIND** 11%
- **SOLAR** 2%
- **OTHER** 1%

2023-24 GROSS ELECTRICITY SUPPLIED
26,575 GWH

- **GAS** 45%
- **COAL** 30%
- **IMPORTS** 8%
- **WIND** 7%
- **HYDRO** 9%
- **SOLAR** <1%
- **OTHER** <1%

TRANSMISSION AND DISTRIBUTION HIGHLIGHTS

Transmission and distribution assets	
Service area (square kilometres (km))	652,000
Transmission lines[1] (circuit km)	14,930
Distribution lines[1] (circuit km)	144,768
Distribution poles	1,158,035
High voltage switching stations	65
Distribution substations	191
Pole, pad-mounted and step transformers	189,811

1. Transmission lines deliver 66 kilovolts (kV) or above while distribution lines deliver less than 35 kV.

159,698 CIRCUIT KM

TRANSMISSION AND DISTRIBUTION LINES

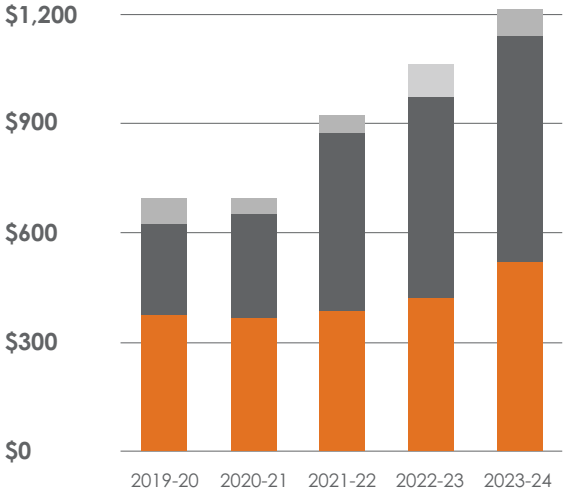
CAPITAL HIGHLIGHTS

(in millions)	2019-20	2020-21	2021-22	2022-23	2023-24
Sustainment	$ 374	$ 366	$ 385	$ 421	**$ 520**
Growth, compliance and resiliency	253	286	490	552	**621**
Strategic and other	69	41	47	92	**72**
Total capital expenditures	$ 696	$ 693	$ 922	$ 1,065	**$ 1,213**
Grant funding[2]	-	-	-	(18)	**(49)**
Capital expenditures (net)	$ 696	$ 693	$ 922	$ 1,047	**$ 1,164**

2. Total capital expenditures prior to 2022-23 is reported net of grant funding provided.

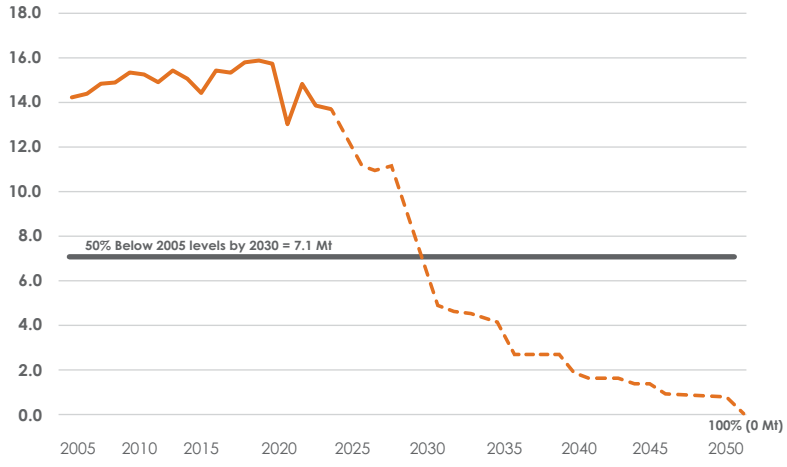
$1.2B

CAPITAL EXPENDITURES



TOTAL CAPITAL EXPENDITURES (MILLIONS)

STRATEGIC AND OTHER
GROWTH, COMPLIANCE AND RESILIENCY
SUSTAINMENT



GREENHOUSE GAS (GHG) EMISSIONS (MILLION TONNES (Mt) OF CO_2e)

ANNUAL GHG EMISSIONS
ANNUAL GHG EMISSIONS (FORECAST)
2030 GHG EMISSIONS TARGET

2023-24 YEAR AT A GLANCE

- **LAUNCHED** competitive procurement processes for 600 megawatts (MW) of new renewable generation — consisting of 200 MW solar generation and 400 MW wind generation — to be located in south-central Saskatchewan.
- **SELECTED** Iyuhána Solar LP — a partnership between Greenwood Sustainable Infrastructure, Saturn Power and Ocean Man First Nation — to build a 100-MW solar facility near the Boundary Dam Power Station that will be operational as early as December 2026.
- **SIGNED** an agreement with Ya' Thi Néné Lands and Resources to help assist with engagement on potential SaskPower projects and continue to strengthen our connections with Indigenous Rights Holders, communities and companies in the Athabasca Basin.
- **ADVANCED** assessment of the long-term viability of nuclear small modular reactors as an emissions-free baseload option in Saskatchewan by signing two industry partnership agreements. Selection of the final site for our first potential nuclear facility remains on track for 2025.
- **PASSED** the 95% completion point on construction of the new 377-MW natural gas-fired Great Plains Power Station in Moose Jaw, which will support our growing intermittent renewable generation portfolio.
- **SELECTED** Burns & McDonnell to be the engineering, procurement and construction partner for the 370-MW Aspen Power Station that will be located near Lanigan.
- **RESUMED** operations at the Poplar River Power Station following an estimated 47,000 hours of work performed by SaskPower employees to restore power after a torrential rainstorm in June 2023 flooded the facility.
- **REACHED** a milestone of six million tonnes of carbon dioxide captured since start-up of the Boundary Dam Power Station Integrated Carbon Capture and Storage Facility.
- **COMPLETED** the second and third stages in a five-part public engagement project that saw more than 25,000 Saskatchewan residents take part in a conversation on our future electricity supply planning.
- **CONTINUED** to provide two programs — the Energy Assistance Program and the Northern First Nations Home Retrofit Program — to help eligible customers save power and money, while also helping to reduce environmental impacts.
- **INTRODUCED** three new programs in collaboration with SaskEnergy to provide new options for residential and business customers in managing energy costs.
- **CONTRIBUTED** over $1.8 million to educational and community initiatives across the province through our Corporate Contributions Program.
- **NAMED** as one of Canada's Best Diversity Employers, one of Canada's Top Employers for Young People, and one of Saskatchewan's Top Employers.

LETTER OF TRANSMITTAL

Regina, Saskatchewan
July 2024

To His Honour
The Honourable Russ Mirasty, S.O.M., M.S.M.
Lieutenant Governor of Saskatchewan
Province of Saskatchewan

May it please Your Honour:

I have the honour to submit herewith the Annual Report of the Saskatchewan Power Corporation for the fiscal year ending March 31, 2024, in accordance with *The Power Corporation Act*.

The Financial Statements included in this annual report are in the form approved by Crown Investments Corporation of Saskatchewan as required by *The Financial Administration Act, 1993* and have been reported on by the auditors.

Respectfully submitted,

Honourable Dustin Duncan
Minister Responsible for SaskPower

A MESSAGE TO OUR STAKEHOLDERS

During 2023-24, SaskPower has continued to take steps as we navigate an unprecedented transformation of our company. In response to a changing regulatory landscape and requests from a growing segment of our customers, we are making important progress on a sustainable and affordable plan that will see us achieve net-zero greenhouse gas (GHG) emissions by 2050 — or earlier — while supporting the development of a low-carbon economy in Saskatchewan.

As the more than 3,200 employees across SaskPower pull together to tackle this once-in-a-generation challenge, we are mindful that an integrated approach, driven by partnerships, will be key to achieving the decarbonization goals for our electricity system while also meeting increasing system load driven by electrification. Even as we witness advancements in clean power technologies, changing customer expectations and uncertainty around federal GHG emissions regulations have resulted in a planning environment that is as challenging as it has ever been. In response, we continue to take a thoughtful and methodical approach to answering the critical questions facing our company in navigating the energy transition.

Foundational to our efforts in establishing a path for the future has been our extensive engagement with customers, Indigenous Rights Holders and stakeholders as we work to capture their diverse voices, values and priorities. Over the last year, we completed the second and third stages in a five-part public engagement project that saw more than 25,000 Saskatchewan residents take part in a conversation on our future supply planning.

Even as much of our focus is on designing a sustainable electricity system to serve generations to come, we cannot take our eye off the day-to-day challenges of delivering power to customers across one of the largest service areas in North America. During the past 12 months, that job was often made more difficult because of extreme weather events.

In May 2023, crews safely and quickly restored electrical service to more than 2,500 customers in Buffalo Narrows, La Loche, Île-à-la Crosse and surrounding areas in the face of ongoing regional wildfires. Meanwhile, as temperatures exceeded 30 degrees Celsius in much of the province at the end of July 2023, staff operating our power generation, transmission and distribution systems worked tirelessly as we hit a summertime peak system load record of 3,669 megawatts (MW). Notably, we responded to this challenge without access to generation from the Poplar River Power Station, after a flash flood in early June 2023 forced a three-month shutdown.

The Government of Canada's draft *Clean Electricity Regulations* (CER) were released in August 2023 and immediately presented a new challenge: a proposed federal requirement to have a net-zero GHG emitting electricity system in place by 2035. In our response to these draft regulations that we released in November 2023, we restated our commitment to achieve net-zero GHG emissions by 2050 and noted we are already on track for a 50% reduction in emissions, measured against 2005 levels, by 2030. We continue to be unequivocal in our assessment that a net-zero GHG emissions by 2035 target is not feasible for SaskPower from logistical, technical, and affordability perspectives.

Balance and diversity of electricity generation sources — the hallmarks of SaskPower's system planning throughout our company's history — continue as signposts for our future supply planning. When it comes to assessing the long-term viability of nuclear power as an emissions-free baseload option in Saskatchewan, we made important strides during 2023-24 by establishing a nuclear department that will report to a new Executive Vice-President, as well as signing industry partnership agreements. Selection of the final site for our first potential nuclear facility remains on track for 2025.

DELIVER IMPROVED VALUE FOR OUR CUSTOMERS AND STAKEHOLDERS

Relationships with Indigenous Rights Holders across Saskatchewan are critical in mapping a sustainable future for our company. During the year, we strengthened those connections by signing an agreement that will see the Ya' Thi Néné Lands and Resources (YNLR) assist with engagement on potential SaskPower projects in the Athabasca Basin.

Meanwhile, recognizing that demand charges — which are issued to customers who use large amounts of power, often over a short period of time — can sometimes place financial challenges on some of our seasonal customers, an announcement was made to reduce off-season power bills for ice rinks, eligible farms, campgrounds, and ski hills beginning on May 1, 2023. Additionally, to provide new options for residential and business customers in managing energy costs, we joined forces with SaskEnergy to introduce three new programs — the Energy Efficiency Discount Program, the Home Efficiency Retrofit Rebate, and the Commercial Space and Water Heater Rebate. Fiscal relief for customers using electricity as their primary home heating source was provided through a 60% reduction in their federal carbon tax charge between January 1 and April 30, 2024, as directed by the Government of Saskatchewan.

DEVELOP OUR WORKFORCE TO MEET THE NEEDS OF THE UTILITY OF THE FUTURE

Our ongoing corporate success requires us to relentlessly pursue opportunities that create a more inclusive and diverse workforce. Over the last year, we partnered with provincial post-secondary institutions to promote skilled trades and support gender diversity. We were honoured to receive Electricity Canada's Sustainable Electricity Award for our efforts in advancing women in trades and leadership, as well as Indigenous recruitment and retention. For the 16th year in a row, SaskPower was recognized as one of Canada's Best Diversity Employers, while we also received an award as one of the Canada's Top Employers for Young People for the 12th consecutive year. We were also recognized as a Saskatchewan Top Employer for the 17th time.

With employee safety remaining a top priority, the first in-person gathering of employees in safety-sensitive positions since the COVID-19 pandemic occurred in the fall of 2023. Safety Days took place over six days, with more than 1,000 employees taking part in safety activities and discussions. We also celebrated a return to career fairs this year that allowed us to have more active participation in the communities we serve.

ENSURE OUR FINANCIAL HEALTH IN A TRANSITIONING INDUSTRY

In managing a wide range of challenges over the past year, it was important to ensure that our company's fiscal well-being remains strong. In 2023-24, SaskPower reported a consolidated net income of $184 million.

The increase in net income over the previous fiscal year was primarily due to higher Saskatchewan electricity sales, partly resulting from system average rate increases and an increase of 1.9% in electricity sales volumes. We also saw lower fuel and purchased power costs due to lower average natural gas prices. At 74.4%, the company's per cent debt ratio remains strong.

BUILD A CLEANER, RELIABLE AND MODERNIZED ELECTRICITY SYSTEM

During the year, after a competitive solicitation for 100 MW of solar generation, Iyuhána Solar LP — a partnership between Greenwood Sustainable Infrastructure, Saturn Power and Ocean Man First Nation — was selected to build a facility near Estevan that will be operational as early as December 2026. Meanwhile, with the 200-MW Bekevar Wind Energy Facility on track to be in service by the end of 2024, SaskPower has launched new competitive procurement processes to engage independent power producers as we add 600 MW of new renewable generation in south-central Saskatchewan.

In support of our major expansion of intermittent renewable power, the natural gas-fired 377-MW Great Plains Power Station is anticipated to begin operating during the summer of 2024, while construction proceeds on the natural gas-fired 370-MW Aspen Power Station in the Lanigan area. Site preparations are also underway for Saskatchewan's first solar-battery-diesel microgrid project at Descharme Lake, which will help us assess the viability of deploying renewable energy to deliver reliable power to northern and remote communities.

ESTABLISHING A PATH TOGETHER

We know that citizens, communities, and businesses across Saskatchewan share our goal of a reliable, affordable, and sustainable power system. Across SaskPower, we are proud of the progress made over the past year to build a cleaner energy future for Saskatchewan. We carry a sense of excitement into the years ahead as we continue dialogue with the people of our province on the future of electricity in Saskatchewan.

Chief Darcy Bear
Chair, Board of Directors

Rupen Pandya
President and CEO

MANAGEMENT'S DISCUSSION AND ANALYSIS

May 29, 2024

The following is a discussion of the consolidated financial condition and results of the operations of Saskatchewan Power Corporation (SaskPower; the Corporation) for the year ended March 31, 2024. It should be read in conjunction with the audited financial statements and accompanying notes. The financial information discussed herein has been prepared in accordance with International Financial Reporting Standards (IFRS).

This Management's Discussion and Analysis (MD&A) contains forward-looking statements based on the Corporation's estimates and assumptions concerning future results and events. Due to the risks and uncertainties inherent in any forecasted outlook, the actual results of the Corporation could differ materially from those anticipated. These risks and uncertainties include natural gas prices; coal and hydro availability; weather; economic conditions; number of customers; supply chain; and market conditions in other jurisdictions.

CONTENTS

OUR BUSINESS

At SaskPower, we are committed to supporting economic growth and enhancing the quality of life in Saskatchewan. At the foundation of our business strategy is the pursuit of our vision of powering Saskatchewan to a cleaner energy future through innovation, performance and service. We work around the clock to provide power generation, transmission and distribution services to over 550,000 customer accounts. Our company prides itself on maintaining one of the largest service areas in Canada — a geographic region of approximately 652,000 square kilometres.

SaskPower is a vertically integrated utility with more than 3,200 permanent full-time employees. Almost one-half of our workforce is composed of members of the International Brotherhood of Electrical Workers Local 2067. Approximately 13% of workers are members of Unifor Local 649, with out-of-scope staff accounting for the balance.

Our company manages nearly $14 billion in assets, relying on generation sources that use a wide range of fuels that include natural gas, coal, hydro, wind and solar. This diversity provides a hedge against supply and price volatility, protecting customers from some of the risk inherent in any single fuel. SaskPower has one wholly owned subsidiary — NorthPoint Energy Solutions Inc.

557,443 CUSTOMER ACCOUNTS

MANDATE

SaskPower traces its origins to the Saskatchewan Power Commission that was founded in 1929. In 1949, our company was incorporated as a provincial Crown corporation under the authority and mandate of *The Power Corporation Act* (the Act). The Act has had a number of modifications over its lifetime. However, SaskPower's mission — ensuring reliable, sustainable and cost-effective power for our customers and the communities we serve — has not fundamentally changed.

The Act grants SaskPower the exclusive franchise within the province of Saskatchewan (except for the City of Saskatoon and the City of Swift Current) to supply, transmit and distribute electricity, as well as to provide retail services to customers. The reseller class of customers is restricted to two cities that retained their municipal franchises — the City of Saskatoon and the City of Swift Current.

SaskPower opened Saskatchewan's wholesale electricity market to competition through an open access transmission tariff (OATT) in 2001. It allows competitors to schedule access to our transmission system, enabling them to wheel power through Saskatchewan or sell to SaskPower's wholesale (reseller) customers.

Our company's vision, mission and values flow from the Act and SaskPower's relationship with our parent company, Crown Investments Corporation (CIC) of Saskatchewan. We support the strategic direction provided by CIC. In turn, CIC is responsive to general government direction as articulated in a variety of ways, such as through the annual Speech from the Throne or formal policy statements.

Pursuant to the Act, the President and Chief Executive Officer of SaskPower reports to a Board of Directors appointed by the Lieutenant Governor in Council. Through the Chair, our company's Board of Directors is accountable to the Minister Responsible for SaskPower. The Minister functions as a link between SaskPower and provincial cabinet, as well as the Saskatchewan Legislative Assembly.

OUR CAPACITY TO DELIVER RESULTS

For more than 90 years, SaskPower's mission has been to provide reliable, sustainable, and cost-effective power to customers and communities across Saskatchewan. As a Crown-owned utility, the company relies on a vertically integrated system of generation, transmission, and distribution assets to deliver this critical service. In response to a changing regulatory landscape and requests from a growing segment of our customers, SaskPower's preparations for a net-zero greenhouse gas (GHG) emissions future include a target of a 50% reduction in GHG emissions by 2030, as compared to 2005 levels. Maintaining both system reliability and customer affordability are essential signposts as we undertake scenario planning to determine our path forward to a net-zero GHG emissions future.

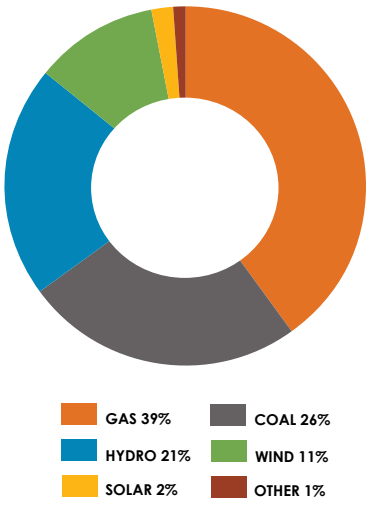
SUPPLY AND NETWORK

Of the total generating capacity of 5,355 megawatts (MW) available to SaskPower, 3,874 MW are company-owned and operated power production facilities. SaskPower's thermal generation fleet includes seven natural gas-fired stations and three coal-fired stations. Renewable facilities owned and operated by SaskPower include seven hydroelectric stations and two wind power facilities. In addition, SaskPower relies on power purchase agreements (PPAs) to obtain 1,380 MW of generation from large independent power producers (IPPs), which use natural gas, hydro, wind, and solar generation to supply this electricity. Power generated by customers provides another 67 MW, with 65 MW coming from solar facilities and 2 MW from wind generation. Smaller IPPs provide an additional 34 MW of capacity through power produced from flare gas, waste heat recovery, landfill gas and biomass.

A system operating reserve of 332 MW is maintained to provide uninterrupted service during planned maintenance or emergency repairs; this reserve also ensures back-up power is available when intermittent renewable generation facilities are unable to produce electricity.

Any imports of electricity into the province, or exports to neighbouring jurisdictions, are managed by NorthPoint Energy Solutions Inc., a SaskPower subsidiary established specifically for this role. In circumstances where our company can sell surplus power at a profit, or a neighbouring jurisdiction has an emergency condition requiring additional power, electricity is produced for export.

2023-24 TOTAL AVAILABLE SYSTEM GENERATING CAPACITY
5,355 NET MW



Power is imported by SaskPower when it can be purchased at a price lower than our internal marginal cost of generation, or when there is an emergency condition in Saskatchewan requiring additional power to meet demand. Interconnections with neighbouring jurisdictions in Alberta, Manitoba and North Dakota underpin these import and export activities.

SaskPower's service area measures 652,000 square kilometres. To move electricity from generating stations to customers, we rely on a provincial network of transmission and distribution assets. Delivery of large volumes of electricity — 66 kilovolts (kV) and above — relies on our company's transmission system, which includes 14,930 circuit kilometre of lines and 65 high voltage switching stations to move power to cities, towns or large industrial or commercial customers. In order to safely step down that electricity voltage to less than 35 kV before it reaches residential, farm, commercial and oilfield customers, we use a distribution system that includes 144,768 circuit kilometre of lines and 189,811 transformers.

As a result of our large service area, SaskPower's customer density is among the lowest of any utility in North America. Because the company's power generating facilities are situated across the province, day-to-day operation of the provincial electricity system requires a high degree of ongoing diligence. Real-time monitoring of the provincial transmission and distribution systems takes place at SaskPower's Grid Control Centre, which also handles remote operation and control

POWER GENERATED BY CUSTOMERS **67 MW**

$177M INVESTED TO CONNECT NEW CUSTOMERS

of power stations through a Supervisory Control and Data Acquisition (SCADA) system.

SaskPower's capital spending in 2023-24 totalled $1.2 billion, with $520 million of these funds directed to investments that sustain existing infrastructure. To accommodate the increased demand for electricity in Saskatchewan, as well as our transition to a cleaner electricity system, $55 million was spent on increasing transmission and distribution capacity, $121 million was spent on the new 377-MW natural gas-fired Great Plains Power Station, $78 million was invested in work just beginning at the new 370-MW natural gas-fired Aspen Power Station, and $189 million was required for expansions to existing generating capacity at the natural gas-fired Ermine and Yellowhead Power Stations. Meanwhile, we invested $177 million during the year to connect new customers to the Saskatchewan grid. Funding allocated to strategic and other investments amounted to $72 million.

Helping offset these capital costs, SaskPower received $49 million in grant funding, which includes $44 million from the Government of Canada's Future Electricity Fund (FEF). This fund returns monies collected through the federal carbon tax to the jurisdiction of origin, where they can be used in support of current and future clean electricity projects.

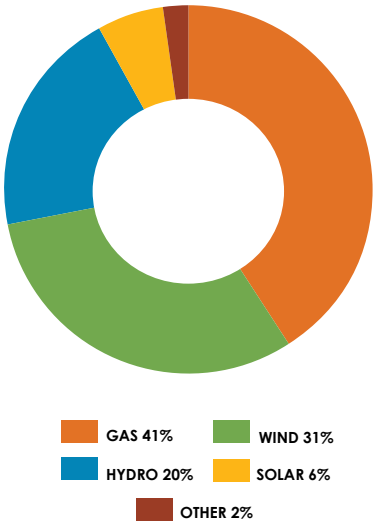
OUTLOOK

In the history of SaskPower, there has never been a more pressing need for meaningful two-way dialogue with customers, as we forge a path for our company through the energy transition. Through ongoing engagement, we will ensure these once-in-a-generation plans ultimately reflect the values and preferences of Saskatchewan residents while supporting affordability and reliability.

A CUSTOMER FOCUS

Reflecting an ongoing commitment to continuous service delivery improvement, during the year SaskPower started a pilot project for a new multilingual live chat translation tool on saskpower.com that allows customers to use their language of choice when engaging with us. Meanwhile, a new "Trouble Paying Your Bill" page on saskpower.com made it easier to find critical information and resources on payment arrangements and deferrals and will help to reduce service disconnections. For individuals utilizing our website or MySaskPower app, a new self-serve feature for setting up payment arrangements improves customer choice and control while reducing call volumes and wait times.

2023-24 AVAILABLE GENERATING CAPACITY IPPs & CUSTOMER-GENERATED
1,481 NET MW



SaskPower's commitment to the continuous improvement of customer experience was recognized when saskpower.com was ranked 1st overall for Canadian utility websites (and 12th overall in North America) based on criteria such as findability, functionality, content, accessibility and appearance.

Creating a place for customers to share their thoughts on what they expect from SaskPower is vital as we consider new programs and services. SaskPower participates in Electricity Canada's annual residential customer satisfaction study. Last year, SaskPower tied for 2nd place in the online residential component of this research, reflecting our commitment to improve resolution of customer issues at first contact.

Our company's own annual customer experience survey — broken down by customer segment — provides important insights into current service perceptions. While all customers expect affordable rates, reliable service, and effective communication, there are important distinctions between segments that will guide programming design priorities in the years ahead. Over the last 12 months, SaskPower's residential customer experience index score held firm at 68, with detailed responses revealing a need for the company to pursue more personalized online engagement. Last year's score for small and medium businesses came in at 70 — a decline of one point — as we heard feedback relating to SaskPower providing more help in managing electricity use and lowering costs. At the same time, the experience score for key and major accounts increased from 77 to 80, which is considered excellent by industry standards. This customer segment is pleased with our innovative solutions that support their Environmental, Social, and Governance (ESG) goals.

Designed to address specific challenges facing the industrial segment, the Renewable Access Service (RAS) provides an opportunity for these customers to pursue their own PPAs with IPPs of their choice, while using SaskPower's transmission system to relay the power from the generator to the industrial customer site. RAS development with

customers has been proceeding since its initial soft launch in June 2023. The feedback SaskPower receives during the soft launch is being used to develop the RAS for a broader offering to qualifying customers later this year.

For eligible customers, the Energy Assistance Program continues to offer access to free home upgrades that save power and money, while also helping reduce environmental impacts. In the last year, more than 2,700 qualifying homes received upgrades. Almost 1,800 tonnes of GHGs have been avoided and participants have saved more than $630,000 in electricity costs since the program began in 2020.

Northern residents facing high energy bills continue to benefit from the Northern First Nations Home Retrofit Program, with 289 homes in remote communities already having received free insulation upgrades, LED lights, low-flow showerheads, faucet aerators, water heater jackets and insulated pipe wrap. To date, these efforts have delivered over 400 tonnes of GHG reductions and more than $150,000 in electricity cost savings.

New programs offering rebates on select energy-efficient products, home efficiency retrofits, as well as rebates to help reduce barriers for commercial customers to participate in energy-efficient retrofits, were introduced over the last year in partnership with SaskEnergy.

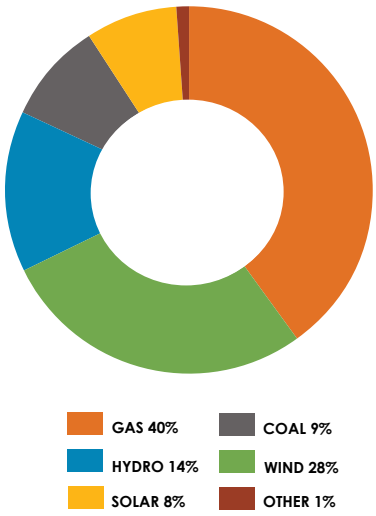
Our Net Metering Program supports customers choosing to generate their own renewable energy to offset their consumption or sell any excess electricity generated to SaskPower at a pre-determined price. With almost 400 new sign-ups throughout 2023-24, the program currently has over 3,500 participants and over 48 MW of installations.

Through the Power Generation Partner Program, SaskPower has agreements in place to purchase renewable and environmentally preferred power for the grid. Over 12 MW of solar and flare gas generation has been installed to date.

To ensure Indigenous communities and companies in Saskatchewan have access to emerging opportunities throughout the energy transition, the Indigenous Capacity Building Initiative (ICBI) was created to encourage SaskPower's suppliers to work with Indigenous partners in developing programs or activities to grow their professional skills and capabilities. Meanwhile, a desire to forge stronger local relationships and improve engagement was the driving force behind a Master Consulting Agreement signed with Ya' Thi Néné Lands and Resources (YNLR) that assigns YNLR the authorization to represent the Athabasca Basin when doing business with SaskPower.

FORECASTED 2028-29 AVAILABLE GENERATING CAPACITY

7,991 NET MW



SaskPower's essential support for an expanding provincial economy hit a milestone in February 2024, as we energized a new 230 kV transmission line that serves BHP's Jansen potash mine site and will be leveraged to accommodate future load growth, capping a decade's worth of collaboration on the project.

RATES ENVIRONMENT

Stable and predictable power rates play a key role in helping attract and retain businesses to our province while ensuring SaskPower can also make the necessary system investments to continue delivering reliable service for all customers. As the federal carbon tax increased from $65 to $80/tonne of carbon dioxide equivalent (CO_2e) on January 1, 2024, the federal carbon tax rate rider on SaskPower bills required an average increase of 0.5%. In July 2023, the Government of Canada approved the Saskatchewan Output-Based Performance Standards (OBPS) program as a replacement for the Federal OBPS Program, retroactive to January 1, 2023. As a result, the 2023 and 2024 federal carbon charges are payable to the Government of Saskatchewan.

Financial relief for those relying on electric home heating was provided when the provincial government directed SaskPower to implement a 60% reduction in the federal carbon tax charge for power used by these customers, effective January 1, 2024 to April 30, 2024.

Despite the financial pressures resulting from the energy transition and the requirements of a growing economy, SaskPower reported a consolidated net income of $184 million for 2023-24. The increase in net income over the previous fiscal year was partly due to system average rate increases, higher electricity sales volumes and lower fuel and purchased power costs due to lower average natural gas prices. At 74.4%, our company's per cent debt ratio remains within our targeted range.

HOMES UPGRADED THROUGH THE NORTHERN FIRST NATIONS HOME RETROFIT PROGRAM **289**

600 MW OF RENEWABLE GENERATION TO BE ADDED IN SOUTH-CENTRAL SASKATCHEWAN BY 2027

THE ELECTRICITY SYSTEM

In the fall of 2023, as we responded to the federal government's release of draft *Clean Electricity Regulations* (CER), SaskPower firmly stated that reaching net-zero GHG emissions by 2035 is an unrealistic target in Saskatchewan, due to logistical, technical and affordability challenges. At the same time, we again outlined our commitment to achieve net-zero GHG emissions by 2050 or sooner and noted we are already on track for a 50% reduction in emissions, measured against 2005 levels, by 2030. SaskPower currently awaits the release of the final federal CER, anticipated later in 2024.

With nuclear small modular reactors (SMRs) offering significant promise in helping us achieve our long-term plans, work progressed on selecting a site for the first potential SMR facility in the province. Throughout 2023, we engaged with 3,000 citizens via 50 different in-person engagement opportunities, as well as with more than 100 First Nations and Métis locals at Indigenous engagement sessions. In addition to recruiting for an Executive Vice-President who will oversee a new corporate nuclear department, we signed an agreement with GE Hitachi that will bolster SaskPower's understanding of their SMR technology. As well, a Master Services Agreement signed with Laurentis Energy Partners, a subsidiary of Ontario Power Generation (OPG), provides us access to world-leading expertise that will support our SMR planning.

Renewable power generation options are a key part of SaskPower's roadmap to net-zero GHG emissions, and our strategy to add solar and wind facilities to the provincial electricity system continues delivering significant results. Competitive procurement processes were launched to select IPPs that will result in 600 MW of new renewable generation for south-central Saskatchewan, while the 200-MW Bekevar Wind Energy Facility is on track to be operational by the end of 2024. Near Estevan, 100 MW of solar generation is being constructed by Iyuhána Solar LP — a partnership between Greenwood Sustainable Infrastructure, Saturn Power and Ocean Man First Nation — that will be operational as early as December 2026 and eventually provide clean energy for large customers participating in our Renewable Partnership Offering.

As we tackle the challenges associated with the intermittent nature of wind and solar power, Saskatchewan's first utility-scale battery energy storage system is being commissioned in northeast Regina. It will be capable of storing enough power for 20 MW of load for up to one hour and will represent an important step forward in efforts to assess the viability of longer duration battery energy storage systems in Saskatchewan.

Lower-emitting natural gas generation will remain a reliable and quick-starting backup for our growing fleet of intermittent renewable facilities until proven energy storage options and larger-scale zero-GHG emissions baseload generation sources are in place. With an expansion of the existing Ermine and Yellowhead Power Stations proceeding on schedule, the 377-MW Great Plains Power Station is also set to begin operating in the summer of 2024. Looking ahead, the 370-MW Aspen Power Station, to be situated near the Wolverine Switching Station in the Lanigan area, commenced construction in April 2024.

Through this time of corporate transformation, our company continues to optimize our carbon capture and storage (CCS) facility at Boundary Dam Unit 3. In March 2024, the unit achieved an important milestone, with 6 million tonnes of CO_2 now having been captured since operations began.

Meanwhile, site preparations are underway for Saskatchewan's first solar-battery-diesel microgrid project at Descharme Lake in our province's North. This is a cost-effective alternative that will provide cleaner, more reliable power to the community and it is expected that over 80% of the power generated by the microgrid will come from solar. Once operational, the system is expected to reduce emissions in addition to improving reliability.

OUR ENTERPRISE-WIDE STRATEGIC CONTEXT

SaskPower's strategic direction includes our company's vision, mission, and values statements, as well as our corporate strategic priorities and key initiatives. Our vision reminds us of the ideals we are pursuing and what we want to achieve in years to come. Our mission tells us why our business exists and defines its unique purpose. Meanwhile, our values are the fundamental principles that guide and govern our behaviour.

Our planning, execution and performance measurement activities are built around four corporate strategic priorities. They are our company's foundation for success, and are the key result areas that ultimately form the basis of individual goal-setting. Each priority plays a prominent role in SaskPower's Business Plan, Performance Management Plan and Corporate Balanced Scorecard, which are updated annually. Input is provided by our employees, Executive, and Board of Directors.

SaskPower aligns with the strategic direction set by our shareholder, Crown Investments Corporation (CIC) of Saskatchewan, and the Government of Saskatchewan. CIC develops Crown Sector Strategic Priorities which provide an outlook that forms the cornerstone of Crown strategies. SaskPower also aligns to additional provincial government direction — such as the *Prairie Resilience* climate change strategy and *Saskatchewan's Growth Plan - The Next Decade of Growth 2020-2030*.

CORPORATE STRATEGIC PRIORITIES

1 DELIVER IMPROVED VALUE FOR OUR CUSTOMERS AND STAKEHOLDERS

2 DEVELOP OUR WORKFORCE TO MEET THE NEEDS OF THE UTILITY OF THE FUTURE

3 ENSURE OUR FINANCIAL HEALTH IN A TRANSITIONING INDUSTRY

4 BUILD A CLEANER, RELIABLE AND MODERNIZED ELECTRICITY SYSTEM

VISION

Powering Saskatchewan to a cleaner energy future through innovation, performance and service.

MISSION

Ensuring reliable, sustainable and cost-effective power for our customers and the communities we serve.

VALUES

Safety, openness, collaboration and accountability.

PERFORMANCE MEASURES	FURTHER INFORMATION
Customer Experience Index (residential/small & medium business/key & major account)	Page 19
Competitive rates (thermal utilities)	Page 20
Progressive Aboriginal Relations Certification	Page 20
New Connect Construction Index	Page 20
Employee engagement	Page 21
Lost-Time Injury Frequency Rate	Page 21
Lost-Time Injury Severity Rate	Page 22
Workforce diversity	Page 22
Return on equity	Page 23
Per cent debt ratio	Page 23
OM&A per customer account vs. Saskatchewan Consumer Price Index	Page 24
Capital Cost Performance Index/Capital Schedule Performance Index	Page 24
Indigenous procurement	Page 25
Crown collaboration	Page 25
Equivalent Availability Factor	Page 26
Distribution SAIDI/SAIFI	Page 27
Transmission SAIDI/SAIFI	Page 28
Renewable generation portfolio	Page 28
Greenhouse gas (GHG) emissions	Page 29

OUR PERFORMANCE MEASURES AND TARGETS

SaskPower's operational and financial performance is driven by our four strategic priorities, which serve as a basis for achieving our mission and vision.

They are the foundation of our Corporate Balanced Scorecard, which provides the framework for our day-to-day work, creation of targets, measurement of organizational performance and execution of long-term planning.

The measures, targets and results associated with each of SaskPower's strategic priorities are contained within this section.

SASKPOWER CORPORATE BALANCED SCORECARD

	2022-23 actual	2023-24 target	2023-24 actual	2023-24 performance
DELIVER IMPROVED VALUE FOR OUR CUSTOMERS AND STAKEHOLDERS				
Customer Experience Index (%) (residential/small & medium business/key & major account)	**68/71/77**	69/72/78	**68/70/80**	
Competitive rates (thermal utilities) (%)	**85.9**	≤ 100.0	**76.5**	
Progressive Aboriginal Relations Certification [NEW FOR 2023-24]	•	GOLD	**TBD**[1]	
New Connect Construction Index (%)	**84.1**	≥ 80.0	**82.1**	
DEVELOP OUR WORKFORCE TO MEET THE NEEDS OF THE UTILITY OF THE FUTURE				
Employee engagement[2] (%)	**69.0**	•	•	
Lost-Time Injury Frequency Rate (%) [REVISED FOR 2023-24]	**0.85**	0.55	**0.50**	
Lost-Time Severity Rate (%) [REVISED FOR 2023-24]	**20.0**	14.1	**16.3**	
Workforce diversity (%)	**39.8**	42.5	**41.6**	
ENSURE OUR FINANCIAL HEALTH IN A TRANSITIONING INDUSTRY				
Return on equity (%)	**(6.3)**	0.8	**6.7**	
Per cent debt ratio (%)	**74.7**	75.4	**74.4**	
OM&A per customer account vs Saskatchewan Consumer Price Index (% growth)	**2.4**	3.2	**2.1**	
Capital Cost Performance Index (%)/Capital Schedule Performance Index (%)	**80/75**	80/80	**89/83**	
Indigenous procurement (%)	**15.5**	10.0	**10.8**	
Crown collaboration (%)	**120**	100	**411**	
BUILD A CLEANER, RELIABLE, MODERNIZED ELECTRICITY SYSTEM				
Equivalent Availability Factor (%)	**82.0**	≥ 85.0	**86.9**	
Distribution SAIDI/SAIFI (hours/outages)	**5.3/3.7**	5.9/2.9	**5.0/3.9**	
Transmission SAIDI/SAIFI (minutes/outages)	**140/2.3**	135/3.0	**119/2.4**	
Renewable generation portfolio (%)	**34.7**	35.8	**35.5**	
Greenhouse gas (GHG) emissions[3] (% change from 2005 levels)	**(3.1)**	(8.0)	**(4.0)**	

● ≥ 20% better than target ● on target ● did not meet target by < 20% ● did not meet target by ≥ 20% ○ no target set for 2023-24

• Denotes that actual results or targets are not available for that time period.

1. The Progressive Aboriginal Relations Certification results are not expected to be released until August 2024.
2. The employee engagement metric is a biennial survey.
3. This measure is reported on a calendar-year basis.

STRATEGIC PRIORITY 1

DELIVER IMPROVED VALUE FOR OUR CUSTOMERS AND STAKEHOLDERS

OUR CUSTOMERS EXPECT IMPROVED SERVICES AND COMMUNICATION CHANNELS, WHILE NEW TECHNOLOGY IS ENABLING A GREATER CUSTOMER ROLE IN THE POWER SYSTEM. WE WILL ENGAGE OUR CUSTOMERS IN PLANNING FOR A MODERNIZED GRID AND WE WILL OFFER CHOICES AND OPTIONS THAT MEET THEIR INDIVIDUAL NEEDS. WE WILL HELP CUSTOMERS MANAGE THEIR ELECTRICITY CONSUMPTION AND PROVIDE VALUE AS A TRUSTED ADVISOR.

CUSTOMER EXPERIENCE INDEX (RESIDENTIAL/SMALL & MEDIUM BUSINESS/KEY & MAJOR ACCOUNT)

The Customer Experience Index measures customer perceptions on how well SaskPower delivers the experiences that are most likely to create and sustain loyalty. It allows our company to identify specific operational areas, practices, and brand equity attributes that impact customer experience the most. SaskPower conducts annual customer experience research for all three of our customer segments: residential customers; small & medium business customers; and key & major account customers. This research uses a framework that measures quality-based (effectiveness, ease, and emotion) and loyalty-based (retention, enrichment, and advocacy) drivers to identify and prioritize areas for improvement that our customers value most.

Residential customers comprise the largest portion of SaskPower's customer base.

Small & medium business customers include non-residential customers with annual electrical consumption less than five gigawatt-hours (GWh), i.e. 5,000,000 kilowatt-hours, across all accounts.

Key & major account customers include major account customers with annual electrical consumption between five and 20 GWh and key account customers with annual electrical consumption equal to 20 GWh or more.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	70/73/80	**69/72/78**	69/71/80	Previous +1	Previous +1	Previous +1	72/74/80
Actual	68/71/77	**68/70/80**					

SaskPower's **residential customer** score for 2023-24 of 68% was equal to our 2022-23 result and one percentage point below our target. Overall ratings for effectiveness, ease, and emotion remain stable. Customers' sentiment about affordability and reliability continue to be key themes for 2023-24. Customers report feeling financial pressures and are looking for SaskPower to help them manage their electricity use and lower costs. Customers also expect high-quality customer service through seamless interactions. Given our increasing customer service functionality, SaskPower has an opportunity to leverage new capabilities to engage customers in a more personalized and meaningful way.

Our company's **small & medium business customer** score of 70% fell short of both our 2023-24 target and previous score. High-quality service; first contact resolution; reliable power; and low rates are priorities for small & medium business customers. Much like our residential customers, this segment reported positive perceptions of the ease and effectiveness of doing business with SaskPower and they value SaskPower as a trusted advisor. Our small & medium business customers continue to report feeling the financial pressures of inflation and recent rate increases and are looking to SaskPower to help them manage their electricity use and lower costs. Overall satisfaction and the sentiment of feeling valued as a customer have held year-over-year.

Our **key & major account customer** score of 80% improved three percentage points from our 2022-23 result and exceeded our 2023-24 target by two percentage points. Key & major account customers report improvements in the ease and effectiveness of doing business with SaskPower and an increase in the positive emotion rating. Positive ratings increased for overall satisfaction and feeling valued as a customer. Key & major customers continue to expect SaskPower to communicate its plans for the future and provide customers an opportunity for input on decisions that impact them. Key & major account customers want collaboration and partnerships and have been pleased with the innovative service offerings that support their efforts to attain their Environmental, Social and Governance goals.

COMPETITIVE RATES (THERMAL UTILITIES)

Our company aims to ensure SaskPower's system average rates are less than or equal to the system average rates for customers served by Canadian utilities primarily dependent on thermal generation (i.e., using coal, natural gas, nuclear or oil). SaskPower uses the results released annually by Hydro-Québec in its national survey, *Comparison of Electricity Prices in Major North American Cities*, which reports annual rate data in effect on April 1, to compare our rates against other thermal utilities within Canada. Canadian thermal utility cities include: Regina, SK; Calgary, AB; Edmonton, AB; Toronto, ON; Ottawa, ON; Halifax, NS; Charlottetown, PEI; and Moncton, NB.

The ratio of SaskPower's average monthly net bills (before municipal surcharges and taxes) to the average of the monthly net bills for other Canadian thermal utilities is calculated based on the seven consumption levels selected for analysis by Hydro-Québec. The categories are composed of one residential consumption level, one small power consumption level, three medium consumption levels, and two large power consumption levels. The average of these ratios, reported as a percentage, is used for assessment.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	≤100.0	≤ **100.0**	≤100.0	≤100.0	≤100.0	≤100.0	≤100.0
Actual	85.9	**76.5**					

As at April 1, 2023, SaskPower's rates were, on average, 23.5% lower than the average rates of seven other Canadian thermal utilities across seven customer classes, an improvement of more than nine percentage points compared to the prior year.

SaskPower's rates were lower than thermal averages in all seven customer categories, with our rates continuing to rank the lowest in the large power class and two medium power classes. SaskPower's rate for the residential class — the class which has historically been above the thermal average — is now 7% percentage points below the thermal average.

PROGRESSIVE ABORIGINAL RELATIONS CERTIFICATION [NEW FOR 2023-24]

The Canadian Council for Aboriginal Business (CCAB) Progressive Aboriginal Relations (PAR) certification program confirms corporate excellence in Indigenous relations. Gold status recognizes businesses that demonstrate well-integrated, mature business processes in leadership action, employment, business development, and community relationships.

SaskPower's PAR certification at the Gold status level was achieved in 2017 and renewed by the CCAB in 2020. Our company remains committed to cultivating strong, mutually beneficial relationships with Indigenous peoples, communities and businesses.

status level	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	•	**Gold**	•	•	Gold	•	Gold
Actual	•	**TBD**[1]					

• Denotes that actual results or targets are not available for that time period.

1. The Progressive Aboriginal Relations Certification results are not expected to be released until August 2024.

NEW CONNECT CONSTRUCTION INDEX

The New Connect Construction Index measures the percentage of new connect orders that SaskPower completes before the later of the customer's specified need date and the associated cycle-time target for the type of order.

Prepaid notifications have a targeted cycle time of 10 days, starting from the time a request is made or the customer indicates the site is ready, whichever is later (i.e. SaskPower/SaskEnergy/SaskTel Joint Service initiatives).

Non-complex service orders have a targeted cycle time of 45 days from customer quote acceptance (i.e. any order that is not categorized as complex).

Complex service orders have a targeted cycle time of 90 days from customer quote acceptance (i.e. permits; service extension length greater than 800 meters; main distribution in residential and commercial subdivisions; transmission line alterations; large load sizes; etc.).

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	≥ 80.0	≥ **80.0**	≥ 80.0	≥ 80.0	≥ 80.0	≥ 80.0	≥ 80.0
Actual	84.1	**82.1**					

Our company's New Connect Construction Index performance for 2023-24 of 82.1% surpassed our target of 80.0%. SaskPower experienced a 7.2% decrease in the total volume of new connect requests completed during the year, with reductions in both prepaid and complex service order volumes. SaskPower's performance in this metric continues to demonstrate our ongoing efforts to meet higher customer expectations while balancing resource allocation against system maintenance and capital sustainment programs.

STRATEGIC PRIORITY 2

DEVELOP OUR WORKFORCE TO MEET THE NEEDS OF THE UTILITY OF THE FUTURE

OPERATING THE MODERN POWER SYSTEM OF TOMORROW WILL REQUIRE A WORKFORCE WITH NEW SKILLS. THE FINANCIAL PRESSURES OF TODAY NECESSITATE A CULTURE IN WHICH EVERY EMPLOYEE IS ACCOUNTABLE FOR DRIVING EFFICIENCY AND PERFORMANCE IMPROVEMENT, WITHOUT COMPROMISING ON SAFETY OR CUSTOMER EXPERIENCE. WE WILL ENSURE OUR WORKFORCE IS HIGH PERFORMING, ENGAGED, AND AS DIVERSE AS THE COMMUNITIES WE SERVE.

EMPLOYEE ENGAGEMENT

SaskPower wants to ensure it has engaged employees while creating an environment of accountability and high performance. Employee engagement is defined as an emotional and intellectual connection that employees have for their job, organization, manager, and coworkers that, in turn, influences them to apply additional discretionary effort to their work. This biennial metric identifies the percentage of employees that have a favourable level of engagement.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	67	•	70	•	Previous + 1	•	Previous + 1
Actual	69	•					

• Denotes that actual results or targets are not available for that time period.

SaskPower's employee engagement survey is completed on a biennial frequency. The next survey will be conducted in 2024-25.

LOST-TIME INJURY FREQUENCY RATE [REVISED FOR 2023-24]

Lost-time Injury Frequency Rate (LTIFR) refers to the occurrence rate of workplace incidents that result in an employee missing time from work after the date of the injury, per 100 workers. LTIFR also refers to the number of such injuries that occur within a given period relative to the total number of hours worked in the same reporting period.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	0.50	**0.55**	0.58	0.55	0.52	0.50	0.40
Actual	0.85	**0.50**					

SaskPower's LTIFR of 0.50 performed better than our 2023-24 target of 0.55 and decreased 35% from the number of lost-time injuries per 100 employees in the previous year. Our improved performance is a positive indication of the effectiveness of our safety strategies and ongoing efforts to enhance our safety culture.

LOST-TIME INJURY SEVERITY RATE [REVISED FOR 2023-24]

Lost-time Injury Severity Rate (LTISR) is the number of lost workdays experienced per 100 workers. LTISR shows the extent of safety anomalies by revealing how critical the injuries and illnesses are. The theory is that an employee who takes time to return to work after injury had a more severe incident than an employee who can return immediately.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	13.0	**14.1**	14.1	14.1	13.6	13.0	10.0
Actual	20.0	**16.3**					

The 2023-24 LTISR result of 16.3 did not achieve our target of 14.1 lost days. Despite lagging behind our target, the result demonstrates improvement from the previous year with a notable decrease of 3.7 lost days — a year-over-year improvement of almost 20%.

WORKFORCE DIVERSITY

Workforce diversity measures the growth in the percentage of SaskPower's permanent employees who:

- Self-identify as being in one or more designated equity groups (Indigenous, visible minorities, and/or persons with disabilities), and/or
- Are women in positions or occupations where there is less than 47% representation.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	42.3	**42.5**	•	•	•	•	•
Actual	39.8	**41.6**					

- The Workforce Diversity metric will be retired for 2024-25 and replaced by individual measures for each equity group (Indigenous, persons with a disability, visible minority, and women in under-represented roles).

SaskPower's 2023-24 result of 41.6% did not meet our target of 42.5% for 2023-24, however performance improved notably relative to 2022-23. Compared to 2022-23, representation increased in all equity groups, primarily driven by an additional 106 employees who self-identified in one of the four equity groups. SaskPower remains committed to employing a diverse workforce and continues to deliver on its strategies to increase representation in all equity groups. Active initiatives include the Women's Mentoring Circle Program; Advancing Women in Trades Program; Indigenous Recruitment and Retention Strategy; Cultural Awareness Sessions; Corporate Unconscious Bias Training; and development of a SaskPower Accessibility Plan.

The following table compares SaskPower's current and prior year diversity representation to the most recent diversity targets suggested by the Saskatchewan Human Rights Commission (SHRC) by equity group.

	2022-23 actuals	2023-24 actuals	SHRC 2019 targets
Indigenous	8.2	**8.5**	14.0
Persons with disabilities	5.4	**5.6**	22.2
Visible minorities	12.4	**13.1**	10.6
Women in under-represented roles	13.8	**14.4**	47.0

STRATEGIC PRIORITY 3

ENSURE OUR FINANCIAL HEALTH IN A TRANSITIONING INDUSTRY

THE ABILITY TO PRESERVE OUR FINANCIAL STRENGTH IN THE FACE OF THE ENERGY TRANSITION IS CRITICAL. CONTINUED INVESTMENT IN INFRASTRUCTURE WILL BE NEEDED TO MAINTAIN OR IMPROVE CURRENT LEVELS OF RELIABILITY AND ALSO TO MEET THE DEMAND FOR ELECTRICITY. ASSET OPTIMIZATION AND EFFICIENCY PROGRAMS WILL BE USED TO CONTINUALLY IMPROVE OUR BUSINESS PROCESSES AND REDUCE COSTS SO THAT WE MAINTAIN COMPETITIVE RATES.

RETURN ON EQUITY

Return on equity (ROE) measures SaskPower's financial performance, and is calculated as net income expressed as a percentage of average equity.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	1.8	**0.8**	6.6	5.1	3.3	2.5	8.5
Actual	(6.3)	**6.7**					

SaskPower's ROE of 6.7% for the year ended March 31, 2024, was significantly above the 0.8% target. Lower than expected natural gas prices — combined with higher than expected revenue from exports, customer contributions, and carbon dioxide (CO_2) sales — helped drive stronger earnings.

Net income results are explained in further detail in the financial results section of the Management's Discussion and Analysis.

PER CENT DEBT RATIO

The per cent debt ratio provides a measure of SaskPower's debt expressed as a percentage of the company's total corporate financing structure, composed of the total investment by creditors (debt) and the total investment of owners (equity). The extent to which a company is leveraged is directly correlated to the proportion of its capital structure that is comprised of debt. A highly leveraged company is considered to have less financial flexibility and more risk than a less leveraged company.

As SaskPower continues to modernize and expand its infrastructure, debt levels will increase in order to finance our capital program.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	73.8	**75.4**	75.0	75.4	75.8	75.8	60.0-75.0
Actual	74.7	**74.4**					

Our company's per cent debt ratio of 74.4% at March 31, 2024, was 1.0 percentage point under our target of 75.4%. This favorable outcome is primarily due to increased closing equity arising from SaskPower's net income of $184 million for the year.

OM&A PER CUSTOMER ACCOUNT VS. SASKATCHEWAN CONSUMER PRICE INDEX

The operating, maintenance and administration (OM&A) per customer account versus the Saskatchewan Consumer Price Index (SK CPI) measure compares the growth of SaskPower's OM&A expense per customer account against the growth of the SK CPI to assess how efficiently our OM&A expense is being managed.

(% growth)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	3.2	**3.2**	< SK CPI increase	< SK CPI increase	< SK CPI increase	< SK CPI increase	< SK CPI increase
Actual	2.4	**2.1**					

In 2023-24, SaskPower's five-year average annual growth in OM&A expense per customer account was 2.1%, falling well below the ceiling target and five-year average annual growth in the SK CPI of 3.2% over the same period. OM&A expense increased by approximately $14 million over budget in 2023-24, driven by emergency maintenance in response to flooding at the Poplar River Power Station, increased transmission and distribution maintenance activities, and higher staffing levels to support the energy transition. Despite OM&A costs exceeding budget for 2023-24, the average growth rate of SaskPower's OM&A expense per customer account has remained well below provincial inflation rates.

CAPITAL COST PERFORMANCE INDEX/SCHEDULE PERFORMANCE INDEX

SaskPower uses the Capital Cost Performance and Capital Schedule Performance Indices to evaluate our company's ability to manage large capital projects within approved budgets and schedules. These measures track the performance of capital projects with a minimum approved project budget of $5 million. Each project included in this measure is weighted by its assessed project tier, which takes into account factors such as project size, complexity and risk.

Capital Cost Performance Index (CPI) reports the percentage of projects for which actual expenditures have been managed within the project's budgeted cash flow at any point in time.

Capital Schedule Performance Index (SPI) reports the percentage of projects that have been kept on schedule by measuring a project's actual progress completed against the progress expected to be completed at any point in time.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	80/80	**80/80**	80/80	80/80	80/80	80/80	80/80
Actual	80/75	**89/83**					

SaskPower's **CPI** performance as at March 31, 2024, of 89% exceeds our annual target of 80%. Of the 44 large capital projects SaskPower invested in during 2023-24, 38 were successfully managed within or below budget.

Our company's **SPI** result of 83% is better than our target of 80%, with 36 of the 44 large capital projects managed on or ahead of schedule as at March 31, 2024.

INDIGENOUS PROCUREMENT

Our company is committed to promoting and pursuing viable business development opportunities through long-term relationships with Indigenous Rights Holders, communities and companies in the Province of Saskatchewan. The Indigenous procurement measure tracks the extent to which SaskPower engages in Saskatchewan Indigenous-sourced procurement relative to total Saskatchewan-sourced procurement.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	10.0	**10.0**	11.0	12.0	13.0	14.0	15.0
Actual	15.5	**10.8**					

SaskPower's Indigenous procurement accounted for 10.8% of the purchase orders issued to Saskatchewan suppliers, exceeding our target of 10.0% for the year. Our company's consistent efforts and dedicated focus to ensure that Indigenous vendors have ample opportunity to work with SaskPower is demonstrated by a total Indigenous procurement spend of nearly $95 million, up from $94 million in 2022-23. This is the third consecutive year SaskPower has achieved these levels, highlighting SaskPower's commitment to supporting Indigenous businesses and economic reconciliation.

SaskPower continues to focus on Indigenous supplier development and is exploring under-served procurement areas of our business that may present strategic growth opportunities for Indigenous suppliers.

CROWN COLLABORATION

The Crown collaboration measure is an index that tracks the Crown sector performance based on equal weighting for two components: combined cost savings for Crown corporations and participating Treasury Board Crowns, agencies and ministries achieved through joint initiatives and collaboration efforts (50%) and private sector investments secured by the Investment Attraction Working Group (50%).

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	100	**100**	100	100	100	100	100
Actual	120	**411**					

Crown collaboration exceeded the target of 100% with a score of 411% for the year ended March 31, 2024. This performance result can largely be attributed to significant investments secured through the Investment Attraction Working Group. SaskPower continues to realize substantial savings through Crown collaboration initiatives, which include centralizing line locating services; fibre sharing; natural gas optimization; joint workforce management software implementation; and joint infrastructure installation partnerships.

STRATEGIC PRIORITY 4

BUILD A CLEANER, RELIABLE AND MODERNIZED ELECTRICITY SYSTEM

NEW GHG REGULATIONS, TECHNOLOGICAL ADVANCES, AND SOCIAL EXPECTATIONS ARE REQUIRING UTILITIES TO MODERNIZE THEIR SYSTEMS WITH CLEANER POWER OPTIONS, ADVANCED INFORMATION SYSTEMS, AND CLIMATE-RESILIENT ASSETS. WE ARE COMMITTED TO OPERATING A DIVERSE AND SUSTAINABLE GENERATION FLEET TO MEET OUR CUSTOMERS' NEEDS, WHILE WELCOMING COLLABORATION WITH OUR CUSTOMERS AND COMMUNITIES ON ELECTRICITY OPTIONS. WE WILL ALSO USE AUTOMATION TO IMPROVE RELIABILITY AND GRID SECURITY.

EQUIVALENT AVAILABILITY FACTOR

The Equivalent Availability Factor (EAF) indicates the percentage of time that a generating unit is available for producing electricity, adjusted for any temporary reductions in generating capability due to equipment failures, planned maintenance, derates, or other causes. Consistent with standards from the Institute of Electrical and Electronics Engineers (IEEE) as well as guidance from the North American Electric Reliability Corporation (NERC), events outside of management's control (OMC) — such as severe weather beyond which infrastructure was built to withstand — are excluded.

In addition to determining the EAF for each SaskPower-owned generation unit, our company also consolidates this measure across our entire portfolio of generation assets, weighting each generation unit by its respective nameplate capacity. While higher EAF percentages are more favourable, targets are set giving consideration to prudent equipment maintenance and capital requirements.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	≥ 85.0	**≥ 85.0**	≥ 85.0	≥ 85.0	≥ 85.0	≥ 85.0	≥ 85.0
Actual	82.0	**86.9**					

SaskPower's overall weighted EAF performance of 86.9% in 2023-24 surpassed the annual minimum target of 85.0%.

Fewer forced outages experienced by our generation fleet, combined with a decrease in additional maintenance requirements discovered during planned maintenance outages, resulted in availability that met or surpassed the target for all SaskPower-owned generation sources during the year.

Excluded from our 2023-24 result is the emergency shutdown of our 582-megawatt (MW) Poplar River Power Station (PRPS) in early June 2023, which qualified as an OMC event. A torrential rainstorm in the Coronach area caused mud, straw, and debris to flood PRPS, damaging equipment and completely filling the 47-foot deep concrete well that the plant relies on for cooling water. Significant recovery efforts, totalling an estimated 47,000 work hours, were required to return PRPS to service in the latter half of August 2023.

DISTRIBUTION SAIDI/SAIFI

SaskPower measures the reliability of its distribution system by using two industry-standard measures: System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI). While the results for these measures reflect both planned and forced outages, Major Event Days (MEDs) — which are defined as events that exceed reasonable infrastructure design and/or operational limits, as set out by the Institute of Electrical and Electronics Engineers (IEEE) — are excluded.

Distribution SAIDI allows us to track our company's performance of restoring service in response to outages. It is a measure of the service interruption length, in hours, that customers experience, on average, in a 12-month period. The distribution SAIDI results are impacted by a number of factors, including adverse weather during restoration; equipment condition; extent of outage; travel time to the trouble point; and line staff availability, familiarity with facilities and level of experience.

Distribution SAIFI reports the number of outages that customers experience, on an average, in a given year. This measure includes both controllable interruptions (outages from infrastructure failures, tree contacts, and scheduled outages) and uncontrollable interruptions (caused by elements such as adverse weather or the loss of transmission supply).

(hours/outages)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	5.9/2.7	**5.9/2.9**	5.5/3.7	5.5/3.7	5.4/3.7	5.3/3.5	3.8/1.8
Actual	5.3/3.7	**5.0/3.9**					

For 2023-24, SaskPower's **distribution SAIDI** performance of 5.0 hours outperformed both our annual target and the prior year result. The leading causes of distribution outage duration included the loss of transmission supply (34%), planned outages (19%), and faulty equipment (13%).

Our company's **distribution SAIFI** result of 3.9 outages per customer was more than 34% over our target of 2.9 outages. Loss of transmission supply was the largest contributor to distribution outages experienced (55%), followed by planned outages (11%), and faulty equipment (9%).

There were two MEDs experienced by our distribution infrastructure during the year — down from six MEDs in the previous year — which have been excluded from our distribution SAIDI and SAIFI results:

- May 14, 2023: A northern forest fire resulted in two kilometres of damaged transmission structures and caused a multi-day outage. Over 2,500 customers in Buffalo Narrows; La Loche; Île-à-la-Crosse; Dore Lake; Beauval; and surrounding areas were impacted by the outage.
- July 1, 2023: A severe summer storm with strong winds, hail, and lightning caused damage to a transmission line and distribution lines and poles. The outage affected approximately 20,000 customers in Lloydminster; North Battleford; Meadow Lake; Prince Albert; and surrounding areas.

SaskPower's ongoing grid modernization efforts continue to improve outage reporting accuracy. As a result, our Distribution Control Office is recording a greater number of distribution outages caused by the loss of transmission supply. The same impact is not seen in the average distribution outage duration given the short outages typically caused by loss of transmission supply.

TRANSMISSION SAIDI/SAIFI

SaskPower also monitors the reliability of its transmission system using SAIDI and SAIFI measures, excluding Major Event Days (MEDs).

Transmission SAIDI tracks our performance restoring service in response to outages specific to our transmission assets. It reports the average forced interruption length, in minutes, experienced at a bulk electric service delivery point (BES DP) in one year. Transmission SAIDI is influenced by factors such as adverse weather and defective equipment.

Transmission SAIFI reports the average number of forced interruptions experienced at a given BES DP over a 12-month period. Forced interruptions include outages caused by weather conditions; defective equipment; system conditions like over-voltage; human element; and foreign interference such as wildlife contacts.

(minutes/outages)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	135/3.0	**135/3.0**	135/3.0	135/3.0	135/2.9	130/2.9	120/2.8
Actual	140/2.3	**119/2.4**					

SaskPower's **transmission SAIDI** performance of 119 minutes per BES DP was better than the target of 135 minutes. The primary causes of transmission outage duration this year were defective equipment (34%); foreign interference (25%); and adverse weather and environmental conditions (21%).

Our company's **transmission SAIFI** result of 2.4 outages outperformed our target of 3.0 outages. The largest number of transmission interruptions continued to occur due to adverse weather (36%), led primarily by lightning strikes. Other leading causes of interruptions included foreign interference (16%); defective equipment (13%); and human element (8%).

There were no MEDs experienced by our transmission infrastructure during 2023-24, compared to four in the prior year which were excluded from transmission SAIDI and SAIFI results.

RENEWABLE GENERATION PORTFOLIO

This measure evaluates SaskPower's generation capacity from renewable sources as a percentage of our company's total installed generation capacity, including capacity contracted from independent power producers (IPPs). The renewable generation portfolio refers to non-natural gas and non-coal-fired generation, and includes hydro; wind; solar; waste heat; flare gas; and landfill gas, as well as long-term firm capacity agreements for imports generated from renewable fuel sources.

(%)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Long-term
Target	35.0	**35.8**	36.8	36.3	37.4	42.7	up to 50.0
Actual	34.7	**35.5**					

SaskPower's total renewable generation capacity as at March 31, 2024, was 1,901 megawatts (MW), or 35.5%, of our company's total available generating capacity of 5,355 MW. Despite limited additions of renewable capacity during the year, led by 7 MW from a combination of our Power Generation Partner Program (PGPP) and Net Metering Program, the overall proportion of capacity from renewable and non-emitting sources increased from 34.7% in 2022-23. This increase was driven by the retirement and transition to lay-up status of 95 MW of natural gas generation from Queen Elizabeth Power Station's Unit 3.

Meanwhile, our performance on this measure fell shy of our annual target of 35.8%, as we continue to experience deferral or cancellation of some renewable and non-emitting IPP and PGPP projects, primarily driven by unfavourable market conditions.

GREENHOUSE GAS EMISSIONS

SaskPower's greenhouse gas (GHG) emissions measure compares our company's annual GHG emissions against our 2005 GHG emissions to track our progress towards our commitment to reduce GHG emissions by at least 50% from 2005 levels by 2030. This measure includes GHG emissions from electricity generated by SaskPower-owned units, as well as from electricity supplied to the grid via IPPs. Targets and results express GHG emissions as a percentage change from SaskPower's 2005 GHG emissions level.

(% change from 2005 levels)	2022	2023	2024	2025	2026	2027	Long-term
Target	(18.0)	**(8.0)**	(18.0)	(22.0)	(23.0)	(22.0)	(50.0)
Actual	(3.1)	**(4.0)**					

Our company's annual GHG emissions decreased to 13.6 million tonnes of carbon dioxide equivalent (CO_2e) in the 2023 calendar year — 4.0% below our 2005 GHG emissions level benchmark. The year-over-year drop in emissions of 0.9 percentage points was primarily due to reductions in coal-related emissions. Our 582-MW Poplar River Power Station experienced an emergency shutdown due to flooding from a torrential rainstorm in the Coronach area and was offline early June through to late August 2023.

Despite a reduction from 2022 emissions, SaskPower's performance was 4.0 percentage points over the 2023 GHG emissions target of 8% below our 2005 GHG emissions level. Greater than planned volumes from higher-emitting gas- and coal-fired generation were necessary to offset the reduction in clean hydroelectric generation available to SaskPower driven by lower than normal water levels in 2023.

2023-24 FINANCIAL RESULTS

AT A GLANCE		
Revenue	$	3,379M
Net income	$	184M
Return on equity[1]		6.7%
Saskatchewan electricity sales		24,279 GWh
Gross electricity supplied		26,575 GWh
Property, plant and equipment	$	11,173M
Capital expenditures	$	1,213M
Total net debt	$	8,234M
Per cent debt ratio		74.4%
Customer accounts		557,443
Annual peak load (net MW)		3,896 MW

(in millions)	2023-24	2022-23	Change
Revenue			
Saskatchewan electricity sales	$ 3,096	$ 2,844	$ 252
Exports	129	139	(10)
Other revenue	154	84	70
Total revenue	3,379	3,067	312
Expense			
Fuel and purchased power	1,240	1,283	(43)
Operating, maintenance and administration	811	792	19
Depreciation and amortization	605	597	8
Finance charges	409	406	3
Taxes	92	86	6
Other expenses	38	75	(37)
Total expense	3,195	3,239	(44)
Net income (loss)	$ 184	$ (172)	$ 356
Return on equity[1]	6.7%	(6.3%)	13.0%

1. Return on equity = ((net income (loss))/(average equity), where equity = (retained earnings + equity advances).

HIGHLIGHTS AND SUMMARY OF RESULTS

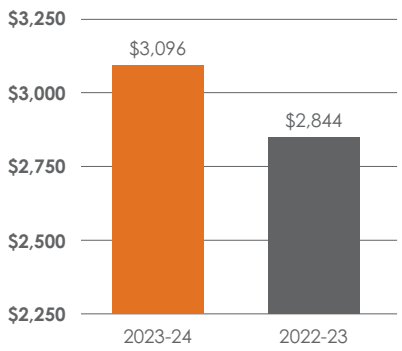
SaskPower reported a consolidated net income of $184 million in 2023-24, compared to a consolidated net loss of $172 million in 2022-23. The $356 million increase was primarily due to a $312 million increase in revenue, combined with a $44 million decrease in expense. The return on equity was 6.7%, up 13 percentage points from the previous year.

Total revenue was $3,379 million, compared to $3,067 million 2022-23. The $312 million increase in revenue was mainly due to higher Saskatchewan electricity sales of $252 million due to system average rate increases and higher demand. Electricity sales volumes to Saskatchewan customers were 24,279 gigawatt hours (GWh), up 461 GWh or 1.9% compared to the prior year. Other revenue increased $70 million due to higher customer contributions and carbon dioxide (CO_2) sales. These improvements in revenue were offset by a $10 million decrease in exports as a result of lower sales volumes to Alberta, partially offset by higher volumes sold to the Southwest Power Pool.

Total expense was $3,195 million, down $44 million from 2022-23. The decrease in total expense was mainly attributable to a $43 million decrease in fuel and purchased power costs due to lower natural gas prices, partially offset by lower cost hydro generation being replaced by natural gas generation and higher generation volumes to meet increased demand. Capital-related expenses — depreciation, finance charges, taxes and other expenses — decreased a combined total of $20 million due to lower environmental provisions and a cash settlement related to a contractual dispute recognized in the prior year, partially offset by higher depreciation due to new capital additions, as well as higher interest on borrowings, corporate capital tax and grants-in-lieu. These decreases were offset by a $19 million increase in operating, maintenance and administration (OM&A) expense attributable to an increase in full-time equivalent employees added to our workforce to support our energy transition and distribution transformation initiatives.

SASKATCHEWAN ELECTRICITY SALES

Saskatchewan electricity sales represent the sale of electricity to all customer classes within the province. These sales are subject to the effects of general economic conditions, number of customers, weather, and electricity rates. Included in Saskatchewan electricity sales is the federal carbon charge which is being recovered by SaskPower from its customers through a rate rider. The revenue associated with the federal carbon charge is set aside and used to fund the federal carbon tax payments.



SASKATCHEWAN ELECTRICITY SALES (MILLIONS)

(in millions)	2023-24	2022-23	Change
Residential	$ 632	$ 606	$ 26
Farm	198	185	13
Commercial	557	528	29
Oilfield	469	440	29
Power	895	815	80
Reseller	105	99	6
	2,856	2,673	183
Federal carbon charge collected	240	171	69
Saskatchewan electricity sales	$ 3,096	$ 2,844	$ 252

SASKATCHEWAN ELECTRICITY SALES - $3,096 MILLION

- **RESIDENTIAL** 21%
- **FARM** 6%
- **COMMERCIAL** 18%
- **OILFIELD** 15%
- **POWER** 29%
- **RESELLER** 3%
- **FEDERAL CARBON CHARGE COLLECTED** 8%

(in GWh)	2023-24	2022-23	Change
Residential	3,224	3,294	(70)
Farm	1,305	1,288	17
Commercial	3,749	3,776	(27)
Oilfield	4,320	4,211	109
Power	10,531	10,087	444
Reseller	1,150	1,162	(12)
Electricity sales volumes	24,279	23,818	461

Saskatchewan electricity sales, excluding the federal carbon charge collected, were $2,856 million in 2023-24, up $183 million from 2022-23. The $183 million increase was due to system average rate increases and higher sales volumes. Electricity sales volumes to Saskatchewan customers were 24,279 GWh, up 461 GWh or 1.9% compared to the prior year. The largest increases in electricity sales occurred in the power and oilfield customer classes. Consumption in the power customer class increased 444 GWh from the prior year due to increased activity in the pipeline, potash and oil refinery sectors. Oilfield sales were up 109 GWh due to improved economic conditions.

The federal carbon charge collected increased $69 million compared to 2022-23, mainly due to the 0.5% rate rider increase effective January 1, 2024, and higher sales volumes.

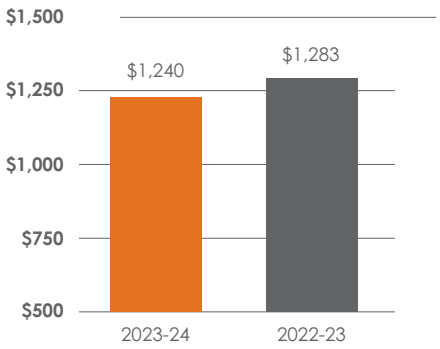
ELECTRICITY SALES VOLUMES - 24,279 GWH

- **RESIDENTIAL** 13%
- **FARM** 5%
- **COMMERCIAL** 16%
- **OILFIELD** 18%
- **POWER** 43%
- **RESELLER** 5%

FUEL AND PURCHASED POWER

SaskPower's fuel and purchased power costs include the fuel charges associated with the electricity generated from SaskPower-owned facilities, costs associated with power purchase agreements (PPAs), as well as electricity imported from markets outside Saskatchewan. This electricity is used to serve our company's Saskatchewan customers, with surplus electricity being sold to markets outside the province when favourable conditions exist.

SaskPower's fuel cost management strategy focuses on the economic dispatch of the generating units that bring the lowest incremental cost units online first. Included in the incremental cost is the federal price of carbon on generation that exceeds the allowable emission thresholds.



FUEL AND PURCHASED POWER (MILLIONS)

(in millions)	2023-24	2022-23	Change
Gas	$ **366**	$ 449	$ (83)
Coal	**296**	318	(22)
Imports	**178**	163	15
Wind	**84**	93	(9)
Hydro	**16**	20	(4)
Solar	**6**	5	1
Other	**25**	25	-
	971	1,073	(102)
Federal carbon charge	**269**	210	59
Fuel and purchased power	$ **1,240**	$ 1,283	$ (43)

FUEL AND PURCHASED POWER - $1,240 MILLION

- **GAS** 30%
- **COAL** 24%
- **IMPORTS** 14%
- **WIND** 7%
- **HYDRO** 1%
- **SOLAR** <1%
- **OTHER** 2%
- **FEDERAL CARBON CHARGE** 22%

(in GWh)	2023-24	2022-23	Change
Gas	**11,934**	10,575	1,359
Coal	**7,895**	8,424	(529)
Imports	**2,027**	1,806	221
Wind	**1,981**	2,177	(196)
Hydro	**2,490**	3,244	(754)
Solar	**71**	55	16
Other	**177**	145	32
Gross electricity supplied	**26,575**	26,426	149

GROSS ELECTRICITY SUPPLIED - 26,575 GWH

- **GAS** 45%
- **COAL** 30%
- **IMPORTS** 8%
- **WIND** 7%
- **HYDRO** 9%
- **SOLAR** <1%
- **OTHER** <1%

Fuel and purchased power costs, excluding the federal carbon charge, were $971 million in 2023-24, down $102 million from 2022-23. The $102 million decrease is a result of a favourable price variance, partially offset by unfavourable fuel mix and volume variances. The price of fuel decreased primarily due to the average price of natural gas dropping approximately $1.50 per gigajoule. The lower fuel prices resulted in an overall decrease of approximately $153 million.

The fuel mix is the relative proportion that each fuel source contributes to our total fuel supply. The more energy generated from the lower incremental cost sources, the more favourable the impact on fuel and purchased power costs. During the year, hydro generation accounted for 9% of total generation, down 3% compared to the prior year. As a result, the Corporation used more expensive natural gas generation in place of this fuel source. This change in the fuel mix resulted in an estimated $45 million increase in fuel and purchased power costs.

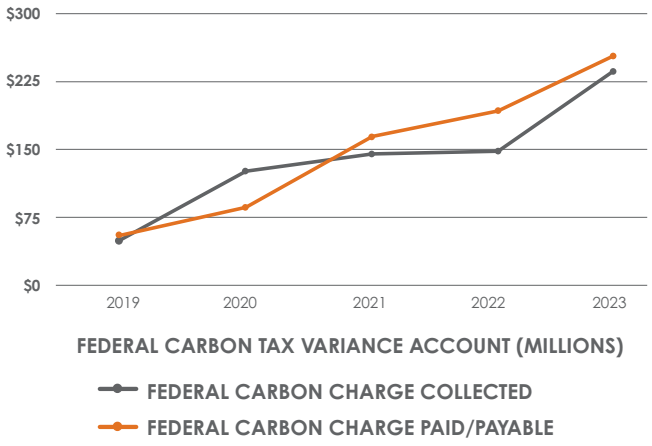
Total generation and purchased power totaled 26,575 GWh, a slight increase of 149 GWh or 0.6% compared to 2022-23. Higher customer demand resulted in an estimated $6 million increase in fuel and purchased power costs.

Federal carbon charges increased $59 million as a result of the federal carbon tax rate increasing to $80/tonne of carbon dioxide equivalent (CO_2e) and higher natural gas generation volumes.

FEDERAL CARBON TAX VARIANCE ACCOUNT

SaskPower accumulates differences between the federal carbon charge revenue collected from customers and the federal carbon tax owing in a Federal Carbon Tax Variance Account (FCTVA). The balance in the FCTVA, which is not included in SaskPower's financial statements, is either recovered from or refunded to customers as part of federal carbon charge rates. The other recoveries (expense) relate to interest earned on the monies in the account and federal carbon charges associated with exported generation.

(in millions)	Rate rider increase	$/tonne CO_2e	Federal carbon charge receipts/ receivables	Federal carbon charge payments/ payables	Other recoveries (expense)	**Over (under) collected**
Balance, December 31, 2021			$ 318	$ (304)	$ 7	**$ 21**
Total 2022 calendar year	0.0%	$ 50	148	(192)	11	**(33)**
Total 2023 calendar year	3.0%	65	235	(252)	29	**12**
Total 2024 calendar year (three months)	0.5%	80	66	(86)	8	**(12)**
Cumulative balance			**$ 767**	**$ (834)**	**$ 55**	**$ (12)**



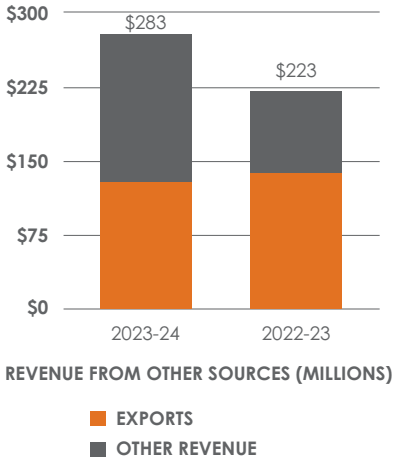
Effective January 1, 2019, the Government of Canada introduced a federal carbon tax that was applied to SaskPower's fossil fuel emissions, including those from coal- and natural gas-fired generating stations. SaskPower began recovering the expense associated with the federal carbon tax from its customers through a rate rider effective April 1, 2019. The rate rider is typically adjusted on January 1 of each year to reflect any changes in the estimated carbon tax for the upcoming calendar year. The revenue associated with the federal carbon charge rate rider is being set aside and is used to fund the federal carbon tax payments.

The federal carbon tax payment for the 2022 calendar year was paid in December 2023 to Environment and Climate Change Canada, as well as certain independent power producers. The 0.5% increase in the carbon charge rate rider effective January 1, 2024, was a result of the federal carbon tax increasing to $80/tonne of CO_2e from $65/tonne of CO_2e in the prior year. In July 2023, the Government of Canada approved the Saskatchewan Output-Based Performance Standards (OBPS) Program as a replacement for the Federal OBPS Program retroactive to January 1, 2023. As a result, the 2023 and 2024 federal carbon charges are payable to the Government of Saskatchewan.

In 2024-25, the Government of Saskatchewan, through the Ministry of Environment, will provide a $140 million Clean Electricity Transition Grant (CETG) to SaskPower for use toward eligible initiatives, including clean electricity power purchase agreements; customer clean electricity and demand-side management programs; importing renewable power; and costs associated with the development of nuclear small modular reactors.

REVENUE FROM OTHER SOURCES

Revenue from other sources includes exports, which represent the sale of SaskPower's available generation to neighbouring markets and other revenue, which includes various non-electricity products and services.



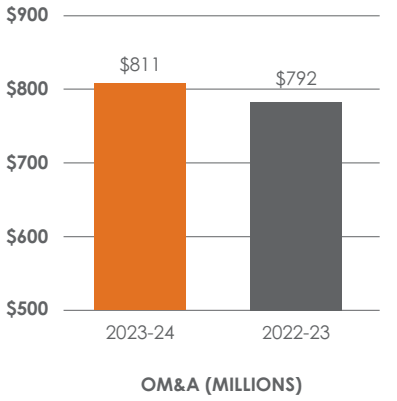
(in millions)	2023-24	2022-23	Change
Exports	$ 129	$ 139	$ (10)
Other revenue	154	84	70
Revenue from other sources	$ 283	$ 223	$ 60

Exports were $129 million in 2023-24, down $10 million from 2022-23 due to decreased volumes, partially offset by higher average sale prices. Export sales volumes – primarily to Alberta and the Southwest Power Pool – were 763 GWh, down 169 GWh from the volumes sold in 2022-23. The decrease is primarily due to lower sales volumes to Alberta, partially offset by higher sales volumes to the Southwest Power Pool. The average export sales price was $169 per megawatt hour (MWh), up $20 per MWh compared to 2022-23.

Other revenue was $154 million in 2023-24, up $70 million from 2022-23. The increase was mainly attributable to higher customer contributions and CO_2 sales.

OPERATING, MAINTENANCE AND ADMINISTRATION (OM&A)

OM&A expense includes salaries and benefits; external services; materials and supplies; and other operating costs.

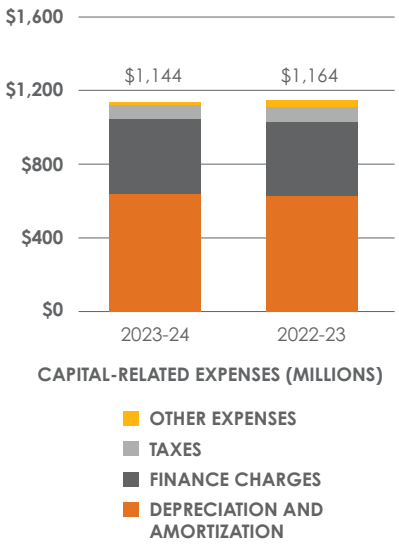


(in millions)	2023-24	2022-23	Change
OM&A	$ 811	$ 792	$ 19

OM&A expense was $811 million in 2023-24, up $19 million from 2022-23. This increase was attributable to an increase in full-time equivalent employees added to our workforce to support our energy transition and distribution transformation initiatives.

CAPITAL-RELATED EXPENSES

Capital-related expenses include depreciation, finance charges, taxes, and other expenses.



(in millions)	2023-24	2022-23	Change
Depreciation and amortization	**$ 605**	$ 597	$ 8
Finance charges	**409**	406	3
Taxes	**92**	86	6
Other expenses	**38**	75	(37)
Capital-related expenses	**$ 1,144**	$ 1,164	$ (20)

Depreciation and amortization expense was $605 million in 2023-24, up $8 million from 2022-23. The increase is primarily due to new capital additions.

Finance charges were $409 million in 2023-24, up $3 million from 2022-23. The increase in finance charges was mainly attributable to higher interest on short-term and long-term borrowings, substantially offset by the combination of higher debt retirement fund earnings, higher interest capitalized and lower interest on lease liabilities.

Taxes were $92 million in 2023-24, up $6 million from the prior year. This increase was the result of higher corporate capital tax due to an increase in the paid-up capital base, as well as higher grants-in-lieu due to increased Saskatchewan electricity sales.

Other expenses were $38 million in 2023-24, compared to $75 million in 2022-23. The $37 million decrease was mainly attributable to lower environmental provisions and a cash settlement related to a contractual dispute recognized in the prior year.

2023-24 QUARTERLY RESULTS

(in millions)	Q1	Q2	Q3	Q4	Total
Revenue					
Saskatchewan electricity sales	$ 738	$ 761	$ 787	$ 810	**$ 3,096**
Exports	31	48	32	18	**129**
Other revenue	54	41	31	28	**154**
Total revenue	**823**	**850**	**850**	**856**	**3,379**
Expense					
Fuel and purchased power	289	295	322	334	**1,240**
Operating, maintenance and administration	209	197	203	202	**811**
Depreciation and amortization	148	149	151	157	**605**
Finance charges	99	103	106	101	**409**
Taxes	22	22	24	24	**92**
Other expenses	4	7	14	13	**38**
Total expense	**771**	**773**	**820**	**831**	**3,195**
Net income	**$ 52**	**$ 77**	**$ 30**	**$ 25**	**$ 184**

Fourth quarter year-over-year variance explanation

	Three months ended March 31			
(in millions)	**2023-24**	2022-23	Change	
Revenue	**$ 856**	$ 822	$ 34	Increased Saskatchewan electricity sales due to increased demand and higher CO_2 sales, partially offset by lower export sales volumes sold to Alberta at lower sale prices.
Expense	**831**	880	(49)	Lower fuel and purchased power costs primarily due to lower natural gas and import prices, partially offset by lower cost hydro generation being replaced by natural gas generation. As well, other expenses decreased due to lower environmental provisions and a cash settlement related to a contractual dispute recognized in the prior year. These decreases were partially offset by higher OM&A expense attributable to an increase in full-time equivalent employees added to our workforce to support our energy transition and distribution transformation initiatives and higher depreciation expense due to new capital additions.
Net income (loss)	**$ 25**	$ (58)	$ 83	

FINANCIAL CONDITION

The following table outlines changes in the consolidated statement of financial position from April 1, 2023, to March 31, 2024:

(in millions)	Change ($)	Change (%)	
Cash and cash equivalents	$ 182	95%	Refer to Statement of Cash Flows.
Accounts receivable and unbilled revenue	53	13%	Higher grant funding receivables, partially offset by timing of accruals.
Inventory	42	13%	Increase in maintenance supplies.
Prepaid expenses	(3)	(7%)	Timing of recognition of expenses.
Property, plant and equipment	552	5%	Additions offset by depreciation expense, asset disposals and retirements.
Right-of-use assets	(49)	(11%)	Depreciation slightly offset by additions and modifications of leases.
Intangible assets	10	14%	Capitalization of new software costs, partially offset by amortization expense.
Debt retirement funds	82	11%	Instalments and earnings, slightly offset by market value losses.
Other assets	11	69%	Increase in long-term maintenance service costs.
Accounts payable and accrued liabilities	100	13%	Timing of accruals and payments and higher federal carbon tax payable.
Accrued interest	10	14%	Additional long-term debt borrowings.
Deferred revenue	(27)	(61%)	Recognition of customer contributions in revenue.
Dividend payable	5		Dividend declared for the fourth quarter based on 2023-24 net income.
Risk management liabilities (net of risk management assets)	11	183%	New hedge contracts and decreased forward natural gas prices, offset by settlement of natural gas hedges.
Short-term advances	120	15%	Increased short-term advances.
Long-term debt (including current portion)	579	8%	Additional issuance of long-term debt, partially offset by repayments and amortization of debt premiums net of discounts.
Lease liabilities (including current portion)	(53)	(6%)	Principal repayments of lease liabilities.
Employee benefits	(62)	(50%)	Actuarial gains on the defined benefit pension plan and benefit payments, offset by interest expense and current service costs.
Provisions	(14)	(4%)	Increased discount rates and expenditures offset by accretion expense.
Equity	211	8%	2023-24 comprehensive income less dividends declared.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Corporation is unable to meet its financial commitments as they become due or can do so only at excessive cost. SaskPower manages the Corporation's liquidity risk by maintaining sufficient liquid financial resources to fund our financial position and meet our commitments and obligations in a cost-effective manner.

SOURCES OF FINANCING

SaskPower raises most of its capital through internal operating activities and through borrowings obtained from the Government of Saskatchewan. This type of borrowing allows our company to take advantage of the province's strong credit rating. *The Power Corporation Act* provides SaskPower with the authority to have outstanding borrowings of up to $10 billion, which includes $2 billion that may be borrowed by way of temporary loans. Temporary loans include short-term borrowings through the Government of Saskatchewan as well as borrowings made under the $50 million credit facility provided by a financial institution.

The other major source of financing used by our company is the outstanding $593 million in equity advances that were provided by Crown Investments Corporation (CIC).

Sources of financing	Authorized amount	Outstanding as at March 31, 2024
Credit facility	$ 50.0 million	$ -
Temporary loans (including credit facility)	2.0 billion	**0.9 billion**
Total borrowings (including temporary loans)	10.0 billion	**8.6 billion**

CREDIT RATINGS - PROVINCE OF SASKATCHEWAN

	2023-24			2022-23		
	Short-term obligations	**Long-term obligations**	**Trend**	Short-term obligations	Long-term obligations	Trend
DBRS Morningstar	**R-1 (middle)[1]**	**AA (low)[2]**	**Stable**	R-1 (middle)[1]	AA (low)[2]	Stable

1. As per DBRS Morningstar Rating Policies, **R-1 (middle)** denotes superior credit quality. The capacity for payment of short-term financial obligations as they fall due is very high. Differs from R-1 (high) by a relatively modest degree. Unlikely to be significantly vulnerable to future events.
2. As per DBRS Morningstar Rating Policies, **AA** denotes superior credit quality. The capacity for payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.

CASH FLOW HIGHLIGHTS

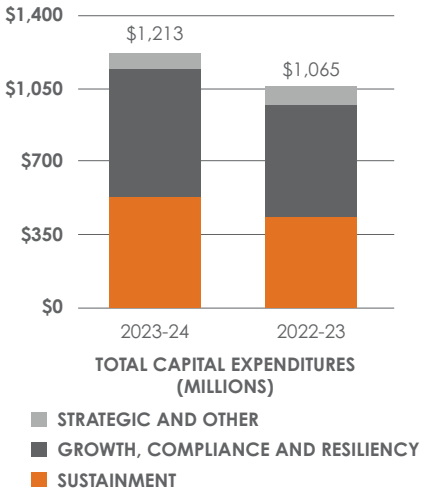
SaskPower's cash flows from operating, investing and financing activities are summarized in the following table:

(in millions)	2023-24	2022-23	Change
Cash and cash equivalents, beginning of year	**$ 192**	$ 32	$ 160
Cash provided by operating activities	**751**	445	306
Cash used in investing activities	**(1,133)**	(1,017)	(116)
Cash provided by financing activities	**564**	732	(168)
Cash and cash equivalents, end of year	**$ 374**	$ 192	$ 182

SaskPower's cash position at March 31, 2024, was $374 million, up $182 million from the prior year. SaskPower typically manages its cash position in the $15 to $125 million range with the actual cash balance fluctuating throughout the year based on the timing of cash inflows and outflows. SaskPower's cash balance was higher than usual at March 31, 2024, due to cash received in late March from a $300 million long-term borrowing. This cash will be used to repay maturing debt in the first quarter of 2024-25.

CAPITAL EXPENDITURES

(in millions)	2023-24	2022-23	Change
Generation	$ 155	$ 100	$ 55
Transmission	92	75	17
Distribution	163	145	18
Other	110	101	9
Sustainment	520	421	99
Generation	389	233	156
Transmission	39	121	(82)
Distribution	16	15	1
Customer connects	177	183	(6)
Growth, compliance and resiliency	621	552	69
Strategic and other	72	92	(20)
Total capital expenditures	1,213	1,065	148
Grant funding	(49)	(18)	(31)
Capital expenditures (net)	$ 1,164	$ 1,047	$ 117



In order to ensure a reliable, sustainable and cost-effective supply of electricity for its customers, SaskPower spent over $1.2 billion on various capital projects during 2023-24, compared to $1.1 billion in 2022-23.

The company invested $520 million on sustainment activities, including:

- $155 million on generation assets and $255 million on transmission and distribution assets; and
- $110 million for other sustainment expenditures, including $50 million on building renovations; $32 million on technology and security assets; and $22 million on vehicles and equipment.

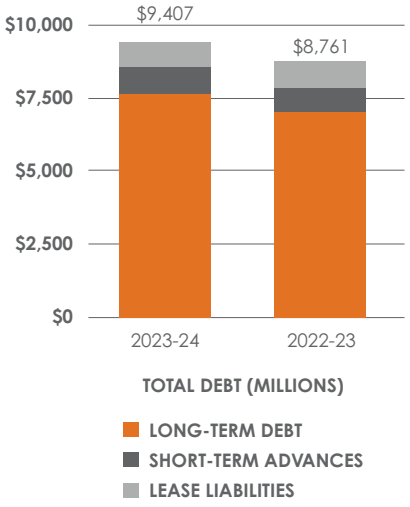
SaskPower also spent $621 million on growth, compliance and resiliency investments, including:

- $389 million on generation assets, including $189 million on new units at Ermine and Yellowhead Power Stations; $121 million on the new Great Plains Power Station; and $78 million on the new Aspen Power Station;
- $55 million on increasing grid capacity; and
- $177 million to connect customers to the SaskPower electricity system.

CAPITAL MANAGEMENT

(in millions)	March 31, 2024	March 31, 2023	Change
Long-term debt	$ 7,647	$ 7,068	$ 579
Short-term advances	910	790	120
Lease liabilities	850	903	(53)
Total debt	$ 9,407	$ 8,761	$ 646
Debt retirement funds	799	717	82
Cash and cash equivalents	374	192	182
Total net debt[1]	$ 8,234	$ 7,852	$ 382
Retained earnings	2,237	2,071	166
Equity advances	593	593	-
Total capital	$ 11,064	$ 10,516	$ 548
Per cent debt ratio[2]	74.4%	74.7%	(0.3%)

1. Total net debt is a non-GAAP financial measure and calculated by deducting debt retirement funds and cash and cash equivalents from total debt.
2. Per cent debt ratio = (total net debt)/(total capital).



Total debt position

SaskPower's total debt position (including lease liabilities) was over $9.4 billion at March 31, 2024, up $646 million from the prior year.

- SaskPower borrowed $732 million of long-term debt as follows:

(in millions)

Date of issue	Date of maturity	Effective interest rate (%)	Coupon rate (%)	Par value	Premium (discount)	Outstanding amount
May 12, 2023	Jun 2, 2027	3.41	3.41	$ 300	$ -	$ 300
Jun 22, 2023	Dec 2, 2054	4.28	4.20	145	(2)	143
Mar 22, 2024	Dec 2, 2054	4.41	4.20	300	(11)	289
				$ 745	**$ (13)**	**$ 732**

- On April 3, 2023, the Corporation repaid a $150 million floating rate long-term debt.
- The Corporation borrowed $120 million additional short-term advances.
- The Corporation's lease liabilities fell by a net of $53 million and $3 million in debt premiums net of discounts was amortized.

The Corporation's per cent debt ratio has decreased slightly from 74.7% as at March 31, 2023, to 74.4% as at March 31, 2024.

Subsequently, in the first quarter of 2024-25, the Corporation borrowed an additional $535 million of long-term debt from the Government of Saskatchewan.

Debt retirement funds

(in millions)	2023-24	2022-23
Balance, April 1	$ 717	$ 738
Debt retirement fund instalments	70	60
Debt retirement fund redemptions	-	(72)
Debt retirement fund earnings	14	8
Debt retirement fund realized market value losses	-	(7)
Debt retirement fund unrealized market value losses	(2)	(10)
Balance, March 31	**$ 799**	$ 717

Debt retirement funds are monies set aside to retire outstanding long-term debt upon maturity. SaskPower makes regular contributions to the funds, which are held and invested by the Government of Saskatchewan's General Revenue Fund.

During the year ended March 31, 2024, SaskPower made $70 million in contributions to the debt retirement funds on outstanding debt issues as required by the terms of the advances from the Government of Saskatchewan's General Revenue Fund. In addition, the Corporation earned $14 million (included with finance charges and classified as non-cash operating activities) on the debt retirement funds for the year. The debt retirement funds are classified as fair value through other comprehensive income. As a result, $2 million in unrealized market value losses were recognized through other comprehensive income in 2023-24.

DIVIDENDS

SaskPower pays dividends to CIC based on the CIC Dividend Policy. CIC determined that the Corporation will be required to pay a 10% dividend based on 2023-24 net income. The dividend was to be paid in quarterly instalments during 2023-24. For the year ended March 31, 2024, a dividend of $18 million has been declared. To date, $13 million in dividends have been paid related to the fiscal 2023-24 year. The remaining $5 million in dividends will be paid in June 2024.

CONTRACTUAL OBLIGATIONS

SaskPower has the following significant long-term contractual obligations as at March 31, 2024, which will impact cash flows in the following year and beyond:

(in millions)	1 year	2-5 years	More than 5 years	Total
Planned capital expenditures	$ 1,597	$ 5,564	$ 13,188	$ 20,349
Power purchase agreements (PPAs)[1]	613	2,477	8,276	11,366
Long-term debt (including principal and interest)	499	1,807	10,810	13,116
Debt retirement fund instalments	74	292	1,077	1,443
Coal purchase contracts	153	295	-	448
Natural gas purchase contracts	125	205	5	335
Natural gas transportation and storage contracts	73	179	211	463

1. The long-term contractual obligations related to PPAs include lease liabilities, operating agreements and long-term import agreements.

CAPITAL INVESTMENTS

SUSTAINMENT INVESTMENTS

Capital sustainment investments include generation, transmission and distribution projects that involve renewing, refurbishing, or replacing existing infrastructure, either through an annual program or one-time project.

RURAL REBUILD AND IMPROVEMENT PROGRAM

TOTAL COST: $50 MILLION (ANNUALLY) **IN-SERVICE:** ONGOING PROGRAM

The Rural Rebuild and Improvement Program is focused on the strategic replacement of Saskatchewan's aging rural electrical distribution system. It replaces lines with poor reliability performance and facilitates removal of power lines from farm fields while taking into account safety considerations and the optimization of line loss savings.

RURAL UNDERGROUND (RUD) MITIGATION PROGRAM

TOTAL COST: $80 MILLION (ANNUALLY) **IN-SERVICE:** ONGOING PROGRAM

The objective of the RUD mitigation program is to replace aging rural underground distribution primary cable that is at or approaching end of life.

GROWTH, COMPLIANCE AND RESILIENCY INVESTMENTS

Growth, compliance and resiliency investments include new generation, transmission or distribution additions to accommodate growth in demand, customer connections and other projects.

SOUTHWEST POWER POOL INTERCONNECTION

TOTAL COST: $400 MILLION **IN-SERVICE:** 2026-27

The purpose of this project is to facilitate an additional 500 MW of long-term transmission service between the Southwest Power Pool and SaskPower. This project includes building a new switching station in the Estevan area and building two new 230 kV single circuit transmission lines.

ERMINE AND YELLOWHEAD POWER STATIONS EXPANSION

TOTAL COST: $379 MILLION **IN-SERVICE:** 2025-26

This expansion project will add a 46-MW natural gas-fired simple cycle generation unit to each of the facilities at the Ermine and Yellowhead Power Stations. Construction began in 2022-23 and will provide an additional 92 MW of power.

GREAT PLAINS POWER STATION

TOTAL COST: $825 MILLION **IN-SERVICE:** 2024-25

Construction is nearing completion on a 377-MW natural gas-fired combined cycle generating station. The Great Plains Power Station is located in Moose Jaw and is expected to be in service in July 2024. This new power station will provide generation to replace retiring conventional coal plants and support the integration of renewable generation on the power grid.

ASPEN POWER STATION

TOTAL COST: $1.4 - 1.7 BILLION **IN-SERVICE:** 2027-28

Construction is underway on a new 370-MW natural gas-fired combined cycle generating station. The Aspen Power Station is located near Lanigan and is expected to be in service in 2027. This new power station is part of a staged approach to replace retiring conventional coal generation as well as support the addition of new intermittent wind and solar generation projects.

A detailed list of the Corporation's future generation projects greater than 5 MW is listed below:

FUTURE GENERATION PROJECTS

Project name	Net capacity (MW)	Fuel source	Ownership	Estimated commissioning date
Great Plains Power Station	377	Natural gas	SaskPower	2024-25
Bekevar Wind Energy Facility	200	Wind	IPP	2024-25
Kopahawakenum Flare Gas to Power Facility	15	Flare gas	IPP	2024-25
Iyuhána Solar Energy Facility	100	Solar	IPP	2026-27
DEEP Geothermal Energy Facility	5	Geothermal	IPP	2026-27
Aspen Power Station	370	Natural gas	SaskPower	2027-28

STRATEGIC AND OTHER INVESTMENTS

Strategic and other investments include upgrades and improvements to technology and security, supply chain, and strategic and non-discretionary projects.

REGINA OPERATIONS AND MAINTENANCE COMPLEX

TOTAL COST: $280 MILLION **IN-SERVICE:** 2026-27

The Regina Operations and Maintenance Complex will result in a new 97-acre facility consolidating SaskPower operations that are currently located at the Regina Service Centre, Federal Pioneer building, Regina Maintenance Centre, Lumsden field office, Broder Street furniture warehouse, and White City Pole Yard. The complex will replace current SaskPower building assets which are at the end of their effective lifecycle and facilitate multiple operational efficiencies.

OUTLOOK

2024-25 BUDGET VS. 2023-24 ACTUAL RESULTS

The following chart outlines the 2024-25 budget as compared to SaskPower's 2023-24 actual results. These earnings expectations are subject to a number of variables, including natural gas prices; coal and hydro availability; weather; economic conditions; number of customers; new and changing regulations; supply chain; and market conditions in other jurisdictions.

(in millions)	Budget 2024-25	Actual 2023-24	Change
Revenue			
Saskatchewan electricity sales	**$ 3,167**	$ 3,096	$ 71
Exports	**95**	129	(34)
Other revenue	**116**	154	(38)
Total revenue	**3,378**	3,379	(1)
Expense			
Fuel and purchased power	**1,164**	1,240	(76)
Operating, maintenance and administration	**847**	811	36
Depreciation and amortization	**631**	605	26
Finance charges	**404**	409	(5)
Taxes	**95**	92	3
Other expenses	**45**	38	7
Total expense	**3,186**	3,195	(9)
Net income	**$ 192**	$ 184	$ 8
Return on equity[1]	**6.6%**	6.7%	(0.1%)

1. Return on equity = (net income/average equity), where equity = (retained earnings + equity advances).

SaskPower's net income is expected to be $192 million in 2024-25, up $8 million from 2023-24, resulting in a return on equity of 6.6%.

Budgeted expenses are projected to be down slightly primarily due to lower fuel and purchased power costs as a result of funding received through the Clean Electricity Transition Grant. However, this decrease in fuel and purchased power costs is expected to be partially offset by an increase in capital-related expenses — depreciation, finance charges, taxes and other expenses, as well as higher OM&A expenses. OM&A costs are expected to be higher due to increased planned maintenance activities on our transmission and distribution infrastructure, increased overhaul activities, as well as increased energy transition and distribution transformation initiatives. Total budgeted revenues for 2024-25 are expected to remain consistent with 2023-24. While other revenue and exports are expected to decrease due to lower customer contributions, CO_2 sales and reduced export opportunities; these decreases are expected to be offset by an increase in Saskatchewan electricity sales as a result of a 1.2% projected increase in demand.

2024-25 CAPITAL EXPENDITURES

(in millions)	Budget 2024-25	Actual 2023-24	Change
Total capital expenditures	**$ 1,743**	$ 1,213	$ 530
Grant funding	**(146)**	(49)	(97)
Capital expenditures (net)	**$ 1,597**	$ 1,164	$ 433

SaskPower is forecasting to spend $1.6 billion in capital expenditures in 2024-25. This record capital investment will improve reliability, replace aging infrastructure and support the energy transition by reducing emissions and modernizing the grid. The capital spend includes $508 million on sustainment activities; over $1.0 billion in growth, compliance, and resiliency activities, of which $710 million relates to the construction of new generation assets; $218 million to connect customers to the SaskPower electricity system and $94 million to increase grid capacity; and $67 million on strategic and other investments.

RELATED PARTY TRANSACTIONS

SaskPower has a number of routine transactions with various Saskatchewan Crown corporations, ministries, agencies, boards, and commissions related to our company by virtue of common control by the Government of Saskatchewan. These transactions with related parties are settled at prevailing market prices under normal trade terms. Related party transactions are disclosed in Note 31 to the consolidated financial statements.

ANALYSIS OF CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

SaskPower's material accounting policies are described in Note 3 to the consolidated financial statements. Some of these policies involve accounting estimates that require management to make particularly subjective or complex judgments about matters that are inherently uncertain. Different conditions or assumptions regarding the estimates could result in materially different results being reported. Management has discussed the development and selection of these critical accounting policies with the Board of Directors and the external auditors.

The following section discusses the critical accounting estimates and areas of judgment in applying accounting policies that have the most significant effect on the amounts reported in the consolidated financial statements.

Consolidated statement of financial position

(in millions)	March 31, 2024	March 31, 2023
Unbilled revenue receivable	$ 90	$ 81
Expected credit loss allowance	19	20
Allowance for obsolescence	19	19
Debt retirement funds	799	717
Net risk management liabilities (assets)	17	6
Decommissioning provisions	261	275
Environmental remediation liabilities	66	66
Defined benefit pension plan deficit	19	81

Consolidated statement of income (loss)

(in millions)	2023-24	2022-23
Depreciation and amortization expense	$ 605	$ 597

UNBILLED REVENUE RECEIVABLE

Electricity revenues are billed on a systematic basis. At the end of each month, SaskPower makes an estimate of the electricity delivered to its customers since their last billing date. The estimated unbilled revenue is based on several factors, including estimated consumption for each customer, applicable customer rates and the number of days between the last billing date and the end of the period. As at March 31, 2024, total Saskatchewan electricity sales of $3,096 million included $90 million of estimated unbilled revenue.

EXPECTED CREDIT LOSS ALLOWANCE

An expected credit loss allowance is calculated for both energy and non-energy sales. Loss rates are based on historical credit losses and are adjusted to reflect differences between current and historical economic conditions and the Corporation's view of economic conditions over the expected lives of the receivables. The expected credit loss allowance is reviewed quarterly based on an estimate of outstanding amounts that are considered uncollectible. Historically, SaskPower has not written off a significant portion of its accounts receivable balances.

ALLOWANCE FOR OBSOLESCENCE

An allowance for obsolescence is calculated for generation, transmission, and distribution inventory. In establishing the appropriate provision for inventory obsolescence, management estimates the likelihood that inventory on hand will become obsolete due to changes in technology and regulations.

DEBT RETIREMENT FUNDS

Debt retirement funds are monies set aside to retire outstanding debt upon maturity. The debt retirement funds are recorded at fair value on the balance sheet. The fair value adjustment is based upon closing period-end prices received from the Government of Saskatchewan Ministry of Finance.

NET RISK MANAGEMENT LIABILITIES (ASSETS)

Net risk management liabilities (assets) reflect the fair value of the derivative financial instruments on the balance sheet. Derivative financial instruments include natural gas forward contracts designated as cash flow hedges. The fair values are determined based upon quoted market prices obtained from counterparties.

PROVISIONS

Decommissioning

A decommissioning provision is a legal or constructive obligation associated with the retirement of a long-lived asset. The calculations of fair value are based on detailed studies that take into account various assumptions regarding anticipated future cash flows, including the method and timing of decommissioning and estimates of future inflation. Decommissioning provisions are periodically reviewed and any changes are recognized as an increase or decrease in the carrying amount of the obligation and the related asset. If the asset is fully depreciated, the changes are recognized in profit or loss as other expenses.

Environmental remediation

A provision for environmental remediation is accrued when the occurrence of an environmental expenditure, related to present or past activities of SaskPower, is considered probable and the costs of remedial activities can be reasonably estimated. The fair value of the estimated costs for investigations and remediation at identified sites is recorded as a provision in profit or loss as other expenses. These provisions are based on management's best estimate considering current environmental laws and regulations and are recorded at fair value. SaskPower reviews its estimates of future environmental expenditures on an ongoing basis.

DEFINED BENEFIT PENSION PLAN DEFICIT

SaskPower provides post-retirement benefits to employees, including those from a defined benefit pension plan (the Plan). An independent actuary calculates the funded status of the Plan every three years based on assumptions regarding discount rates, inflation rates, future pension indexing and life expectancy. The funded status is extrapolated on a quarterly basis for the current discount rate. The entire deficit or surplus for the defined benefit pension plan is recognized on the statement of financial position.

DEPRECIATION AND AMORTIZATION

Property, plant and equipment represent 81% of total assets recognized on SaskPower's consolidated statement of financial position as at March 31, 2024. Included in property, plant and equipment are the generation, transmission, distribution and other assets of SaskPower. Due to the size of SaskPower's property, plant and equipment, changes in estimated depreciation rates can have a significant impact on income.

Depreciation is recognized on a straight-line basis over the estimated useful life of each component of property, plant and equipment. The estimated useful lives of the components are based on formal depreciation studies that are performed typically every five years, with annual reviews for reasonableness. A one-year decrease in the average estimated service life of each of the major asset classes of property, plant and equipment would result in a $33 million increase to depreciation expense annually.

ESTIMATED USEFUL LIVES

Judgment has been used to determine the estimated useful lives and related accelerated depreciation for coal-fired generation facility assets based on federal regulations to phase out conventional coal-fired generation in Canada by 2030.

IDENTIFICATION OF ARRANGEMENTS WHICH CONTAIN A LEASE

In assessing the carrying amounts of right-of-use assets and lease liabilities and underlying estimates of future cash flows, management must use judgment in identifying which arrangements contain a lease as well as the lease term for contracts, including renewal options for which SaskPower is the lessee.

REVENUE RECOGNITION OF CUSTOMER CONTRIBUTIONS

Customer contributions are funds received from certain customers toward the costs of service extensions. In determining when to recognize revenue related to customer contributions, management is required to make judgments in regard to when the related property, plant and equipment is available for use and performance obligations are complete.

RECENT AND FUTURE ACCOUNTING POLICY CHANGES

Refer to Note 2(e) in the consolidated financial statements for information pertaining to the impact of adopting the amendments effective for the 2023-24 fiscal year.

The following amendments to existing International Financial Reporting Standards (IFRS) have been issued, however, are not yet effective for the year ended March 31, 2024, and have not been applied in preparing the consolidated financial statements. The Corporation is currently reviewing the following amended standards and interpretations to determine the potential impact, if any, on its consolidated financial statements:

- Amendments to International Accounting Standards (IAS) 1, Presentation of Financial Statements, related to the classification of liabilities as current or non-current liabilities and additional guidance on non-current liabilities with covenants.

RISK MANAGEMENT

SaskPower operates in a complex and dynamic business environment where significant pressures, uncertainties and changes are occurring in the industry. As part of the strategic planning process, major challenges to our business have been identified which introduce a variety of risks and uncertainties that could impact the achievement of our business objectives. In addition to strategic risk, functional risks are identified, managed and to the extent possible mitigated through the Enterprise Risk Management (ERM) Program. These functional risks include: financial performance, operational performance, safety, environmental performance, compliance, and reputation. SaskPower's risk management responses are implemented in various ways, including through governance practices, policies, procedures, processes and technologies. The ERM Program promotes a consistent and standard approach to risk identification, assessment, and management throughout the organization. Through the program, SaskPower's Board of Directors and Executive Members continue to identify and respond to developing and potential new risks. In this uncertain environment, corporate risk management efforts are aligned to allow SaskPower to continue to deliver reliable and safe power in Saskatchewan.

ERM GOVERNANCE

Risk management is the responsibility of all employees and is an integral part of our culture. SaskPower's Board of Directors has overall responsibility for stewardship of the Corporation and the President and CEO has ultimate accountability for risk management, with support from Executive Members. Executive Members manage key business risks, including new and emerging risks and opportunities. The Audit & Finance Committee of the Board is responsible for overseeing the ERM framework, risk management policies, authorities, and accountabilities of shared risk management throughout SaskPower.

SaskPower's business divisions are responsible for managing day-to-day risks within their areas of responsibility. Project risks are the responsibility of project managers, with corresponding accountability to project boards and respective Executive Members.

TOP CORPORATE RISKS

Our company is challenged by regulatory requirements regarding emissions; changes to carbon tax pricing; early engagement requirements on initiatives planned to meet the needs of the energy transition (renewables, microgrids, nuclear); the need for new electricity supply; financial constraints; economic disruptors; evolving technologies; growing capital requirements; and the speed at which stakeholder and customers' expectations are changing. SaskPower annually identifies top corporate risks that could impact our company's corporate strategies and priorities; influence financial and operating results; and affect achievement of our business objectives.

SaskPower's risk portfolio evolves over time, with significant shifts to focus on key emerging issues and priority initiatives. Our company regularly undertakes routine and non-routine projects as well as strategic initiatives to meet evolving regulatory requirements, customer demands, and load conditions. These projects and initiatives involve significant investment and require strategic risk management to support investment decision making.

1. ENVIRONMENTAL REGULATION

Our industry is challenged by regulations resulting in the phase-out of conventional coal generation, increasing emissions performance requirements for natural gas-fired generation and the implementation of a price on carbon that is gradually increasing from $80/tonne of CO_2e in 2024 to $170/tonne of CO_2e by 2030. Current federal regulations require the phase-out of conventional coal-fired generation by 2030. The federal government has also enacted emissions performance standards for new natural gas generation. In addition, the Corporation is subject to extensive provincial and municipal environmental regulations. Failure to comply with these regulations could result in fines or other penalties.

SaskPower continues to work on a supply plan that would increase generating capacity from intermittent renewable sources such as wind and solar; reduce SaskPower's greenhouse gas (GHG) emissions; and integrate emerging technologies (geothermal, biomass, flare gas, landfill gas, nuclear, and battery storage). SaskPower has worked with the provincial government to streamline project permitting requirements through the Red Tape Reduction initiative. The Corporation continues to assess the proposed federal *Clean Electricity Regulations* and is working in conjunction with the provincial and federal governments to develop a plan for compliance with anticipated net-zero GHG requirements.

2. FINANCIAL SUSTAINABILITY

SaskPower's financial flexibility and capability are challenged by current economic conditions, growing capital requirements, increasing debt, and pressures to maintain competitive rates. SaskPower has a high fixed-cost structure driven by the capital-intensive nature of the electric utility business. SaskPower's business model needs to be agile enough to adapt to industry changes, including emissions regulations, rising costs, capital expenditures and customer self-generation. Key financial drivers include revenues which are impacted by load growth, provincial economic conditions, customer mix, and approved rate increases. The cost of fuel is driven by load growth, fuel mix and the market price of fuel. Depreciation and finance charges are impacted by capital expenditures and the cost of borrowing.

SaskPower minimizes the impact of current financial constraints by implementing business optimization initiatives; using scenario-based budgeting and forecasting for business planning; prioritizing capital spending; engaging in cost-effective financing; diversifying the fuel mix; developing a rate management strategy; monitoring counterparty credit risk; validating load forecast assumptions; natural gas hedging; maintaining rate competitiveness and identifying the most cost-effective supply options.

3. INFRASTRUCTURE AND RELIABILITY

Significant capital spending is required to maintain system reliability, reduce risk of equipment failures, renew aging infrastructure, and accommodate growing demand for electricity. SaskPower's electricity supply infrastructure can be affected by age, insufficient capital investment, significant technological change, innovation, and growing customer demand and expectations. A large portion of SaskPower's critical generation, transmission and distribution assets are near or at the end of their expected service life and vulnerable to extreme weather events. Aging assets are increasingly expensive to maintain and operate and may be less reliable and less efficient than newer technologies.

Significant financial and other resources are required to monitor and properly sustain the existing asset base. Performance, reliability, and maximized uptime of existing generation, transmission, and distribution facilities are fundamental to maintaining a safe, continuous, and adequate supply of electricity. Information technology system requirements are evolving to manage the power system more efficiently and maintain acceptable security standards.

Long-term system planning; distribution transformation; redundant and resilient systems; standby critical inventory; the implementation of a risk-based asset performance management strategy; prioritization and allocation of capital spending; and established business continuity and emergency plans allow SaskPower to address a variety of adverse events. Reciprocal transmission agreements with neighbouring utilities provide assistance in major outage situations.

4. STAKEHOLDER EXPECTATIONS AND INDIGENOUS ENGAGEMENT

SaskPower interacts with a variety of stakeholders within the scope of its operations, including Indigenous communities, customers, business partners, employees, shareholders, governments, regulatory bodies, and contractors. Stakeholder expectations are changing, with greater transparency, involvement, and stewardship expected. Positive stakeholder engagement through effective communication of SaskPower's needs and strategic direction helps our company achieve its objectives and deal with adversity or significant change when it impacts the organization and its stakeholders.

SaskPower continues to facilitate engagement with customers, stakeholders, and Indigenous Rights Holders related to plans for a sustainable power system in Saskatchewan. Engagement effectiveness is measured through a stakeholder trust metric. Strategic decision making at SaskPower incorporates the impact of its actions on many stakeholders, including employees, customers, regulators, and Canadians as a whole.

5. SECURITY

SaskPower business operations rely on information and operational technologies which need to be maintained, supported, protected, and secured while enabling appropriate access and ensuring reliability, confidentiality, integrity, and availability of associated systems and information. Demand for security capabilities will increase as threats continue to evolve.

SaskPower has established physical and cyber security controls to defend our servers, networks, and data from attack, damage, or unauthorized use. Identity and access management controls restrict unauthorized access of data and malicious manipulation of data by external or internal actors. Data loss prevention techniques have been deployed to identify, monitor, and prevent inappropriate sharing of sensitive and confidential information. System vulnerabilities are managed by hardening servers and encrypting mobile assets. SaskPower employees are equipped with various security awareness techniques and training to understand emerging phishing and artificial intelligence risks.

6. SAFETY

SaskPower operations can inherently impact the safety of employees, contractors, customers, and the general public. There are considerable hazards and risks associated with working on high voltage equipment, on equipment operated at a high temperature or pressure, at heights, with chemicals, and around large machines. SaskPower interacts with customers, contractors and the public to inform them of potential safety issues.

SaskPower mitigation strategies include the integration of leadership competencies to foster and reinforce safe work practices. The Standard Protection Code and Standard Operating Procedures have been embedded in SaskPower's safety culture and operations. Contractors and employees are provided with safety orientations and learning opportunities for compliance with legislation and corporate safety requirements. Safety goals and the Corporate Balanced Scorecard Lost-time Injury Severity Rate and Lost-time Injury Frequency Rate are also incorporated into our company's performance management process. Risk-based asset maintenance programs at SaskPower include equipment inspection, replacement, and maintenance. The asset maintenance program is designed to reduce the risk of public injuries or fatalities. Partnerships are continuing with the Government of Saskatchewan Ministry of Agriculture and other public and private organizations to raise awareness of public safety that will reduce farming and construction-related incidents.

7. PROJECT DELIVERY AND SUPPLY CHAIN

SaskPower has identified the need to invest significant amounts of capital in long-term projects to ensure continued reliability; maintain, upgrade and expand infrastructure; and meet environmental requirements. The Corporation continues to deliver on significant projects related to customer connects, service delivery improvements, sustainment and refurbishment of existing infrastructure, and new supply options. New regulations, stakeholder expectations, and financial constraints place increasing demands on the company. All of these projects are competing for human resources as well as financial, operating, and capital resources.

Delay or poor quality of material may result in not delivering projects on schedule or within budget, therefore increasing costs for the Corporation. SaskPower mitigation strategies include standardizing project delivery tools and governance methods; implementing vendor prequalification and provision for long-term goods and service contracts; tracking earned value metrics for each project; managing project risks through cross-functional risk committees; as well as comprehensive monitoring and reporting of project dependencies and outage scheduling.

8. ENERGY TRANSITION

The Corporation is in the midst of a major infrastructure investment cycle. The bulk of SaskPower infrastructure is either coming to the end of its useful life and needs to be renewed or replaced. At the same time, our supply mix needs to become cleaner as driven by new emissions regulations, performance standards, the federal/provincial Equivalency Agreement, and public expectations. The traditional electricity grid is evolving into a system in which automation, electric vehicles, remote control, visibility, and customer participation are expected. Customers will become more integrated in the Corporation's network through customer-owned generation and energy management products by providing input on long-term decision making and the transition to a net-zero economy.

The Corporation has strategies to define the path forward, including a diverse supply plan and distribution transformation strategy. A cross-functional team works with various stakeholders to address disruption resulting from distributed and self-generation technologies. SaskPower continues to explore new opportunities for cogeneration with large industrial customers along with expansion of renewable (wind and solar) and nuclear generation options.

9. WORKFORCE MANAGEMENT

Over the next decade, the energy transition will change SaskPower's workforce by creating new critical employee segments that do not currently exist. In addition, an increased number of employees will be required to help navigate this transition. The Corporation's continued success will be tied to its ability to train, attract and retain sufficiently qualified staff to meet these new business environment needs.

SaskPower will focus on succession planning, skillset gap analysis, retention strategies, targeted recruitment for in-demand occupations, and continuous improvement training. The Corporation is continuing to build partnerships with educational institutions and support apprenticeship programs to support our workforce transition.

10. SECURITY AND OPTIMIZATION OF SHORT-TERM ENERGY SUPPLY

Having secure, cost-efficient and optimized fuel available when required for generation is essential to SaskPower's ability to meet electricity demand. Changes to the commodity supply/demand balance in the market may impact fuel supply and consequently the Corporation's ability to generate power. SaskPower's primary fuel sources are coal, natural gas, and hydro. These fuel sources form the basis for SaskPower's diversified supply portfolio. Changes in emissions regulations and carbon tax burden will introduce a shift in the supply mix, including the presence of more intermittent renewables such as wind and solar generation. Balancing the evolving supply mix with system flexibility and reliable operations are challenges being managed.

Increasing the percentage of intermittent renewables in the supply mix impacts system operability and has the potential to increase costs to integrate and maintain a reliable system. The natural gas market continues to evolve with increased use of natural gas infrastructure in Alberta and Saskatchewan impacting supply and demand.

SaskPower manages fuel supply risks through strategies that include long-term natural gas transmission contracts with renewal rights to secure transportation services of natural gas; long-term coal contracts to address price, quality and security of supply; feasibility study of small modular reactors using nuclear as a source fuel; as well as inter-tie capabilities with other provinces and states. Development of a diversified and flexible fuel portfolio includes strategies for renewables and low-emitting sources.

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

For the year ended March 31, 2024

CONTENTS

REPORT OF MANAGEMENT

The consolidated financial statements of Saskatchewan Power Corporation (SaskPower; the Corporation) are the responsibility of management and have been prepared in accordance with International Financial Reporting Standards. The preparation of financial statements necessarily involves the use of estimates based on management's best judgment, particularly when transactions affecting the current period cannot be finalized with certainty until future periods. In management's opinion, the consolidated financial statements have been properly prepared within the framework of selected accounting policies summarized in the consolidated financial statements and incorporate, within reasonable limits of materiality, information available up to May 29, 2024. The financial information presented in the Management's Discussion & Analysis (MD&A) and elsewhere in this report is consistent with that in the consolidated financial statements.

Management maintains appropriate systems of internal control which provide reasonable assurance that the Corporation's assets are safeguarded and appropriately accounted for, that financial records are relevant, reliable, and accurate, and that transactions are executed in accordance with management's authorization. This system includes corporate-wide policies and procedures, as well as the appropriate delegation of authority and segregation of responsibilities within the organization. An internal audit function independently evaluates the effectiveness of these controls on an ongoing basis and reports its findings to management and the Audit & Finance Committee of the Board of Directors.

The Board of Directors, through the Audit & Finance Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control. The Audit & Finance Committee consists entirely of outside Directors. At regular meetings, the Committee reviews audit, internal control and financial reporting matters with management, the internal auditors and the external auditors to satisfy itself that each is properly discharging its responsibilities. The financial statements and the Independent Auditor's Report have been reviewed by the Audit & Finance Committee and have been approved by the Board of Directors. The internal and external auditors have full and open access to the Audit & Finance Committee, with and without the presence of management.

The consolidated financial statements have been examined by Deloitte LLP, Chartered Professional Accountants, as appointed by the Lieutenant Governor in Council and approved by the Crown Investments Corporation of Saskatchewan. The external auditor's responsibility is to express its opinion on whether the consolidated financial statements are fairly presented in accordance with International Financial Reporting Standards.

On behalf of management,

Rupen Pandya
President and Chief Executive Officer
May 29, 2024

Troy King
Executive Vice-President, Chief Strategy,
Technology and Financial Officer

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

I, Rupen Pandya, President and Chief Executive Officer of Saskatchewan Power Corporation, and I, Troy King, Executive Vice-President, Chief Strategy, Technology and Financial Officer of Saskatchewan Power Corporation, certify the following:

(a) That we have reviewed the consolidated financial statements included in the Annual Report of Saskatchewan Power Corporation. Based on our knowledge, having exercised reasonable diligence, the consolidated financial statements included in the Annual Report, fairly present, in all material respects the financial condition, results of operations, and cash flows, as at March 31, 2024.

(b) That based on our knowledge, having exercised reasonable diligence, the consolidated financial statements included in the Annual Report of Saskatchewan Power Corporation do not contain any untrue statements of material fact, or omit to state a material fact that is either required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made.

(c) That Saskatchewan Power Corporation is responsible for establishing and maintaining effective internal control over financial reporting, which includes safeguarding of assets and compliance with applicable legislative authorities; and Saskatchewan Power Corporation has designed internal controls over financial reporting that are appropriate to the circumstances of Saskatchewan Power Corporation.

(d) That Saskatchewan Power Corporation conducted its assessment of the effectiveness of the Corporation's internal controls over financial reporting and, based on the results of this assessment, Saskatchewan Power Corporation can provide reasonable assurance that internal controls over financial reporting as at March 31, 2024, were operating effectively and no material weaknesses were found in the design or operation of the internal controls over financial reporting.

On behalf of management,

Rupen Pandya
President and Chief Executive Officer
May 29, 2024

Troy King
Executive Vice-President, Chief Strategy,
Technology and Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan:

Opinion

We have audited the consolidated financial statements of Saskatchewan Power Corporation (the Corporation), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of income (loss), comprehensive income (loss), changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies (collectively referred to as the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (Canadian GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
May 29, 2024
Regina, Saskatchewan

CONSOLIDATED STATEMENT OF INCOME (LOSS)

(in millions)

For the year ended March 31	Notes	2023-24	2022-23
Revenue			
Saskatchewan electricity sales	4	**$ 3,096**	$ 2,844
Exports	5	**129**	139
Other revenue	6	**154**	84
Total revenue		**3,379**	3,067
Expense			
Fuel and purchased power	7	**1,240**	1,283
Operating, maintenance and administration	8	**811**	792
Depreciation and amortization	9	**605**	597
Finance charges	10	**409**	406
Taxes	11	**92**	86
Other expenses	12	**38**	75
Total expense		**3,195**	3,239
Net income (loss)		**$ 184**	$ (172)

See accompanying notes

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

(in millions)

For the year ended March 31	Notes	2023-24	2022-23
Net income (loss)		**$ 184**	$ (172)
Other comprehensive income (loss)			
Items that may be reclassified subsequently to net income:			
Derivatives designated as cash flow hedges:			
Natural gas hedges:			
Change in fair value during the period		**(19)**	(45)
Realized (losses) gains during the period		**(24)**	16
Reclassification to income		**24**	(16)
Bond forward hedges:			
Reclassification to income	10	**-**	1
Debt instruments designated as fair value through other comprehensive income (FVOCI):			
Change in fair value during the period	17	**(2)**	(10)
Realized losses during the period	17	**-**	(7)
Reclassification to income	10	**-**	7
Items that will not be reclassified to net income:			
Defined benefit pension plans:			
Net actuarial gains	32	**66**	8
		45	(46)
Total comprehensive income (loss)		**$ 229**	$ (218)

See accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions)

As at March 31	Notes	2024	2023
Assets			
Current assets			
Cash and cash equivalents		$ 374	$ 192
Accounts receivable and unbilled revenue		469	416
Inventory	13	362	320
Prepaid expenses		38	41
Risk management assets	25	6	20
		1,249	989
Property, plant and equipment	14	11,173	10,621
Right-of-use assets	15	414	463
Intangible assets	16	82	72
Debt retirement funds	17	799	717
Other assets		27	16
Total assets		$ 13,744	$ 12,878
Liabilities and equity			
Current liabilities			
Accounts payable and accrued liabilities		$ 869	$ 769
Accrued interest		82	72
Deferred revenue	18	17	44
Dividend payable		5	-
Risk management liabilities	25	23	26
Short-term advances	19	910	790
Current portion of long-term debt	20	200	150
Current portion of lease liabilities	21	55	54
		2,161	1,905
Long-term debt	20	7,447	6,918
Lease liabilities	21	795	849
Employee benefits	32	61	123
Provisions	22	327	341
Total liabilities		10,791	10,136
Equity			
Retained earnings		2,237	2,071
Accumulated other comprehensive income	23	123	78
Equity advances	24	593	593
Total equity		2,953	2,742
Total liabilities and equity		$ 13,744	$ 12,878

See accompanying notes

On behalf of the Board,

Chief Darcy Bear
Chair

Shawn Grice
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in millions)	Retained earnings	Accumulated other comprehensive income (loss)			Equity advances	Total
		Net gains (losses) on derivatives designated as cash flow hedges	Net gains (losses) on debt instruments designated as FVOCI	Net actuarial gains (losses) on defined benefit pension plans		
Equity						
Balance, April 1, 2022	$ 2,243	$ 46	$ (42)	$ 120	$ 593	**$ 2,960**
Net loss	(172)	-	-	-	-	**(172)**
Other comprehensive (loss) income	-	(44)	(10)	8	-	**(46)**
Dividends	-	-	-	-	-	**-**
Balance, March 31, 2023	**$ 2,071**	**$ 2**	**$ (52)**	**$ 128**	**$ 593**	**$ 2,742**
Net income	184	-	-	-	-	**184**
Other comprehensive income (loss)	-	(19)	(2)	66	-	**45**
Dividends	(18)	-	-	-	-	**(18)**
Balance, March 31, 2024	**$ 2,237**	**$ (17)**	**$ (54)**	**$ 194**	**$ 593**	**$ 2,953**

See accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions)

For the year ended March 31	Notes	2023-24	2022-23
Operating activities			
Net income (loss)		**$ 184**	$ (172)
Adjustments to reconcile net income to cash provided by operating activities			
Depreciation and amortization	9	**605**	597
Finance charges	10	**409**	406
Net losses on asset disposals and retirements	12	**35**	25
Unrealized market value adjustments		**1**	(2)
Reclassification of natural gas hedges transitional market value losses		**(9)**	(13)
Allowance for obsolescence		**-**	3
Natural gas inventory market revaluation		**-**	3
Net employee benefits paid		**(4)**	(4)
Environmental expenditures net of provisions		**(4)**	22
		1,217	865
Net change in non-cash working capital	29	**(30)**	(4)
Interest paid		**(436)**	(416)
Cash provided by operating activities		**751**	445
Investing activities			
Property, plant and equipment additions		**(1,090)**	(996)
Intangible assets additions	16	**(35)**	(21)
Proceeds from sale and disposal of assets		**8**	16
Costs of removal of assets		**(16)**	(16)
Cash used in investing activities		**(1,133)**	(1,017)
Decrease in cash before financing activities		**(382)**	(572)
Financing activities			
Net proceeds from short-term advances		**120**	191
Proceeds from long-term debt	20	**732**	833
Repayments of long-term debt	20	**(150)**	(256)
Debt retirement fund instalments	17	**(70)**	(60)
Debt retirement fund redemptions	17	**-**	72
Principal repayment of lease liabilities		**(55)**	(45)
Dividends paid		**(13)**	(3)
Cash provided by financing activities		**564**	732
Increase in cash		**182**	160
Cash and cash equivalents, beginning of year		**192**	32
Cash and cash equivalents, end of year		**$ 374**	$ 192

See accompanying notes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 DESCRIPTION OF BUSINESS

Saskatchewan Power Corporation (SaskPower; the Corporation), a provincially-owned Crown corporation, generates, purchases, transmits, distributes and sells electricity and related products and services. Founded as the Saskatchewan Power Commission in 1929, SaskPower was set up in 1949 and operates primarily under the mandate and authority of *The Power Corporation Act*. SaskPower's head office is located at 2025 Victoria Avenue in Regina, Saskatchewan, Canada, S4P 0S1.

By virtue of *The Crown Corporations Act, 1993,* SaskPower has been designated a subsidiary of Crown Investments Corporation of Saskatchewan (CIC), a provincial Crown corporation. Accordingly, the financial results of the Corporation are included in the consolidated financial statements of CIC. As a provincial Crown corporation, the Corporation is not subject to federal and provincial income taxes.

NOTE 2 BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements were authorized for issue by the Board of Directors on May 29, 2024.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position:

- Inventory at lower of cost and net realizable value defined in Note 3(b).
- Provisions at discounted expected future cash flows defined in Note 3(g).
- Financial instruments that are accounted for according to the financial instrument categories defined in Note 3(m).
- Employee benefit plans recognized at the fair value of plan assets less the present value of the accrued benefit obligations defined in Note 3(n).

(c) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest million.

(d) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of management estimates and judgments are further described in the following summary of material accounting policies and related notes:

(i) Saskatchewan electricity sales

Estimation and judgment are used to determine the amount of electricity deliveries not yet billed at period-end. Unbilled revenue is estimated by calculating the daily average revenue for each customer based on the customer's past consumption history multiplied by the number of days between the last billing date and the end of the period (Notes: 3(h)(i) and 4).

(ii) Customer contributions

Customer contributions are funds received from certain customers towards the costs of service extensions. In determining when to recognize revenue related to customer contributions, management is required to make judgments in regard to when the related property, plant and equipment is available for use and performance obligations are complete (Notes: 3(h)(iii) and 6).

(iii) Receivables

Management's best estimate is required to determine the amount of receivables that will be uncollectible in a given period. The expected credit loss allowance represents the expected credit losses on trade receivables which is based on a percentage of accounts outstanding (Notes: 3(m)(v) and 26).

(iv) Inventory

Estimation and judgment are used to determine the appropriate measure of net realizable value as well as the allowance for inventory obsolescence. Management's best estimate is required to determine the amount of inventories to be written off in a given period (Notes: 3(b) and 13).

(v) Property, plant and equipment and intangible assets

Estimation and judgment are involved in determining the useful lives, related depreciation and amortization and accumulated depreciation and amortization of property, plant and equipment and intangible assets. Estimated useful lives are determined based upon manufacturer's guidance on asset life, SaskPower's past experience with similar assets, industry averages, as well as expectations about future events that could impact the life of the asset. Estimated useful lives are reviewed annually to ensure their reasonableness (Notes: 3(c), 3(d), 3(e), 9, 14 and 16).

Judgment has been used to determine the estimated useful lives and related accelerated depreciation for coal-fired generation facility assets based on federal government requirements to phase out conventional coal-fired generation in Canada by 2030.

(vi) Leases

In assessing the carrying amounts of right-of-use assets and lease liabilities and underlying estimates of future cash flows, management must use judgment in identifying which arrangements contain a lease as well as the lease term for contracts, including renewal options for which SaskPower is the lessee (Notes: 3(l), 15 and 21).

(vii) Provisions

Estimation and judgment are involved in determining the carrying amounts of decommissioning and environmental remediation provisions. The provisions are recorded at the fair value based on the Corporation's best estimate of the future cash expenditures required to settle the obligations, taking into account current environmental regulations. The underlying estimates of future cash flows are required to be made over a long period of time, given the fact that most provisions will not be settled for a number of years (Notes: 3(g) and 22).

(viii) Financial instruments

Determining the fair value of financial instruments and derivatives can require significant estimation regarding components such as future price, volatility, and liquidity. Fair values can fluctuate significantly depending on current market conditions. These estimates of fair value may not accurately reflect the amounts that could be realized or settled (Notes: 3(m) and 25).

(ix) Employee benefits

Employee benefit plan expense and obligations are calculated by an independent actuary based on underlying actuarial assumptions, including discount rates, inflation rates, future pension indexing and life expectancy. These assumptions are determined by management and reviewed annually by the actuary. The calculations are complex, and a change in the estimate of any of the assumptions could have a material effect on the employee benefit plan expense or obligation (Notes: 3(n) and 32).

(e) Application of revised standards and interpretations

The Corporation has adopted the amendments to IAS 1, Presentation of Financial Statements, effective April 1, 2023. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial.

NOTE 3 MATERIAL ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Subsidiaries

The consolidated financial statements include the accounts of the Corporation and its wholly owned subsidiaries with all significant inter-company transactions and balances being eliminated.

Separate audited financial statements are prepared annually for its wholly owned subsidiary: NorthPoint Energy Solutions Inc. (NorthPoint). NorthPoint trades electricity in markets outside of Saskatchewan.

(ii) Joint operations

Joint operations are those entities over whose activities the Corporation has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. They also provide the Corporation with rights to the assets and liabilities related to the arrangement.

The Corporation has classified the following arrangement as a joint operation:

- 50% ownership interest in BHP SaskPower Carbon Capture and Storage (CCS) Knowledge Centre Inc. This not-for-profit corporation was established on February 26, 2016, to advance the understanding and use of CCS as a means of managing greenhouse gas emissions and to further research projects related thereto as agreed upon by its members from time to time. The operations are funded by BHP Canada Inc. as per the sponsorship funding agreement which has been extended to December 31, 2026.

(b) Inventory

Maintenance materials, supplies, natural gas, coal and other fuel inventory are recorded at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale. Replacement cost is used as management's best estimate of the net realizable value for maintenance materials, supplies, coal and other fuel inventory. Net realizable value for natural gas inventory is determined using the near-month Alberta natural gas market price. Inventories are written down to net realizable value on an item-by-item basis.

In establishing the appropriate provision for inventory obsolescence, management estimates the likelihood that inventory on hand will become obsolete due to changes in technology and regulations. Maintenance materials and supplies are charged to inventory when purchased and expensed or capitalized when used. Natural gas, coal and other fuel inventory are charged to inventory when purchased and expensed as consumed or sold (Note 13).

(c) Property, plant and equipment

Property, plant and equipment is recorded at cost or deemed cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, services and direct labour. Borrowing costs associated with major capital and development projects that are six months or longer in duration are capitalized during the construction period at the weighted average cost of borrowings. Assets under construction are recorded as in progress until they are operational and available for use.

Costs are capitalized provided there is reasonable certainty they will provide benefits into the future. Significant renewals and enhancements to existing assets are capitalized only if the useful life of the asset is increased; physical output, service capacity or quality is improved above original design standards; or operating costs are reduced by a substantial and quantifiable amount that can be reliably measured. The costs of day-to-day servicing of property, plant and equipment are expensed as incurred (Note 14).

When property, plant and equipment are disposed of or retired, the related costs less accumulated depreciation are derecognized. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds less costs of removal and the carrying amount of the asset. The gain or loss on asset disposals and retirements is recognized in profit or loss as other expenses (Note 12).

Assets held under right-of-use leases are initially recognized at the lower of their fair value at the inception of the lease or the present value of the minimum lease payments (Note 15). The corresponding liability is recorded as a lease liability (Note 21).

(d) Depreciation

Depreciation is recognized on a straight-line basis over the estimated useful life of each component of property, plant and equipment. Depreciation commences when the property, plant and equipment is ready for its intended use. Land is not depreciated.

The estimated useful life of property, plant and equipment is based on manufacturer's guidance, past experience and future expectations regarding the potential for technical obsolescence. Their estimated useful lives are reviewed annually and any changes are applied prospectively.

The estimated useful lives of the major classes of property, plant and equipment are:

Asset class	Estimated useful lives (years)
Generation	3-110
Transmission	3-55
Distribution	3-40
Other	4-60

A one-year decrease in the estimated useful life of each of the major classes of property, plant and equipment would result in a $33 million increase to depreciation expense annually.

Assets held under right-of-use leases are depreciated over their expected useful economic lives on the same basis as for owned assets, or where shorter, the lease term (Note 9).

(e) Intangible assets

The Corporation's only identifiable intangible asset is software. Software is recorded at cost less accumulated amortization and accumulated impairment losses. Software costs include the cost of externally purchased software packages and for internally developed programs, related external and direct labour costs. Software development costs are capitalized when it is probable that the expected future economic benefits attributable to the asset will flow to the Corporation and the cost can be measured reliably (Note 16). Certain implementation costs relating to cloud computing arrangements and maintenance of existing software programs that do not meet the capitalization criteria are expensed as incurred in operating, maintenance and administration (OM&A) expense.

Amortization is calculated on a straight-line basis over five to ten years — the estimated useful life of the Corporation's software programs. The estimated useful life of intangible assets is reviewed annually and any changes are applied prospectively (Note 9).

(f) Impairment of assets

At each reporting date, the Corporation evaluates its property, plant and equipment and intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Factors which could indicate an impairment exists include significant changes in the Corporation's strategy or underperformance of assets relative to projected future operating results. An impairment is recognized when the carrying amount of an asset or cash generating unit (CGU) exceeds the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the present value of the future cash flows to be derived from a CGU.

Impairment losses previously recognized for an asset are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. In no case shall the revised carrying amount exceed the original carrying amount, after depreciation or amortization, that would have been determined if no impairment loss had been recognized. An impairment loss or reversal of an impairment loss is recognized in other expenses.

As at March 31, 2024, the Corporation determined that there were no impairment losses or reversal of impairment losses to be recognized related to its long-lived assets.

(g) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. For SaskPower, that rate is considered to be equal to the spot rate derived from yields on Government of Saskatchewan bonds using a rate term that matches the timing of the expected cash flows. The unwinding of the discount on provisions is recognized in profit or loss as finance expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(i) Decommissioning

A decommissioning provision is a legal or constructive obligation associated with the decommissioning of a long-lived asset. The Corporation recognizes decommissioning provisions in the period they are incurred if a reasonable estimate of fair value (net present value) can be determined. The Corporation recognizes provisions to decommission coal, natural gas, cogeneration, wind generation facilities and other properties typically in the period in which the facility is commissioned. SaskPower also recognizes provisions for the decommissioning of assets containing polychlorinated biphenyls (PCBs) in accordance with existing federal regulations.

The fair value of the estimated decommissioning costs is recorded as a provision with an offsetting amount capitalized and included as part of property, plant and equipment. The provisions are increased periodically for the passage of time by calculating interest expense. The offsetting capitalized asset retirement costs are depreciated over the estimated useful life of the related asset. The calculations of fair value are based on detailed studies that take into account various assumptions regarding the anticipated future cash flows including the method and timing of decommissioning and estimates of future inflation rates. Decommissioning provisions are periodically reviewed and any changes in the estimated timing and amount of future cash flows, as well as changes in the discount rate, are recognized as an increase or decrease in the carrying amount of the obligation and the related asset. If the asset value is fully depreciated the changes are recognized in profit or loss as other expenses (Notes: 12 and 22).

(ii) Environmental remediation

A provision for environmental remediation is accrued when the occurrence of an environmental expenditure, related to present or past activities of the Corporation, is considered probable and the costs of remedial activities can be reasonably estimated. The fair value of the estimated costs for investigations and remediation at identified sites is recorded as a provision in profit or loss as other expenses. These provisions are based on management's best estimate considering current environmental laws and regulations and are recorded at fair value. The Corporation reviews its estimates of future environmental expenditures on an ongoing basis. Changes in the estimated timing and amount of future cash flows are recognized in profit or loss as other expenses (Notes: 12 and 22).

(h) Revenue recognition

The majority of the Corporation's revenue from contracts with customers is derived from the generation, transmission, distribution, purchase and sale of electricity and related products and services under *The Power Corporation Act*. The Corporation evaluates whether the contracts it enters into meet the definition of a contract with a customer at the inception of the contract and on an ongoing basis if there is an indication of significant changes in facts and circumstances. Revenue is measured based on the transaction price specified in a contract with a customer. Revenue is also recognized when control over a promised good or service is transferred to the customer and the Corporation is entitled to consideration as a result of completion of the performance obligation.

A contract liability (deferred revenue) is recorded when the Corporation receives consideration before the performance obligations have been satisfied. A contract asset is recorded when the Corporation has rights to consideration for the completion of a performance obligation when that right is conditional on something other than the passage of time. The Corporation recognizes unconditional rights to consideration separately as a receivable. Contract assets and receivables are evaluated at each reporting period to determine whether there is any objective evidence that they are impaired.

Significant judgment may be required to identify the number of distinct performance obligations within a contract and the allocation of the transaction price to multiple performance obligations in a contract, and to determine when performance obligations have been satisfied.

The Corporation's main sources of revenue and method applied to the recognition of this revenue in these consolidated financial statements are as follows:

(i) Saskatchewan electricity sales

Electricity sales contracts are deemed to have a single performance obligation as the promise to transfer individual goods or services is not separately identifiable from other obligations in the contracts and therefore not distinct. These performance obligations are considered to be satisfied over time as electricity is delivered because of the continuous transfer of control to the customer. The method of revenue recognition for the electricity is an output method, which is based on the volume delivered to the customer.

Saskatchewan electricity sales are calculated based on the customer's usage of electricity during the period at the applicable published rates for each customer class. Electricity rates in Saskatchewan are subject to review by the Saskatchewan Rate Review Panel with final approval by provincial cabinet. Saskatchewan electricity sales include an estimate of electricity deliveries not yet billed at period-end. The estimated unbilled revenue is based on several factors, including estimated consumption by customer, applicable customer rates and the number of days between the last billing date and the end of the period (Note 4).

(ii) Exports

Export sales are recognized upon delivery to the customer and include an estimate of electricity deliveries not yet billed at period end (Note 5).

(iii) Customer contributions

Customer contributions are funds received from certain customers toward the costs of service extensions. Customer contribution contracts are deemed to have a single performance obligation. These performance obligations are satisfied at a point in time and recognized in profit or loss as other revenue when the related property, plant and equipment is available for its intended use. The transaction price is the estimated construction charge for connecting the customer to the network (Note 6).

(iv) Other

Other revenue includes fly ash and carbon dioxide (CO_2) sales which are recorded upon delivery of the related good or service (Note 6).

(i) Government grants

Government grants are recognized when there is reasonable assurance that they will be received and the Corporation will comply with the conditions associated with the grant. Grant funding that compensates the Corporation for expenses incurred is recognized in profit or loss as an offset against OM&A expense in the same period in which the expenses are recognized. Grant funding that compensates the Corporation for the cost of an asset is netted against the capitalized asset costs and recognized in profit or loss over the estimated useful life of the asset.

(j) Finance charges

Finance expense is comprised of interest expense on short-term and long-term borrowings, finance costs related to lease liabilities, interest on employee benefit plans, and interest on provisions. Interest expense is recognized in profit or loss, using the effective interest method. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. All other borrowing costs are recognized as a finance expense as the costs accrue (Note 10).

Finance income is comprised of earnings on debt retirement funds and interest. Finance income is recognized in profit or loss as earned (Note 10).

(k) Foreign currency translation

Monetary assets and liabilities denominated in a foreign currency are translated to Canadian dollars using the rate of exchange in effect at the reporting date. Revenue and expenses are translated at the rate prevailing at the transaction date. Foreign currency translation gains and losses are included in other expenses in the period in which they arise.

(l) Leases

A contract is or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Corporation has assessed its arrangements to determine whether they contain a lease. Certain take-or-pay power purchase agreements (PPAs) relating to the Meridian Cogeneration Station, Spy Hill Generating Station and the North Battleford Generating Station gas-fired facilities which, in management's judgment, give SaskPower the exclusive right to use specific production assets, meet the definition of a lease.

Right-of-use assets are initially measured at an amount equal to the lease liability and are adjusted for any payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the related lease term. The Corporation has applied judgment to determine the lease term for contracts that include renewal options. The assessment of whether the Corporation is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized (Notes: 9 and 15).

The corresponding lease liability is measured at the present value of the lease payments that are not paid at commencement and are discounted using the Corporation's incremental borrowing rate or the rate implicit in the lease. Each lease payment is allocated between the liability and interest so as to achieve a constant rate on the finance balance outstanding. The interest component is included in finance expense. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Corporation's estimate or assessment of whether it will exercise an extension, termination, or purchase option. A corresponding adjustment is made to the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero (Notes: 10 and 21).

Payments for short-term and low-value leases are recognized as an operating expense. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset and are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

(m) Financial instruments

(i) Classification and measurement

SaskPower classifies its financial instruments into one of the following categories: amortized cost (AC); fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL) (Note 25).

All financial instruments are measured at fair value on initial recognition and recorded on the consolidated statement of financial position. Financial assets and liabilities are offset and the net amount is reported on the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and liabilities at FVOCI or FVTPL) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition.

Transactions costs directly attributable to the acquisition of financial instruments classified as FVOCI or FVTPL are expensed as incurred. Measurement in subsequent periods depends on the classification of the financial instrument.

Financial assets and liabilities classified as amortized cost are subsequently measured at amortized costs using the effective interest method less any impairment. Financial instruments classified as FVOCI are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income (loss). Financial instruments classified as FVTPL are subsequently measured at fair value with changes in fair value recognized in profit or loss. Any interest income, foreign exchange gains and losses, impairment or gains or losses on derecognition are recognized in the consolidated statement of income (loss). On derecognition, gains and losses accumulated in other comprehensive income (loss) are reclassified to the consolidated statement of income (loss).

SaskPower classifies its debt retirements funds as debt instruments designated as FVOCI as the following conditions are met:

- The debt retirement funds are administered by the Government of Saskatchewan Ministry of Finance whose business model objective is to both hold underlying investments to collect contractual cash flows and to sell; and
- The contractual terms of the debt retirement funds give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Derivative financial instruments that are held-for-trading, including natural gas contracts, are recognized as a financial asset or a financial liability on the trade date. All derivative financial instruments are classified as FVTPL and recorded at fair value on the consolidated statement of financial position as risk management assets and liabilities. If there is a difference between the fair value at initial recognition and the transaction price, the day one gain is deferred and amortized into profit or loss over the term of the contract. Subsequent changes in the fair value of these derivative financial instruments, with the exception of the effective portion of derivatives designated as cash flow hedges, are recognized in profit or loss. Refer to Note 3(m)(ii) for derivatives designated as hedging instruments.

Certain commodity contracts for the physical purchase of natural gas and electricity qualify as own-use contracts. SaskPower entered into these contracts for the purpose of physical receipt of the natural gas or electricity in accordance with its own expected usage requirements for the generation of electricity and servicing of Saskatchewan customers. As such, these non-financial derivative contracts are not recorded at fair value on the consolidated statement of financial position; rather, the contracts are accounted for as a purchase at the time of delivery.

The terms and conditions of certain financial and non-financial derivative financial instrument contracts require SaskPower to provide collateral when the fair value of the obligation pursuant to these contracts is in excess of exposure limits granted. When posted, these collateral amounts are recognized as margin deposits on derivative contracts and are included with accounts receivable on the consolidated statement of financial position.

(ii) Hedges

In order to qualify for hedge accounting, the Corporation designates derivatives as hedges through formal documentation of all relationships between hedging instruments and hedged items, as well as the risk management objective and strategy for undertaking the hedge transaction. This process includes linking derivatives to specific assets and liabilities or to specific firm commitments or forecasted transactions. The Corporation formally assesses both at the hedge's inception and on an ongoing basis whether the derivatives used are highly effective in offsetting changes in cash flows of the hedged item and the timing of the cash flows is similar.

The Corporation enters into forward contracts to hedge exposures to anticipated changes in commodity prices on forecasted natural gas purchases related to the Corporation's PPAs. In the past, the Corporation entered into bond forward agreements to hedge exposures to anticipated changes in interest rates on forecasted issuances of debt (Note 25). The Corporation chooses to designate these contracts as cash flow hedges. The Corporation assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method. The Corporation applies a hedge ratio of 1:1. As such, the effective portion of the changes in fair value related to the derivative financial instruments are recognized in other comprehensive income (loss), with the fair value being recognized as risk management assets and liabilities on the consolidated statement of financial position. Ineffective portions of hedges are recorded in profit or loss immediately. When the natural gas forward agreements are settled, the resulting gain or loss recorded in accumulated other comprehensive income (loss) is recognized in fuel and purchased power immediately. The bond forward agreements expired upon the issuance of debt, therefore, the resulting gain or loss recorded in accumulated other comprehensive income (loss) is being amortized to finance charges over the term of the debt.

(iii) Embedded derivatives

As at March 31, 2024, the Corporation does not have any outstanding contracts or financial instruments with embedded derivatives that are required to be valued separately.

(iv) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market at the measurement date. SaskPower's own credit risk and the credit risk of the counterparty have been taken into account in determining the fair value of financial assets and liabilities, including derivative instruments. The Corporation has classified the fair value of its financial instruments as level 1, 2, or 3 (Note 25) as defined below:

Level 1 Fair values are determined using inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities to which the Corporation has immediate access.

Level 2 Fair values are determined using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. The debt retirement funds are valued by the Government of Saskatchewan Ministry of Finance using information provided by investment dealers. To the extent possible, valuations reflect indicative secondary pricing for these securities. In all other circumstances, valuations are determined with reference to similar actively traded instruments. The fair value of long-term debt is determined by the present value of future cash flows, discounted at the market rate of interest for the same or similar debt instruments.

Natural gas contract fair values are determined using independent pricing information from external market providers. The contracted cash flows are discounted using observable yield curves.

Level 3 Fair values are determined based on inputs for the asset or liability that are not based on observable market data. As at March 31, 2024, the Corporation does not have any financial instruments classified as level 3.

(v) Impairment of financial assets

The Corporation recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost and debt instruments designated as FVOCI. The Corporation measures loss allowances for trade receivables at an amount equal to lifetime ECL. Debt instruments and other receivables that are determined to have low credit risk at the reporting date are measured at 12-month ECL. The Corporation considers a debt instrument to have low credit risk when its credit risk rating is A or higher (investment grade).

When determining whether the credit risk of a financial asset has increased, the Corporation performs a quantitative and qualitative analysis based on the Corporation's historical experience and forward-looking information. The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Corporation considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full without recourse by the Corporation to actions such as realizing security, or the financial asset is 90 days or more past due.

Credit loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the credit loss allowance is charged to profit or loss and is recognized in other comprehensive income (loss). The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery (Note 26).

(n) Employee benefits

The Corporation has a defined contribution pension plan, defined benefit pension plans, and other benefit plans that provide retirement benefits for its employees.

(i) Defined contribution pension plan

A defined contribution pension plan is a post-employment benefit under which SaskPower pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to the defined contribution pension plan are recognized in OM&A expense in the period during which services are rendered by employees (Note 32).

(ii) Defined benefit pension plans

A defined benefit pension plan is a post-employment benefit plan other than a defined contribution pension plan. The Corporation's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for service in the current and prior periods. The obligation is discounted to determine its present value. The discount rate is the yield at the reporting date on high quality bonds that match the timing of expected benefit payments. The fair value of plan assets is deducted from the present value of the defined benefit obligation to determine the plan surplus or deficit. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Corporation, the recognized asset is limited to the lower of the plan surplus and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Corporation if it is realizable during the life of the plan, or on settlement of the plan liabilities.

Current service costs are recognized in profit or loss as OM&A expense. Interest expense (income) is calculated by applying the discount rate to the net accrued benefit obligation and recognized as finance charges. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

The Corporation recognizes all actuarial gains and losses arising from defined benefit plans directly in other comprehensive income (loss) in the period in which they arise (Note 32).

(iii) Other benefit plans

The Corporation provides a supplementary superannuation plan for certain management employees who elect to forgo their entitlement to banked days off. SaskPower's current period expense is limited to yearly notional contributions to the plan based upon the employee's salary and an amount allocated for interest on the employee's plan balance.

The Corporation also provides lifetime superannuation allowances and bridge allowances to employees who chose to retire under various early retirement options. The cost of these benefits is actuarially determined by calculating the present value of all future benefit entitlements (Note 32).

NOTE 4 SASKATCHEWAN ELECTRICITY SALES

(in millions)	2023-24	2022-23
Residential	$ 632	$ 606
Farm	198	185
Commercial	557	528
Oilfield	469	440
Power	895	815
Reseller	105	99
Federal carbon charge collected	240	171
	$ 3,096	$ 2,844

NOTE 5 EXPORTS

(in millions)	2023-24	2022-23
Domestic	$ 62	$ 121
Foreign	67	18
	$ 129	$ 139

NOTE 6 OTHER REVENUE

(in millions)	2023-24	2022-23
Customer contributions	$ 90	$ 46
Fly ash sales	11	11
Late payment charges	7	8
Joint use charge	6	4
Custom work	4	4
CO_2 sales	26	2
Miscellaneous revenue	10	9
	$ 154	$ 84

NOTE 7 FUEL AND PURCHASED POWER

(in millions)	2023-24	2022-23
Gas	$ 366	$ 449
Coal	296	318
Imports	178	163
Wind	84	93
Hydro	16	20
Solar	6	5
Other	25	25
Federal carbon charge	269	210
	$ 1,240	$ 1,283

Gas costs include the fuel charges associated with the electricity generated from SaskPower-owned gas-fired facilities as well as gas-fired PPA facilities. Imports represent electricity purchased from suppliers that produce power outside Saskatchewan. Wind, solar and other includes the cost of electricity obtained through PPA facilities, small independent power producers, and the cost of demand response programs.

NOTE 8 OPERATING, MAINTENANCE AND ADMINISTRATION

(in millions)	Notes	2023-24	2022-23
Salaries and benefits		$ 391	$ 365
Employee long-term benefits	32	31	31
External services		273	267
Materials and supplies		50	49
Other		88	82
Grant funding		(22)	(2)
		$ 811	$ 792

NOTE 9 DEPRECIATION AND AMORTIZATION

(in millions)	Notes	2023-24	2022-23
Depreciation of property, plant and equipment	14	$ 529	$ 519
Depreciation of right-of-use assets	15	51	52
Amortization of intangible assets	16	25	26
		$ 605	$ 597

NOTE 10 FINANCE CHARGES

(in millions)	Notes	2023-24	2022-23
Finance expense			
Interest on long-term debt		**$ 286**	$ 270
Interest on lease liabilities		**132**	141
Interest on short-term advances		**33**	20
Net interest on employee benefit plans	32	**8**	4
Interest on provisions	22	**11**	8
Other interest and charges		**1**	1
		471	444
Less: interest capitalized		**(39)**	(30)
amortization of debt premiums net of discounts	20	**(3)**	(4)
amortization of bond forward agreements net losses		**-**	1
		429	411
Finance income			
Debt retirement fund earnings	17	**(14)**	(8)
Debt retirement fund realized market value losses	17	**-**	7
Interest income		**(6)**	(4)
		(20)	(5)
		$ 409	$ 406

NOTE 11 TAXES

(in millions)	2023-24	2022-23
Saskatchewan corporate capital tax	**$ 57**	$ 54
Grants-in-lieu	**34**	31
Miscellaneous tax expense	**1**	1
	$ 92	$ 86

NOTE 12 OTHER EXPENSES

(in millions)	Notes	2023-24	2022-23
Net losses on asset disposals and retirements		**$ 35**	$ 25
Settlement claims[1]		**-**	16
Decommissioning and environmental remediation provisions	22	**-**	23
Other environmental costs		**3**	5
Inventory variance adjustments		**-**	6
		$ 38	$ 75

1. Prior year settlement claims amount includes a cash settlement related to a contractual dispute which was paid in fiscal 2023-24.

NOTE 13 INVENTORY

(in millions)	March 31, 2024	March 31, 2023
Maintenance materials and supplies	$ 361	$ 319
Allowance for obsolescence	(19)	(19)
	342	300
Natural gas	8	9
Coal	13	12
Other fuel	2	2
	365	323
Natural gas market revaluation	(3)	(3)
	$ 362	$ 320

(in millions)	2023-24	2022-23
Inventory consumed during the period:		
Maintenance material and supplies	$ 278	$ 264
Natural gas	205	276
Coal	210	208
Other fuel	4	4
	$ 697	$ 752

(in millions)	Allowance for obsolescence
Balance, April 1, 2022	$ 16
Provision for obsolete inventory	5
Inventory disposals and/or write-downs	(2)
Balance, March 31, 2023	$ 19
Provision for obsolete inventory	2
Inventory disposals and/or write-downs	(2)
Balance, March 31, 2024	$ 19

NOTE 14 PROPERTY, PLANT AND EQUIPMENT

(in millions)	Generation	Transmission	Distribution	Other	Construction in progress	Total
Cost or deemed cost						
Balance, April 1, 2022	$ 7,769	$ 2,991	$ 4,894	$ 1,101	$ 656	**$ 17,411**
Additions	99	99	301	66	1,047	**1,612**
Disposals and/or retirements	(30)	(6)	(69)	(18)	-	**(123)**
Transfers/adjustments	5	-	-	1	(586)	**(580)**
Balance, March 31, 2023	**$ 7,843**	**$ 3,084**	**$ 5,126**	**$ 1,150**	**$ 1,117**	**$ 18,320**
Additions	109	217	337	288	1,164	**2,115**
Disposals and/or retirements	(27)	(10)	(73)	(35)	-	**(145)**
Transfers/adjustments	(18)	-	(2)	(1)	(986)	**(1,007)**
Balance, March 31, 2024	**$ 7,907**	**$ 3,291**	**$ 5,388**	**$ 1,402**	**$ 1,295**	**$ 19,283**
Accumulated depreciation						
Balance, April 1, 2022	$ 3,883	$ 862	$ 1,998	$ 535	$ -	**$ 7,278**
Depreciation expense	256	73	138	52	-	**519**
Disposals and/or retirements	(22)	(4)	(59)	(13)	-	**(98)**
Balance, March 31, 2023	**$ 4,117**	**$ 931**	**$ 2,077**	**$ 574**	**$ -**	**$ 7,699**
Depreciation expense	250	78	143	58	-	**529**
Disposals and/or retirements	(22)	(3)	(61)	(32)	-	**(118)**
Balance, March 31, 2024	**$ 4,345**	**$ 1,006**	**$ 2,159**	**$ 600**	**$ -**	**$ 8,110**
Net book value						
Balance, April 1, 2022	**$ 3,886**	**$ 2,129**	**$ 2,896**	**$ 566**	**$ 656**	**$ 10,133**
Balance, March 31, 2023	**$ 3,726**	**$ 2,153**	**$ 3,049**	**$ 576**	**$ 1,117**	**$ 10,621**
Balance, March 31, 2024	**$ 3,562**	**$ 2,285**	**$ 3,229**	**$ 802**	**$ 1,295**	**$ 11,173**

For the year ended March 31, 2024, $39 million (2022-23 – $30 million) of interest costs were capitalized at the weighted average cost of borrowings rate of 3.80% (2022-23 – 3.90%).

NOTE 15 RIGHT-OF-USE ASSETS

(in millions)	Power purchase agreements	Buildings	Land	Total
Cost				
Balance, April 1, 2022	$ 1,017	$ 16	$ 7	**$ 1,040**
Additions and/or modifications	-	-	-	**-**
Terminations	-	(4)	-	**(4)**
Balance, March 31, 2023	**$ 1,017**	**$ 12**	**$ 7**	**$ 1,036**
Additions and/or modifications	-	-	2	**2**
Terminations	-	(5)	-	**(5)**
Balance, March 31, 2024	**$ 1,017**	**$ 7**	**$ 9**	**$ 1,033**
Accumulated depreciation				
Balance, April 1, 2022	$ 515	$ 7	$ 2	**$ 524**
Depreciation expense	48	3	1	**52**
Terminations	-	(3)	-	**(3)**
Balance, March 31, 2023	**$ 563**	**$ 7**	**$ 3**	**$ 573**
Depreciation expense	48	2	1	**51**
Terminations	-	(5)	-	**(5)**
Balance, March 31, 2024	**$ 611**	**$ 4**	**$ 4**	**$ 619**
Net book value				
Balance, April 1, 2022	**$ 502**	**$ 9**	**$ 5**	**$ 516**
Balance, March 31, 2023	**$ 454**	**$ 5**	**$ 4**	**$ 463**
Balance, March 31, 2024	**$ 406**	**$ 3**	**$ 5**	**$ 414**

NOTE 16 INTANGIBLE ASSETS

(in millions)	Software
Cost	
Balance, April 1, 2022	$ 394
Additions	21
Disposals and/or retirements	(3)
Balance, March 31, 2023	$ 412
Additions	35
Disposals and/or retirements	(145)
Balance, March 31, 2024	$ 302

Accumulated amortization	
Balance, April 1, 2022	$ 317
Amortization expense	26
Disposals and/or retirements	(3)
Balance, March 31, 2023	$ 340
Amortization expense	25
Disposals and/or retirements	(145)
Balance, March 31, 2024	$ 220

Net book value	
Balance, April 1, 2022	$ 77
Balance, March 31, 2023	$ 72
Balance, March 31, 2024	$ 82

NOTE 17 DEBT RETIREMENT FUNDS

(in millions)	
Balance, April 1, 2022	$ 738
Debt retirement fund instalments	60
Debt retirement fund redemptions	(72)
Debt retirement fund earnings	8
Debt retirement fund realized market value losses	(7)
Debt retirement fund unrealized market value losses	(10)
Balance, March 31, 2023	**$ 717**
Debt retirement fund instalments	70
Debt retirement fund redemptions	-
Debt retirement fund earnings	14
Debt retirement fund realized market value losses	-
Debt retirement fund unrealized market value losses	(2)
Balance, March 31, 2024	**$ 799**

Under conditions attached to certain advances from the Government of Saskatchewan's General Revenue Fund, the Corporation is required to pay annually into debt retirement funds administered by the Government of Saskatchewan Ministry of Finance, amounts at least equal to 1% of the face value of certain debt outstanding. As at March 31, 2024, scheduled debt retirement fund instalments for the next five years are as follows:

(in millions)	2024-25	2025-26	2026-27	2027-28	2028-29
Debt retirement fund instalments	$ 74	$ 74	$ 74	$ 74	$ 70

NOTE 18 DEFERRED REVENUE

(in millions)	
Balance, April 1, 2022	$ 22
Additions	32
Recognized in revenue	(10)
Balance, March 31, 2023	**$ 44**
Additions	20
Recognized in revenue	(47)
Balance, March 31, 2024	**$ 17**

Deferred revenue primarily relates to advance consideration received for customer contribution contracts. The related customer contribution revenue is recognized when the property, plant and equipment is available for its intended use.

NOTE 19 SHORT-TERM ADVANCES

(in millions)	March 31, 2024	March 31, 2023
Short-term advances	$ 910	$ 790

The short-term advances are due to the Government of Saskatchewan's General Revenue Fund. As at March 31, 2024, the advances have interest rates ranging from 4.94% to 5.79% and mature between April 4, 2024, and July 23, 2024. As at March 31, 2023, the advances had interest rates ranging from 4.36% to 4.62% and matured between April 4, 2023, and July 11, 2023.

NOTE 20 LONG-TERM DEBT

(in millions)	
Balance, April 1, 2022	$ 6,495
Long-term debt issues	833
Long-term debt repayments	(256)
Amortization of debt premiums net of discounts	(4)
Balance, March 31, 2023	$ 7,068
Long-term debt issues	732
Long-term debt repayments	(150)
Amortization of debt premiums net of discounts	(3)
	$ 7,647
Less: current portion of long-term debt	(200)
Balance, March 31, 2024	$ 7,447

As at March 31, 2024, scheduled principal debt retirement requirements for the next five years are as follows:

(in millions)	2024-25	2025-26	2026-27	2027-28	2028-29
Long-term debt repayments	$ 200	$ 200	$ -	$ 300	$ 175

Under conditions attached to certain advances from the Government of Saskatchewan's General Revenue Fund, the Corporation is required to pay annually into debt retirement funds administered by the Government of Saskatchewan Ministry of Finance, amounts at least equal to 1% of the face value of certain debt outstanding (Note 17).

Advances from the Government of Saskatchewan's General Revenue Fund (in millions):

Date of issue	Date of maturity	Effective interest rate (%)	Coupon rate (%)	Par value	Unamortized premiums (discounts)	Outstanding amount
April 8, 2020	June 3, 2024	1.79	3.20	$ 200	$ 1	$ 201
May 30, 1995	May 30, 2025	8.82	8.75	100	-	100
July 27, 2020	September 2, 2025	0.93	0.80	100	-	100
May 12, 2023	June 2, 2027	3.41	3.41	300	-	300
June 14, 2019	December 2, 2028	2.34	3.05	175	6	181
June 25, 2020	June 2, 2030	1.53	2.20	100	4	104
November 4, 2022	June 2, 2031	4.18	4.18	350	-	350
August 8, 2001	September 5, 2031	6.49	6.40	200	(1)	199
January 15, 2003	September 5, 2031	5.91	6.40	100	3	103
May 12, 2003	September 5, 2033	5.90	5.80	100	(1)	99
January 14, 2004	September 5, 2033	5.68	5.80	200	2	202
October 5, 2004	September 5, 2035	5.50	5.60	200	2	202
February 15, 2005	March 5, 2037	5.09	5.00	150	(1)	149
May 6, 2005	March 5, 2037	5.07	5.00	150	(1)	149
February 24, 2006	March 5, 2037	4.71	5.00	100	3	103
March 6, 2007	June 1, 2040	4.49	4.75	100	3	103
April 2, 2008	June 1, 2040	4.67	4.75	250	2	252
December 19, 2008	June 1, 2040	4.71	4.71	100	-	100
September 8, 2010	June 1, 2040	4.27	4.75	200	11	211
November 15, 2012	February 3, 2042	3.22	3.40	200	5	205
February 28, 2013	February 3, 2042	3.54	3.40	200	(4)	196
October 9, 2013	June 2, 2045	3.97	3.90	400	(4)	396
January 17, 2014	June 2, 2045	3.95	3.90	200	(1)	199
October 9, 2014	June 2, 2045	3.43	3.90	200	14	214
February 13, 2015	June 2, 2045	2.73	3.90	200	38	238
June 2, 2015	December 2, 2046	3.15	2.75	200	(13)	187
October 26, 2015	December 2, 2046	3.43	2.75	200	(22)	178
January 28, 2016	December 2, 2046	3.34	2.75	200	(19)	181
July 19, 2016	December 2, 2046	2.85	2.75	150	(3)	147
October 20, 2016	December 2, 2046	3.00	2.75	200	(8)	192
January 24, 2017	June 2, 2048	3.35	3.30	200	(2)	198
August 15, 2018	June 2, 2050	3.18	3.10	200	(3)	197
April 2, 2019	June 2, 2050	2.81	3.10	150	8	158
May 12, 2022	December 2, 2052	4.09	2.80	180	(39)	141
June 23, 2022	December 2, 2052	4.29	2.80	300	(73)	227
March 13, 2014	March 5, 2054	3.76	3.75	100	-	100
May 12, 2014	March 5, 2054	3.71	3.75	175	1	176
August 29, 2017	March 5, 2054	3.19	3.75	150	16	166
June 22, 2023	December 2, 2054	4.28	4.20	145	(2)	143
March 22, 2024	December 2, 2054	4.41	4.20	300	(11)	289
September 19, 2018	June 2, 2058	3.13	2.95	200	(8)	192
January 18, 2023	June 2, 2062	3.85	3.80	120	(1)	119
				$ 7,745	**$ (98)**	**$ 7,647**

NOTE 21 LEASE LIABILITIES

(in millions)	March 31, 2024	March 31, 2023
Total future minimum lease payments	$ 1,633	$ 1,817
Less: future finance charges on leases	(783)	(914)
Present value of lease liabilities	850	903
Less: current portion of lease liabilities	(55)	(54)
	$ 795	$ 849

The above lease liabilities include PPAs relating to the Meridian Cogeneration Station, Spy Hill Generating Station and the North Battleford Generating Station gas-fired facilities as well as land and building leases. The weighted average discount rate applied to the PPA leases is 15.07% (2022-23 – 15.02%) based on the rate implicit in these agreements, while the weighted average discount rate applied to land and building leases is 2.69% (2022-23 – 2.64%) based on the Corporation's incremental borrowing rate.

As at March 31, 2024, scheduled future minimum lease payments and the present value of lease liabilities are as follows:

(in millions)	1 year	2-5 years	More than 5 years
Future minimum lease payments	$ 179	$ 645	$ 809
Present value of lease liabilities	55	223	572

NOTE 22 PROVISIONS

(in millions)	Decommissioning	Environmental remediation	Total
Balance, April 1, 2022	$ 240	$ 65	**$ 305**
Charged to income:			
New obligations	27	1	**28**
Change in assumptions	(5)	-	**(5)**
Interest	8	-	**8**
Capitalized to property, plant and equipment:			
New obligations	41	-	**41**
Change in assumptions	(35)	-	**(35)**
Settled during the period	(1)	-	**(1)**
Balance, March 31, 2023	**$ 275**	**$ 66**	**$ 341**
Charged to income:			
New obligations	3	-	**3**
Change in assumptions	(3)	-	**(3)**
Interest	11	-	**11**
Capitalized to property, plant and equipment:			
Reversed obligations	(2)	-	**(2)**
Change in assumptions	(19)	-	**(19)**
Settled during the period	(4)	-	**(4)**
Balance, March 31, 2024	**$ 261**	**$ 66**	**$ 327**

Assumptions

The significant assumptions adopted in measuring the Corporation's decommissioning provisions are:

	March 31, 2024	March 31, 2023
Discount rate, end of period	**3.90 - 4.58%**	3.36 - 4.14%
Long-term inflation rate	**2.00%**	2.00%
Undiscounted cash flows (in millions)	**$ 522**	$ 523

Discount rates based on the Government of Saskatchewan bond yields were used to calculate the carrying values of the provisions. The costs of the decommissioning provisions will be incurred between fiscal 2024-25 and 2052-53. No funds have been set aside by the Corporation to settle the decommissioning provisions.

Sensitivity of assumptions

Sensitivity of provisions to changes in the discount rate and inflation rate on the recorded liability as at March 31, 2024, is as follows:

	Decommissioning provisions	
(in millions)	0.5% increase	0.5% decrease
Discount rate	$ (17)	$ 19
Inflation rate	25	(23)

NOTE 23 ACCUMULATED OTHER COMPREHENSIVE INCOME

(in millions)	March 31, 2024	March 31, 2023
Realized losses on derivatives designated as cash flow hedges	$ (9)	$ (9)
Unrealized (losses) gains on derivatives designated as cash flow hedges	(8)	11
Unrealized losses on debt instruments designated as FVOCI	(54)	(52)
Actuarial gains on defined benefit pension plans	194	128
	$ 123	$ 78

NOTE 24 EQUITY ADVANCES

The Corporation does not have share capital. However, the Corporation has received advances from CIC to form its equity capitalization. The advances reflect an equity investment in the Corporation by CIC.

NOTE 25 FINANCIAL INSTRUMENTS

			March 31, 2024		March 31, 2023	
			Asset (liability)		Asset (liability)	
(in millions)	Classification	Level[4]	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Cash and cash equivalents	FVTPL[1]	1	$ 374	$ 374	$ 192	$ 192
Accounts receivable and unbilled revenue	AC[2]	N/A	469	469	416	416
Debt retirement funds	FVOCI - debt instrument[3]	2	799	799	717	717
Financial liabilities						
Accounts payable and accrued liabilities	AC[2]	N/A	$ (869)	$ (869)	$ (769)	$ (769)
Accrued interest	AC[2]	N/A	(82)	(82)	(72)	(72)
Dividend payable	AC[2]	N/A	(5)	(5)	-	-
Short-term advances	AC[2]	N/A	(910)	(910)	(790)	(790)
Long-term debt	AC[2]	2	(7,647)	(7,228)	(7,068)	(6,867)

1. FVTPL – measured mandatorily at fair value through profit or loss.
2. AC – amortized cost.
3. FVOCI – fair value through other comprehensive income (loss).
4. Fair values are determined using a fair value hierarchy as follows:
   Level 1 – Quoted prices in active markets for identical assets or liabilities.
   Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability.
   Level 3 – Inputs for the asset or liability that are not based on observable market data.
   Not applicable (N/A) – Financial instruments are carried at values which approximate fair value. This includes accounts receivable and unbilled revenue; accounts payable and accrued liabilities; accrued interest; dividend payable; and short-term advances.

Risk management assets and liabilities

(in millions)	Classification	Level[2]	March 31, 2024 Asset	March 31, 2024 (Liability)	March 31, 2023 Asset	March 31, 2023 (Liability)
Natural gas contracts						
Fixed price swap instruments used for hedging[3]	FVTPL[1]	2	$ 6	$ (23)	$ 18	$ (25)
Fixed price swap instruments	FVTPL[1]	2	-	-	2	(1)
			$ 6	$ (23)	$ 20	$ (26)

1. FVTPL – measured mandatorily at fair value through profit or loss.
2. Fair values are determined using a fair value hierarchy as follows:
   Level 1 – Quoted prices in active markets for identical assets or liabilities.
   Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability.
   Level 3 – Inputs for the asset or liability that are not based on observable market data.
3. These natural gas fixed price swap instruments have been designated as cash flow hedges. As such, the effective portion of the changes in fair value related to the derivative financial instruments are recognized in other comprehensive income (loss).

Cash flow hedges

Commodity price risk

The Corporation uses fixed price swap instruments to hedge exposures to anticipated changes in commodity prices on forecasted purchases of natural gas for the production of electricity through certain PPAs that have a cost component based on the market price of natural gas. As at March 31, 2024, the Corporation held the following instruments to hedge exposures to changes in natural gas price risk:

	1 year	2-5 years	More than 5 years
Natural gas hedges			
Total outstanding gigajoules (in millions of GJ)	15	17	-
Net exposure - loss (in millions)	$ (16)	$ (1)	$ -
Weighted average hedged price per GJ	$ 3.30	$ 3.32	$ -
Weighted average forward market price per GJ	$ 2.17	$ 3.30	$ -

NOTE 26 FINANCIAL RISK MANAGEMENT

Market risk

By virtue of its operations, the Corporation is exposed to changes in commodity prices, interest rates and foreign exchange rates. SaskPower may utilize derivative financial instruments to manage these exposures. The Corporation mitigates risk associated with derivative financial instruments through Board-approved policies, limits on use and amount of exposure, internal monitoring and compliance reporting to senior management and the Board.

(a) Commodity prices

Natural gas contracts

The Corporation is exposed to natural gas price risk through natural gas purchased for its natural gas-fired power plants and through certain PPAs that have a cost component based on the market price of natural gas. As at March 31, 2024, the Corporation had entered into financial and physical natural gas contracts to price manage approximately 44% of its budgeted natural gas exposures for 2024-25, 33% for 2025-26, 18% for 2026-27, 5% for 2027-28, and 2% for 2028-29.

Based on the Corporation's March 31, 2024, closing positions on its financial natural gas hedges, a one dollar per GJ increase in the price of natural gas would have resulted in a $30 million improvement in the unrealized market value adjustments recognized in other comprehensive income (loss) for the period. This sensitivity analysis does not represent the underlying exposure to changes in the price of natural gas on the remaining forecasted natural gas purchases which are unhedged as at March 31, 2024.

(b) Interest rates

Short- and long-term borrowings

The Corporation is exposed to interest rate risk arising from fluctuations in interest rates on future short-term and long-term borrowings. Interest rate risk on these expected future borrowings is managed by limiting the amount of short-term borrowings to no more than 15% of its debt equivalent obligations.

As at March 31, 2024, SaskPower had $910 million in short-term advances. If interest rates were to increase by 100 basis points, this would result in approximately a $9 million increase in finance charges related to this short-term debt.

Debt retirement funds

Debt retirement funds are monies set aside to retire outstanding debt upon maturity. The Corporation is required to pay annually into debt retirement funds which are held and invested by the Government of Saskatchewan's General Revenue Fund. The Corporation has classified these investments as fair value through other comprehensive income and, therefore, recognized the change in the market value in other comprehensive income (loss) for the period. At March 31, 2024, SaskPower had $799 million in debt retirement funds. The fair value of the debt retirement funds is driven largely by interest rates. The estimated impact of a 1% yield curve upward shift, assuming no change in the amount of debt retirement funds, would be a $67 million decrease in the market value of the debt retirement funds.

(c) Foreign exchange rates

The Corporation faces exposure to the United States/Canadian dollar exchange rate primarily through the sale of electricity to customers in the United States and from the purchase of goods and services that are payable in United States dollars. The Corporation may utilize financial instruments to manage this risk. As at March 31, 2024, the Corporation had no outstanding foreign exchange derivative contracts. The impact of fluctuations in foreign exchange rates on SaskPower's financial instruments is not considered significant to the Corporation. Therefore, a sensitivity analysis of the impact on profit or loss has not been provided.

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. Concentrations of credit risk relate to groups of customers or counterparties that have similar economic or industry characteristics that cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

The Corporation does not have a significant concentration of credit risk. The maximum credit risk to which the Corporation is exposed as at March 31, 2024, is limited to the fair value of the financial assets recognized.

(in millions)	March 31, 2024	March 31, 2023
Financial assets		
Cash and cash equivalents	**$ 374**	$ 192
Accounts receivable and unbilled revenue	**469**	416
Risk management assets	**6**	20
Debt retirement funds	**799**	717
	$ 1,648	$ 1,345

(a) As at March 31, 2024, SaskPower had $374 million in cash and cash equivalents. These funds are held at a large Canadian bank with a strong credit rating and, as such, the credit risk associated with cash and cash equivalents is considered low.

(b) Accounts receivable and unbilled revenue is diversified among many types of customer classes, such as residential, farm and commercial customers throughout Saskatchewan. Other receivables are considered low risk given past collection history. The Corporation uses an allowance matrix to measure the expected credit losses (ECLs) of trade receivables from individual customers, which comprise a very large number of small balances. Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and ECLs for trade, unbilled and other receivables from individual customers as at March 31, 2024:

(in millions)	Gross carrying amount	Weighted-average loss rate	Credit loss allowance
Current	$ 352	0.3%	$ 1
30 to 59 days	8	5.0%	-
60 to 89 days	5	10.0%	-
90 to 179 days	6	20.0%	1
180 to 364 days	7	30.0%	2
365 days and greater	18	75.0% - 100.0%	15
	$ 396		$ 19
Grant receivables	79	0.0%	-
Miscellaneous and other receivables	13	0.0%	-
	$ 488		**$ 19**

Loss rates are based on actual credit loss past experience and are adjusted to reflect differences between current and historical economic conditions and the Corporation's view of economic conditions over the expected lives of the receivables. The expected credit loss allowance is reviewed quarterly based on an estimate of outstanding amounts that are considered uncollectible.

The movement in the expected credit loss allowance in respect of trade, unbilled and other receivables during the year was as follows:

(in millions)	Credit loss allowance
Balance, April 1, 2022	$ 17
Amounts written off	(3)
Net remeasurement of loss allowance	6
Balance, March 31, 2023	**$ 20**
Amounts written off	(9)
Net remeasurement of loss allowance	8
Balance, March 31, 2024	**$ 19**

(c) SaskPower is also exposed to credit risk arising from derivative financial instruments if a counterparty fails to meet its obligations. The Corporation maintains Board-approved credit policies and limits in respect to its counterparties.

(d) Debt retirement funds are on deposit with the Government of Saskatchewan's General Revenue Fund and invested as the Ministry of Finance may determine. At March 31, 2024, the Ministry has invested these funds primarily in provincial government and federal government bonds with highly graded credit ratings and varying maturities. These maturities coincide with related long-term debt maturities and are managed based on this maturity profile and market conditions. As such, the related credit risk associated with these investments as at March 31, 2024, is considered low.

Liquidity risk

Liquidity risk is the risk that the Corporation is unable to meet its financial commitments as they become due or can do so only at excessive cost. SaskPower manages the Corporation's cash resources based on financial forecasts and anticipated cash flows. The following summarizes the contractual maturities of the Corporation's financial liabilities as at March 31, 2024:

			Contractual cash flows				
(in millions)	Carrying amount	Contractual cash flows	0-6 months	7-12 months	2 years	3-5 years	More than 5 years
Financial liabilities							
Accounts payable and accrued liabilities	$ 869	$ 869	$ 869	$ -	$ -	$ -	$ -
Accrued interest	82	82	82	-	-	-	-
Dividend payable	5	5	5	-	-	-	-
Risk management liabilities	23	23	23	-	-	-	-
Short-term advances	910	910	910	-	-	-	-
Long-term debt (principal and interest)	7,647	13,041	276	148	490	1,317	10,810
	$ 9,536	**$ 14,930**	**$ 2,165**	**$ 148**	**$ 490**	**$ 1,317**	**$ 10,810**

Management believes its ability to generate and acquire funds will be adequate to support these financial liabilities.

NOTE 27 CAPITAL MANAGEMENT

The Corporation's objective when managing capital is to ensure adequate capital to support the operations and growth strategies of the Corporation. SaskPower raises most of its capital through internal operating activities and through funds obtained by borrowing from the Government of Saskatchewan. This type of borrowing allows the Corporation to take advantage of the province's strong credit rating. *The Power Corporation Act* provides SaskPower with the authority to have outstanding borrowings of up to $10 billion, which includes $2 billion that may be borrowed by way of temporary loans. Temporary loans include short-term borrowings through the Government of Saskatchewan as well as borrowings made under the $50 million credit facility provided by a financial institution.

The Corporation's capital structure consists of long-term debt, short-term advances, lease liabilities, retained earnings and equity advances, net of debt retirement funds and cash and cash equivalents.

The Corporation monitors its capital structure using the per cent debt ratio. The per cent debt ratio is calculated as total net debt divided by total capital as follows:

(in millions)	March 31, 2024	March 31, 2023
Long-term debt	**$ 7,647**	$ 7,068
Short-term advances	**910**	790
Lease liabilities	**850**	903
Total debt	**9,407**	8,761
Debt retirement funds	**799**	717
Cash and cash equivalents	**374**	192
Total net debt	**$ 8,234**	$ 7,852
Retained earnings	**2,237**	2,071
Equity advances	**593**	593
Total capital	**$ 11,064**	$ 10,516
Per cent debt ratio	**74.4%**	74.7%

NOTE 28 COMMITMENTS AND CONTINGENCIES

(in millions)	2024-25	2025-26	2026-27	2027-28	2028-29	Thereafter
Planned capital expenditures	$ 1,597	$ 1,655	$ 1,413	$ 1,111	$ 1,385	$ 13,188
Power purchase agreements (PPAs)[1]	613	585	618	637	637	8,276
Coal purchase contracts	153	77	78	79	61	-
Natural gas purchase contracts[2]	125	88	56	35	26	5
Natural gas transportation and storage contracts	73	41	46	47	45	211
Letters of credit	10	-	-	-	-	-

1. The amounts reflected include all PPAs including those agreements determined to contain a lease, operating agreements and long-term import agreements.
2. Includes fixed price forward contracts of $330 million which apply for the own-use scope exemption.

The commitments listed above have maturity dates ranging from fiscal 2024-25 to 2058-59.

SaskPower has various other legal matters pending which, in the opinion of management, are not likely to have a material effect on SaskPower's consolidated financial position or results of operations.

NOTE 29 NET CHANGE IN NON-CASH WORKING CAPITAL

(in millions)	**2023-24**	2022-23
Accounts receivable and unbilled revenue	**$ (53)**	$ (54)
Inventory	**(42)**	(33)
Prepaid expenses	**3**	(11)
Other assets	**(11)**	(5)
Accounts payable and accrued liabilities	**100**	77
Deferred revenue	**(27)**	22
	$ (30)	$ (4)

NOTE 30 RECONCILIATION OF MOVEMENTS OF ASSETS (LIABILITIES) TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

(in millions)	Debt retirement funds	Short-term advances	Long-term debt	Lease liabilities	Total
Balance as at April 1, 2022	**$ 738**	**$ (599)**	**$ (6,495)**	**$ (949)**	**$ (7,305)**
Changes from financing cash flows:					
Net proceeds from short-term advances	-	(191)	-	-	**(191)**
Proceeds from long-term debt	-	-	(833)	-	**(833)**
Repayments of long-term debt	-	-	256	-	**256**
Debt retirement fund instalments	60	-	-	-	**60**
Debt retirement fund redemptions	(72)	-	-	-	**(72)**
Principal repayment of lease liabilities	-	-	-	45	**45**
Total changes from financing cash flows	(12)	(191)	(577)	45	**(735)**
Changes in fair value	(10)	-	-	-	**(10)**
Other changes:					
Capitalized borrowing costs	-	-	30	-	**30**
Interest income (expense)	1	(20)	(270)	(141)	**(430)**
Interest paid	-	15	263	141	**419**
Non-cash transactions	-	5	(19)	1	**(13)**
Total other changes	(9)	-	4	1	**(4)**
Balance as at March 31, 2023	**$ 717**	**$ (790)**	**$ (7,068)**	**$ (903)**	**$ (8,044)**
Changes from financing cash flows:					
Net proceeds from short-term advances	-	(120)	-	-	**(120)**
Proceeds from long-term debt	-	-	(732)	-	**(732)**
Repayments of long-term debt	-	-	150	-	**150**
Debt retirement fund instalments	70	-	-	-	**70**
Principal repayment of lease liabilities	-	-	-	55	**55**
Total changes from financing cash flows	70	(120)	(582)	55	**(577)**
Changes in fair value	(2)	-	-	-	**(2)**
Other changes:					
Capitalized borrowing costs	-	-	39	-	**39**
Interest income (expense)	14	(33)	(286)	(132)	**(437)**
Interest paid	-	30	279	132	**441**
Non-cash transactions	-	3	(29)	(2)	**(28)**
Total other changes	12	-	3	(2)	**13**
Balance as at March 31, 2024	**$ 799**	**$ (910)**	**$ (7,647)**	**$ (850)**	**$ (8,608)**

NOTE 31 RELATED PARTY TRANSACTIONS

Included in these consolidated financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as related parties). Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms.

The Corporation also pays Saskatchewan provincial sales tax on all its taxable purchases to the Government of Saskatchewan Ministry of Finance. Taxes paid are recorded as part of the cost of those purchases.

Key management personnel compensation
Key management personnel include Board Members and executive officers. The compensation paid to key management for employee services is shown below:

(in millions)	2023-24	2022-23
Salaries and short-term employee benefits	$ 4	$ 4
Post-employment benefits	-	-
Termination benefits	-	-
Other long-term benefits	-	-
	$ 4	$ 4

NOTE 32 EMPLOYEE BENEFITS

(in millions)	Defined benefit pension plan	Other benefit plans	Total
Balance, April 1, 2022	$ 86	$ 45	$ 131
Current service cost	-	4	4
Net interest expense	3	1	4
SaskPower funding contribution	-	-	-
SaskPower benefits paid	-	(8)	(8)
Net actuarial gains	(8)	-	(8)
Balance, March 31, 2023	**$ 81**	**$ 42**	**$ 123**
Current service cost	-	4	4
Net interest expense	4	4	8
SaskPower funding contribution	-	-	-
SaskPower benefits paid	-	(8)	(8)
Net actuarial gains	(66)	-	(66)
Balance, March 31, 2024	**$ 19**	**$ 42**	**$ 61**

Defined benefit pension plan

The Corporation sponsors a defined benefit pension plan (the Plan) that has been substantially closed to employees since 1977. The Plan is governed by *The Superannuation (Supplementary Provisions) Act* and *Regulations*, as well as *The Power Corporation Superannuation Act*.

The Plan provides benefits based on the average of the highest five years' annual pensionable earnings and years of service. Pensions are increased annually at a rate equal to 70% of the increase in the Saskatchewan Consumer Price Index (CPI). The measurement data at September 30, 2022 was used to measure the obligations and the results were extrapolated to March 31, 2024 to determine the accounting valuation.

The effective date of the most recent actuarial valuation for funding purposes was December 31, 2022. Under current Canada Revenue Agency guidelines, an actuarial valuation for funding purposes is to be completed, at a minimum, every three years.

The Plan is solely the obligation of the Corporation. The Corporation is not obligated to fund the Plan but is obligated to pay benefits under the terms of the Plan as they come due. SaskPower has a Board-approved funding policy which is based on the funding actuarial valuation and requires the Plan deficit to be funded over 10 years when the funded status is less than 95%. In accordance with the funding policy, no contributions were made by SaskPower for the year ended March 31, 2024.

(a) Status of the Plan

The actuarial valuation measured at September 30, 2022, and extrapolated to March 31, 2024, showed that the Plan had an actuarial deficit of $19 million (2022-23 – $81 million). The calculation of the pension plan deficit is as follows:

(in millions)	March 31, 2024	March 31, 2023
Plan assets		
Fair value, beginning of period	$ 609	$ 640
Actual return on plan assets	77	27
Employer funding contributions	-	-
Employee funding contributions	-	-
Benefits paid	(59)	(58)
Fair value, end of period	$ 627	$ 609
Accrued benefit obligation		
Balance, beginning of period	$ 690	$ 726
Current service cost	-	-
Interest cost	32	27
Benefits paid	(59)	(58)
Actuarial gains on accrued benefit obligation	(17)	(5)
Balance, end of period	$ 646	$ 690
Plan deficit	$ (19)	$ (81)

(b) Assumptions

The significant actuarial assumptions adopted in measuring the Corporation's accrued benefit obligation are:

	March 31, 2024	March 31, 2023
Discount rate, beginning of period	**4.80%**	3.90%
Discount rate, end of period	**4.85%**	4.80%
Long-term inflation rate	**2.00%**	2.00%
Assumptions for benefit increases (% of CPI)	**70.00%**	70.00%
Plan duration (years)	**8.70**	8.90

The actuarial assumptions are based on management's expectations, independent actuarial advice and guidance provided by IFRS. The discount rate is the yield at the reporting date on high quality bonds that have maturity dates approximating the terms of the Corporation's obligations. The long-term rate of compensation increases assumption is no longer necessary due to the fact that all active members are assumed to retire immediately given their age and service levels. The mortality assumptions are based on the 2014 Canadian Private Sector Mortality Table.

Sensitivity of assumptions

Sensitivity of the defined benefit pension plan to changes in the discount rate, inflation rate, future indexing and life expectancy on the accrued benefit obligation as at March 31, 2024, is as follows:

	Accrued benefit obligation	
(in millions)	1% increase	1% decrease
Discount rate	$ (54)	$ 62
Inflation rate	(22)	23
Future indexing	60	(52)
Life expectancy (each member one year older/younger)	(18)	19

(c) Benefit plan asset allocation

The following is a summary of the asset mix of the Plan's investments:

	March 31, 2024	March 31, 2023
Equity securities	**51.9%**	51.6%
Debt securities	**24.1%**	24.0%
Real estate and infrastructure	**24.0%**	24.4%
	100.0%	100.0%

(d) Benefit payments

The benefit payments expected to be made to beneficiaries over the next five years are as follows:

(in millions)	2024-25	2025-26	2026-27	2027-28	2028-29
Expected benefit payments	$ 57	$ 57	$ 56	$ 55	$ 53

Other benefit plans

Other benefit plans include a defined benefit and a defined contribution severance plan, a supplementary superannuation plan and a voluntary early retirement plan.

The significant actuarial assumptions adopted in measuring the Corporation's other benefit plans are:

	March 31, 2024	March 31, 2023
Discount rate	**4.65 - 4.75%**	4.75 - 5.05%
Long-term rate of compensation increases	**2.00%**	2.00%
Long-term inflation rate	**2.00%**	2.00%
Remaining service life (years)	**7.74**	7.34
Plan duration (years)	**4.10 - 5.10**	4.10 - 5.10

Cumulative actuarial losses (gains)

The cumulative amount of actuarial losses (gains) recorded in other comprehensive income (loss) related to the Corporation's defined benefit pension plans is as follows:

(in millions)	March 31, 2024	March 31, 2023
Balance, beginning of period	**$ (128)**	$ (120)
Actuarial gains on plan assets:		
Experience adjustments	**(49)**	(3)
Actuarial (gains) losses on accrued benefit obligations:		
Experience adjustments	**-**	2
Changes in actuarial assumptions (future indexing)	**-**	11
Changes in actuarial assumptions (discount rate)	**(17)**	(34)
Changes in actuarial assumptions (inflation rate)	**-**	16
Balance, end of period	**$ (194)**	$ (128)

Defined contribution pension plan

The defined contribution pension plan is governed by *The Public Employees Pension Plan Act* and *Regulations* and certain sections of *The Superannuation (Supplementary Provisions) Act and Regulations*.

Under the defined contribution pension plan, the Corporation's obligations are limited to the contributions for current service. These contributions are charged to income when made. The employee benefit plan expense for the defined contribution pension plan recorded in OM&A expense is as follows:

(in millions)	2023-24	2022-23
Employee benefit plan expense	**$ 27**	$ 27

CORPORATE GOVERNANCE

Accountability is a principal component of SaskPower's corporate values and is essential to our relationship with our customers, stakeholders and shareholder. In order to ensure the continued presence of a sound corporate governance structure, our company remains committed to ongoing evaluation. Our aim is to strengthen transparency while executing a comprehensive program of reporting.

COMPANY STRUCTURE

SaskPower is governed by *The Power Corporation Act*. It is subject to the provisions of *The Crown Corporations Act, 1993*, which gives Crown Investments Corporation (CIC) of Saskatchewan, the holding company for Saskatchewan's commercial Crown corporations, broad authority to guide the direction of SaskPower. In practice, directives are normally issued in the following forms: CIC Crown subsidiary policies applying to all CIC Crowns; CIC Board resolutions and directives; and CIC management directives.

As the shareholder of SaskPower, CIC provides oversight of our company's operations. Communication is implemented through written policies and directives issued by CIC's management or its Board of Directors, as well as verbally through discussions with SaskPower leaders. Our company reports to CIC on a regular basis on matters such as Corporate Balanced Scorecard results; financial statements and forecasts; capital expenditures; and debt obligations. SaskPower also provides ad hoc reports to CIC upon request.

Where required by legislation or policy directive, our company submits performance management and investment decisions for review and approval by CIC and provincial cabinet. Through its Chair, who is an outside Director, the SaskPower Board of Directors is accountable to the Minister Responsible for SaskPower. The Minister functions as a link between SaskPower and cabinet, as well as the provincial legislature.

The Legislative Assembly of Saskatchewan appoints members to the Standing Committee on Crown and Central Agencies at the beginning of each legislative session. This committee holds public hearings and is empowered to review the annual reports, financial statements and operations of Crown corporations and related agencies. The Minister Responsible for SaskPower and our company's senior Executives are called before the committee to answer questions about the year under review and issues of topical concern.

GOVERNING OUR COMPANY

The SaskPower Board of Directors is responsible for the general stewardship of our company. It is accountable for setting direction, monitoring and evaluating achievement, as well as identifying any necessary corrective action for SaskPower. The Board works with management to develop and approve SaskPower's Strategic Plan, Annual Budget and Business Plan. It actively identifies business risks and oversees the implementation of appropriate systems to achieve a balance between risks incurred and potential returns.

All but one of SaskPower's Board Members, including the Chair, are independent of management. The expectations and responsibilities of Directors are outlined in the terms of reference. Board Members receive a comprehensive orientation and continuing education. In addition to being subject to SaskPower's Code of Conduct Policy, Board Members are also bound by the CIC Directors' Code of Conduct. Peer evaluations are completed every three years.

Director	Board meetings attended[1]
Chief Darcy Bear	4
Bryan Leverick	9
Don Atchison[2]	8
Terry Bergan	9
Amber Biemans	9
Bevra Fee[3]	6
Shawn Grice	9
Jim Hopson[4]	1
Cherilyn Jolly-Nagel	8
Fred Matheson	9
Robert Nicolay	9
Jeff Richards	8
The Honourable Vaughn Solomon Schofield	5
Thomas Sierzycki[5]	2
Tammy Van Lambalgen[3]	7
Stephanie Yong	8

1. There were a total of 9 meetings held in 2023-24
2. Appointed June 1, 2023.
3. Cancelled November 29, 2023.
4. Cancelled June 1, 2023.
5. Appointed November 29, 2023.

Information in this section covers the year ended March 31, 2024. Visit saskpower.com for a full description of SaskPower's corporate governance practices, including Board and Director terms of reference, Canadian Securities Administrators (CSA) Governance Guidelines, and SaskPower's Corporate Balanced Scorecard.

During the year, the Board reviewed the strategic direction of SaskPower, as well as numerous operational, financial, environmental, human resource and governance items. The Board also continues to adopt policies and processes to enable effective communication with our shareholder, stakeholders and the public.

As many organizations have increased their reliance on information and operational technology, concerns with cyber security risk have risen over the last number of years. Threats to SaskPower's information and operational technology include malware, targeted attacks and data breaches. SaskPower has undertaken several initiatives to mitigate cyber security risk, including: increasing corporate network and data protection; extending systems monitoring; and improving incident response. SaskPower's Audit & Finance Committee and Board of Directors receive a quarterly update from management on the company's cyber security program.

LEADERSHIP BY COMMITTEE

Our company's Board has four standing committees to assist in designating specific areas of responsibility:

Audit & Finance Committee

Five meetings

Chair: Shawn Grice (appointed January 29, 2024), and Bryan Leverick (cancelled January 29, 2024, but remained as member)

Members: Terry Bergan, Cherilyn Jolly-Nagel, Tammy Van Lambalgen, (cancelled November 29, 2023), Stephanie Yong (appointed January 29, 2024), and Chief Darcy Bear (ex officio)

The Audit & Finance Committee's terms of reference mandate the committee to assist the Board in meeting its responsibilities with respect to financial reporting, internal controls and accountability. The committee oversees SaskPower's risk management reporting and directly interacts with the internal and external auditors, as well as the Provincial Auditor of Saskatchewan. The committee ensures that the Board is provided with financial plans, proposals and information that are consistent with our company's overall strategic planning and public policy objectives.

In the 2023-24 fiscal year, the committee reviewed the annual and interim financial statements; risk management reports; the 2024-25 Business Plan; as well as the Deloitte and Provincial Auditor 2022-23 audit summaries. The committee also provided oversight of strategic initiatives such as SaskPower's Distribution Transformation Program, which includes the deployment of smart meters across the province. Smart technologies, including smart meters, are a critical component in modernizing our company's grid. In the future, smart technologies will make outages immediately visible and aid in power restoration efforts. Smart meters will provide customers with access to their energy consumption data, as well as timely billings based on energy consumption.

The committee monitored the progress of several capital projects being developed to grow and maintain SaskPower's electricity system and facilitate our company's transition to a low-carbon future. These included the development of Aspen Power Station, a 370-megawatt (MW) natural gas-fired power station, to be constructed near Lanigan. Aspen Power Station will provide reliable, baseload generation that will support intermittent, renewable generation such as wind and solar power. The committee provided ongoing oversight of capital projects such as the refurbishment of E.B. Campbell Hydroelectric Station, the construction of a utility-scale battery energy storage system in Regina and the commissioning of the 377-MW natural gas-fired Great Plains Power Station in Moose Jaw. Meanwhile, following a competitive process, the committee approved the award of a power purchase agreement to Iyuhána Solar LP, a partnership between Greenwood Sustainable Infrastructure, Saturn Power and Ocean Man First Nation to build the province's largest-ever solar facility near Estevan. Once complete, the project will produce 100 MW of emissions-free power.

The committee also reviewed and provided feedback to management on SaskPower's long-term supply plan as it continues to evolve. The supply plan is a roadmap for decision-makers to ensure that our company can continue to provide reliable, sustainable and cost-effective power while achieving net-zero greenhouse gas emissions by 2050 or sooner. The plan takes into account key factors such as regulations, customer expectations, provincial public policy and cost.

Finally, the committee approved the annual work plan for the Internal Audit Department and monitored irregularities. It also held regular *in camera* discussions with the Director, Internal Audit.

Safety, Environment & Corporate Responsibility Committee

Three meetings

Chair: Amber Biemans (appointed January 29, 2024), and Bevra Fee (cancelled November 29, 2023)

Members: Don Atchison (appointed January 29, 2024), Jim Hopson (cancelled June 1, 2023), Fred Matheson, The Honourable Vaughn Solomon Schofield, and Chief Darcy Bear (ex officio)

The Safety, Environment & Corporate Responsibility Committee is charged with ensuring that our company proactively addresses safety, health and environmental issues, is in compliance with regulatory and statutory requirements, and strengthens its performance in corporate responsibility.

In addition, the committee reviews the findings of the internal and external audits of the company's environmental and safety management systems, as well as environmental, health and safety facilities. It also monitors the implementation of audit recommendations.

In 2023-24, the committee reviewed the company's safety performance and compliance with environmental legislative, regulatory and corporate standards. This included a review of correspondence from regulators and the results of internal and external audits focused on SaskPower's environmental and safety management systems, as well as regular discussions with the Director, Internal Audit, on environmental and regulatory matters.

To ensure effective oversight over regulatory compliance, the committee received quarterly reports on the status of regulatory authorizations for the company's hydroelectric and thermal generation stations. The committee also reviewed, on a quarterly basis, the company's environmental performance and continued to monitor regulatory developments for greenhouse gas and other emissions. In addition, the committee received updates on recent environmental litigation across Canada and considered the potential impacts on the company and its Officers and Directors.

With oversight from the committee, SaskPower is working to enhance transparency and accountability with internal and external audiences concerning corporate responsibility and sustainability issues, activities and goals. The committee approved the release of SaskPower's 2022-23 Corporate Responsibility & Sustainability Report, which provides stakeholders with an overview of the company's environmental, social, governance and financial performance while discussing the challenges ahead.

Meanwhile, the committee received quarterly reports from management on SaskPower's Indigenous relations activities in the following areas: leadership actions, business development, employment and training, and partnerships with Indigenous communities.

Management continued to provide the committee with regular updates on electrical farm safety, the company's health and safety performance, and its Strategic Plan for Health and Safety. Finally, the committee considered the annual assessment of SaskPower's Dam Safety Program, which evaluates the condition of the company's dam and dyke facilities based on criteria established by the Canadian Dam Association.

Governance & Human Resources Committee

Five meetings

Chair: Robert Nicolay (appointed August 17, 2023), and Tammy Van Lambalgen (cancelled August 17, 2023)

Members: Don Atchison (appointed August 17, 2023), Jim Hopson (cancelled June 1, 2023), Jeff Richards, Stephanie Yong, and Chief Darcy Bear (ex officio)

The Governance & Human Resources Committee is responsible for the development, review and effectiveness of SaskPower's corporate governance practices. The committee's governance-related duties include serving as ethics advisor for the Board, monitoring and evaluating overall Board performance every three years, providing guidance on governance issues to Directors, and recommending governance issues for discussion by the full Board. The Governance & Human Resources Committee is also charged with overseeing SaskPower's human resources strategies, programs and practices.

The committee received reports on the company's activities in several areas. These included: a report from SaskPower Human Resources on workforce trends and human resources programming and initiatives; a report on the activities of the Saskatchewan Electric Reliability Authority (a committee within SaskPower that is charged with the authority to adopt and enforce electricity reliability standards in Saskatchewan under *The Power Corporation Act*); and an update on succession plan management. The committee also received updates on the company's progress regarding various Indigenous engagement and collaboration initiatives as well as regular reporting from the Director, Internal Audit, on matters relating to governance and human resources.

The committee monitored SaskPower's community investment activities, which support community initiatives and educational programs that are aligned with SaskPower's strategic priorities, and reviewed the status of the company's employee benefit plans. Finally, the committee approved a President and Chief Executive Officer (CEO) assessment policy to document the process for evaluating the performance of the President and CEO.

Nuclear Energy Committee

Five meetings

Chair: Bryan Leverick (served as member until appointed Chair on January 29, 2024), and Tammy Van Lambalgen (cancelled November 29, 2023)

Members: Terry Bergan, Jeff Richards, Thomas Sierzycki (appointed January 29, 2024), and Chief Darcy Bear (ex officio)

During the year, on the recommendation of the Governance & Human Resources Committee, the Board established the Nuclear Energy Committee as a fourth standing committee of the Board. The Nuclear Energy Committee's terms of reference state that the committee will assist the Board in its responsibility for oversight of matters relating to nuclear safety and nuclear generation technologies, including nuclear small modular reactors (SMRs).

The committee received regular updates from management on the planning and engagement work being undertaken for the potential development and construction of SMRs in Saskatchewan. The committee considered management's approach to licensing of SMRs and reviewed the selection criteria being applied to potential sites to inform a site narrowing decision. The siting process has involved ongoing consultation with Indigenous Rights Holders and engagement with the public. SaskPower will decide whether to proceed with a project in 2029.

BOARD OF DIRECTORS

As at March 31, 2024

Chief Darcy Bear
Chair
Whitecap Dakota First Nation

Chief Bear joined the SaskPower Board of Directors in 2016 as Chair. He is also serving a tenth consecutive term as Chief of the Whitecap Dakota First Nation.

He has a Business Administration Certificate and Honorary Doctor of Laws Degree from the University of Saskatchewan.

Chief Bear was awarded the Commemorative Medal for the Centennial of Saskatchewan in 2005 and the Saskatchewan Order of Merit in 2011. He was the recipient of the Queen Elizabeth II Diamond Jubilee Medal in 2012, Canadian Council for Aboriginal Business Lifetime Achievement Award in 2016, and Saskatchewan Junior Achievement Business Hall of Fame Award in 2017. He was appointed to the Order of Canada in the fall of 2020 and most recently awarded the Queen Elizabeth II Platinum Jubilee Medal.

Chief Bear was key in developing a self-governing Land Code, which created a business-friendly environment on Whitecap lands, with a land tenure system, commercial infrastructure and a real-property tax law. To date there has been approximately $160 million in capital investment in the community and an unemployment rate reduction from 70 per cent to 5 per cent.

Bryan Leverick
Vice-Chair
Saskatoon

Bryan Leverick joined the SaskPower Board of Directors in 2008. He currently serves as Chair of the Nuclear Energy Committee.

Starting with Alliance Energy Ltd. in 1974, he retired as the company's president in 2022 after nearly 50 years of service. Mr. Leverick has a Business Administration Certificate from the University of Saskatchewan. He holds a Chartered Director designation from McMaster University and is a journeyman electrician with a Gold Seal in project management from the Canadian Construction Association.

In 2003, the Saskatchewan Construction Association awarded Mr. Leverick the Distinguished Service Award. It also awarded him the Person of the Year Award in 2006.

Board and Volunteer Positions

- Member, Board of Directors, Information Services Corporation
- Past member, Board of Directors, Ducks Unlimited Canada
- Past Chair, Board of Directors, Royal University Hospital Foundation
- Past Chair, Board of Directors, Canadian Electrical Contractors Association
- Past President, Saskatchewan Construction Association
- Past President, Saskatchewan Bid Depository
- Past President, Saskatoon Construction Association
- Past President, Electrical Contractors Association
- Past Chair, Board of Directors, Saskatoon Regional Economic Development Authority
- Past Chair, Board of Directors, Saskatoon City Hospital Foundation

Don Atchison
Member
Saskatoon

Don Atchison joined the SaskPower Board of Directors in 2023.

Mr. Atchison is an independent business consultant. Previously, he was involved in Saskatoon city council for almost a quarter of a century; his 13 years as Mayor make him the longest-serving Mayor in the city's history.

Mr. Atchison was invested with the Saskatchewan Order of Merit in 2019, and named a Paul Harris Fellow by The Rotary Foundation of Rotary International. He was awarded the Medal of Merit by the International Association of Lions Clubs, the Consumer Choice "Man of the Year" Award, and the Canadian Sport Tourism Alliance President's Award for Public Sector Supporter. He was also recognized as an Ambassador by the Saskatoon and Region Home Builders' Association, and recognized by the Saskatoon Police Service.

Board and Volunteer Positions

- Member, Member Advisory Councils, World Trade Centers Association
- Past member, Board of Directors, SGI
- Past Chair, Audit and Finance Committee, Board of Directors, SaskWater

Terry Bergan
Member
Saskatoon

Terry Bergan joined the SaskPower Board of Directors in 2018.

Before his retirement, Mr. Bergan served as President and CEO of International Road Dynamics (IRD). IRD is a world leader in highway traffic management products and systems.

IRD was founded by his father, and Mr. Bergan served for over 30 years at the family-run company in various roles. He built a successful leadership team that contributed to the company's success.

Since 1980, IRD's cumulative sales have exceeded $1 billion in more than 37 countries. Under Mr. Bergan's leadership, IRD developed over 30 patents.

Mr. Bergan graduated from the Faculty of Engineering at the University of Saskatchewan in 1979.

Board and Volunteer Positions

- Member, Saskatchewan Centre of Excellence for Transportation and Infrastructure
- Member, Transportation Association of Canada
- Member, Canadian Society for Civil Engineering
- Member, Engineering Institute of Canada
- Member, Saskatoon Chamber of Commerce
- Member, North Saskatoon Business Association
- Member, Institute of Corporate Directors
- Member, Saskatoon Regional Economic Development Authority

Amber Biemans, K.C.
Member
Humboldt

Amber Biemans joined the SaskPower Board of Directors in 2022. She currently serves as Chair of the Safety, Environment & Corporate Responsibility Committee.

Raised on an active cattle and grain farm near Bruno, Saskatchewan, Ms. Biemans is a partner at Behiel, Will & Biemans, where she practices in the areas of real estate, estate planning and administration, and corporate law. She received the King's Counsel designation in 2019.

Ms. Biemans attended the University of Saskatchewan, where she obtained a Bachelor of Arts in Psychology and a Bachelor of Laws. She went on to complete her articles at a law firm in Weyburn, Saskatchewan.

In her free time, Ms. Biemans enjoys performing Latin dancing, walking, biking and cross-country skiing.

Board and Volunteer Positions

- Member, Board of Directors, Information Services Corporation
- Past Member, Board of Directors, Carlton Trail Ski Club
- Past member, Board of Directors, SaskWater
- Past member, Board of Directors, Humboldt & District Chamber of Commerce
- Past member, Board of Directors, Humboldt Co-Operative Preschool

Shawn Grice
Member
Regina

Shawn Grice joined the SaskPower Board of Directors in 2022. He currently serves as Chair of the Audit & Finance Committee.

After retiring in 2024 from a long professional career, Mr. Grice currently owns and operates a mixed farming operation in southwest Saskatchewan.

Most recently, Mr. Grice was the President of rSolutions, a privately-held information security and data analytics firm based in Regina, Saskatchewan, servicing clients across Canada and the United States. In that role, Mr. Grice positioned rSolutions for a strategic investment by a private equity group and through subsequent acquisitions rSolutions will operate under the Arctiq brand.

Mr. Grice started his career in public practice with KPMG Peat Marwick Thorne and then spent several years working for the Government of Saskatchewan in a variety of roles, with over two decades of experience as an executive in the Crown sector.

Mr. Grice has a Bachelor of Commerce Degree (With Great Distinction) from the University of Saskatchewan and is a Chartered Professional Accountant. He has completed CPA Canada's In-Depth Tax Program and also holds a Chartered Director designation (C.Dir.) from McMaster University and the Conference Board of Canada.

Board and Volunteer Positions

- Member, Board of Directors, Canadian Bus Association
- Past Board Member, Audit and Finance Committee Chair, Regina Downtown Business Improvement District

Cherilyn Jolly-Nagel
Member
Mossbank

Cherilyn Jolly-Nagel joined the SaskPower Board of Directors in 2017.

Raised on a farm near Mossbank, Saskatchewan, Ms. Jolly-Nagel is a farmer, speaker, director and advocate for global agricultural policy initiatives. She represents the province's agriculture industry around the world and serves as an international director for the Global Farmer Network. In 2021, she was recognized as one of the Top 50 Most Influential People in Canadian Agriculture.

She holds a Hospitality and Tourism Marketing Diploma from Medicine Hat College and an Agriculture Business Diploma from Olds College. Cherilyn holds an Institute of Corporate Directors Designation (ICD.D). Elected as the first female President of the Western Canadian Wheat Growers Association, Ms. Jolly-Nagel challenged government policies that affected the business of agriculture and is a leader on important issues that impact farmers. Her fresh thinking led her to partner with the team at www.Utensil.ca to launch a unique online training program designed to support those who want to strengthen their business relationships with farmers.

Ms. Jolly-Nagel was Mossbank's first Economic Development Officer. In 2011, she was named one of Saskatchewan's Most Influential Women by SaskBusiness Magazine. She was chosen by the Mattel toy company to take part in an online mentorship program through the launch of a Farmer Barbie.

Along with her family, Ms. Jolly-Nagel owns and operates a grain farm near Mossbank.

Board and Volunteer Positions

- Member, Board of Directors, Western Canadian Wheat Growers Association
- Member, Board of Directors, Mossbank and District Museum
- Coach, Moose Jaw Biathlon Club
- Past President, Board of Directors, Western Canadian Wheat Growers Association
- Past Chair, Board of Directors, Saskatchewan Agri-Value Initiative
- Past member, Board of Directors, Saskatchewan Transportation Company

Fred Matheson
Member
Prince Albert

Fred Matheson joined the SaskPower Board of Directors in 2018. He is the owner of Ted Matheson Men's Wear, a third-generation family business in Prince Albert. Mr. Matheson served as a Prince Albert City Councillor from 2006 to 2009.

Mr. Matheson was a recipient of the Commemorative Medal for the Centennial of Saskatchewan in 2005. He was named Prince Albert Chamber of Commerce Business Leader of the Year in 2013 and won the Saskatchewan ABEX Community Cornerstone Award in 2014. He was recognized as a Lifetime Member of the Prince Albert Chamber of Commerce in 2017 and received the Queen Elizabeth II Platinum Jubilee Medal in 2022.

Mr. Matheson is a graduate of the University of Saskatchewan and holds an Institute of Corporate Directors Designation (ICD.D). He and his wife, Colette, have two children.

Board and Volunteer Positions

- Past President, Kinsmen Club of Prince Albert
- Past Deputy Governor, Kinsmen Club of Saskatchewan
- Past Chair, Board of Directors, Prince Albert Downtown Business Association
- Past Chair, Board of Directors, Prince Albert Police Commission
- Past Chair, Board of Directors, Mont St. Joseph Home

Robert Nicolay, K.C.
Member
Estevan

Robert Nicolay joined the SaskPower Board of Directors in 2018. He currently serves as Chair of the Governance and Human Resources Committee.

He is currently a partner at the law firm Bridges and Company LLP in Estevan, Saskatchewan. From 2007 to 2012, he worked as the Chief of Staff at the Ministry of Corrections, Public Safety and Policing.

Mr. Nicolay is a graduate of the University of Saskatchewan, College of Law. He is also a graduate of the Directors

Education Program at the Rotman School of Management and holds an Institute of Corporate Directors Designation (ICD.D).

Board and Volunteer Positions

- Member, Rotary Club of Estevan
- Past member and Administrative Director, Saskatchewan Young Professionals and Entrepreneurs
- Past member, Saskatoon Club

Jeff Richards
Member
Weyburn

Jeff Richards joined the SaskPower Board of Directors in 2021. Born and raised in southeast Saskatchewan, Mr. Richards has a diverse background in business, government and leadership. After more than a decade as a small business owner, he has spent the last fifteen years in senior leadership roles across a number of sectors.

Currently he is the Executive Director of the Weyburn Wor-Kin Shop.

Mr. Richards holds the Institute of Corporate Directors Designation (ICD.D), as well as the Credit Union Director Achievement (CUDA) certification.

As a dedicated community builder, Mr. Richards devotes his time to organizations that are working to build stronger and better communities. He has worked with business groups in Canada and the United States.

Board and Volunteer Positions

- Councillor, City of Weyburn
- Board Chair, Weyburn Credit Union
- Director, Weyburn Board of Police Commissioners
- Past Director, SaskWater
- Past Chair, Governance & Corporate Responsibility Committee, SaskWater
- Past Chair, Weyburn District Regional Planning Commission
- Past President, Weyburn & District United Way
- Past Director, Estevan Chamber of Commerce
- Past Director, Weyburn Chamber of Commerce

The Honourable Vaughn Solomon Schofield
Member
Regina Beach

The Honourable Vaughn Solomon Schofield joined the SaskPower Board of Directors in 2021. She has had a successful career in business and has provided leadership to international, national and provincial organizations.

Mrs. Solomon Schofield was born and raised in Regina and was educated at the University of Saskatchewan (Regina Campus) and the Rae-Vogue School in Chicago. She served as Saskatchewan's 21st Lieutenant Governor from 2012 to 2018, as well as the Chancellor of the Saskatchewan Order of Merit. Prior to her appointment as Lieutenant Governor, she was President and CEO of Western Group of Companies, a business real estate organization holding interests throughout Western Canada. Mrs. Solomon Schofield received the Saskatchewan Volunteer Medal in 2009, the Commemorative Medal for the Centennial of Saskatchewan in 2005, and the Queen Elizabeth II Diamond Jubilee Medal in 2012. She is a strong supporter of the Canadian Forces and was awarded the prestigious Canadian Forces Medallion for Distinguished Service in 2009.

In the 1980s, Mrs. Solomon Schofield was Chair of the Board for Crime Watch, a 200,000-member crime prevention organization. She travelled throughout North and South America to establish Crime Watch groups. Fluent in English and Spanish, Mrs. Solomon Schofield worked with the government of Guayaquil, Ecuador, to establish their Crime Watch group and acted as an interpreter. She also hosted a Crime Prevention television talk show for four years in Fort Lauderdale, Florida, and was twice voted Florida's Crime Prevention Woman of the Year. She has served on numerous municipal, provincial and federal boards.

She and her late husband Gordon Schofield have two children and four grandchildren.

Board and Volunteer Positions

- Chair, Saskatchewan Police Commission
- Provincial Chair, Canadian Forces Liaison Council
- Honorary Colonel, 10 Field Artillery Regiment
- Fellow, National Geographic Society

Thomas Sierzycki
Member
La Ronge

Thomas Sierzycki joined the SaskPower Board of Directors in 2023.

Mr. Sierzycki is currently the Northern Advisor for the Ministry of Education. Before joining the Government of Saskatchewan, he was the Community Vitality Coordinator for Orano Canada/Cameco Corporation. He also served as Mayor of La Ronge from 2009 to 2016.

He holds a Bachelor of Education from the University of Regina, a Master of Northern Governance and Development from the University of Saskatchewan and a Master of Public Administration from the University of Victoria.

Mr. Sierzycki has been named one of 11 top young Canadians by Maclean's and a Top 40 under 40 by the CBC.

Board and Volunteer Positions

- Member, Board of Directors, Access Communications
- Member, Premier's Awards of Excellence in the Public Service Selection Committee
- Past member, Board of Directors, SaskWater
- Past President, La Ronge Minor Hockey
- Past Secretary, La Ronge Elks #554

Stephanie Yong
Member
Saskatoon

Stephanie Yong joined the SaskPower Board of Directors in 2022.

Ms. Yong is the Co-Founder of Sohkisiwin Solutions, a strategy firm focused on bridging the gap between Indigenous and non-Indigenous organizations. She also has a consultancy practice, Stephanie Yong Consulting, which focuses on using the tools of human-centred design thinking to help generate ideas, solve strategic problems and apply them to community and social impact projects. Ms. Yong also shared these tools while serving as a lecturer at the University of Saskatchewan's Edwards School of Business.

Ms. Yong has a Bachelor of Arts in Political Studies and a Master of Business Administration from the University of Saskatchewan. She holds an Institute of Corporate Directors Designation (ICD.D).

In 2018, she was selected as a recipient of CBC Saskatchewan's Future 40 award. In 2022, Ms. Yong was the recipient of the Queen Elizabeth II Platinum Jubilee Medal for her contributions to the community.

Board and Volunteer Positions

- Vice Chair and Audit and Finance Committee Chair, Board of Directors, Saskatchewan Opportunities Corporation
- Chair and Governance Committee Chair, Board of Directors, Saskatoon Public Schools Foundation
- Member, Board of Directors, Creative Saskatchewan
- Past Chair, Saskatoon Public Schools Foundation

COMPENSATION

Under the authority of *The Crown Corporations Act, 1993*, SaskPower's shareholder, CIC, directs the compensation received by Directors. In addition to reimbursement for reasonable expenses incurred while performing their duties (including related travel, meal and accommodation costs), Directors receive an annual retainer and meeting fees for service:

- The Board Chair receives an annual retainer of $40,000.
- Board Members receive an annual retainer of $25,000.
- The Audit & Finance Committee Chair receives an annual retainer of $3,500.
- Other Committee Chairs receive an annual retainer of $2,500.
- Committee Members receive a daily meeting fee of $750 for a full day and $375 for a half day (less than four hours).

EXECUTIVE TEAM

As at March 31, 2024

Rupen Pandya
President and
Chief Executive Officer

Rupen Pandya was named the President and Chief Executive Officer of SaskPower in 2022.

Before joining SaskPower, Rupen was the Deputy Minister of Finance and Secretary to the Treasury Board for the Government of Saskatchewan.

He has 25 years of public service experience in Saskatchewan, including previous positions as the President and Chief Executive Officer of SaskBuilds Corporation, and Assistant Deputy Minister roles with the Ministry of the Economy and the Ministry of Advanced Education, Employment and Immigration.

He holds Bachelor and Master of Arts degrees from the University of Regina.

Board and Volunteer Positions

- Member, Board of Directors, Electricity Canada
- Member, Small Modular Reactor Leadership Table, Natural Resources Canada
- Member, Board of Directors, Western Energy Institute
- Member, Leaders Council, University of Regina
- Past member, Board of Directors, Credit Union Deposit Guarantee Corporation
- Past member, Board of Directors, Saskatchewan Apprenticeship and Trade Certification Commission
- Past member, Board of Directors, Physician Recruitment Agency of Saskatchewan
- Past member, Board of Directors, Canadian Council for Public-Private Partnerships
- Past trustee, Public Employees Pension Plan
- Past trustee, Municipal Employees Pension Plan
- Past trustee, Saskatchewan Student Aid Fund

Rhea Brown
Executive Vice-President, Customer Experience and Procurement

Rhea Brown was named Executive Vice-President, Customer Experience and Procurement in 2023. Her background is in customer service and supply chain with a focus on building relationships and partnerships.

Rhea has been with SaskPower since 2008, starting in Customer Service as a Key Account Manager, then transitioning to the Director of Key Accounts and Customer Relations in 2012 before taking on the Director of Procurement and Contracts Management role in 2019.

Before joining SaskPower, Rhea held a number of leadership positions in the private sector, most notably a decade-long career working for a sales and marketing company in customer development and supply chain roles in Vancouver and Toronto.

She holds a Bachelor of Commerce from the University of Saskatchewan and holds an Executive Master of Business Administration from the Kenneth Levene Graduate School of Business at the University of Regina.

Board and Volunteer Positions

- Member, Board of Directors, Regina Immigrant Women's Centre
- Member, Board of Directors, Power Corporation Superannuation Plan

Kory Hayko
Executive Vice-President, Chief Operating Officer

Kory Hayko was named Executive Vice-President and Chief Operating Officer in 2023. He became Vice-President, Transmission and Industrial Services, in 2017, and previously served as Vice-President, Commercial and Industrial Operations, Fuel and Cross-Crown Collaboration, and acting Vice-President, Customer Services. He has also been President and Chief Executive Officer of NorthPoint Energy Solutions, a SaskPower subsidiary, since July 2014.

In his more than 30 years at SaskPower, Kory has served in numerous roles, including Director of Energy Management and Trading, and Director of Gas Management.

He holds a Bachelor of Applied Science in Industrial Systems Engineering and a Master of Applied Science in Energy Systems, both from the University of Regina.

Kory is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan.

Board and Volunteer Positions

- Vice-Chair, Board of Directors, International Carbon Capture and Storage Knowledge Centre
- Member, Industry Advisory Board, University of Regina Faculty of Engineering

Troy King
Executive Vice-President, Chief Strategy, Technology and Financial Officer

Troy King was named Executive Vice-President and Chief Strategy, Technology and Financial Officer in 2023. He previously held the position of Vice-President, Finance and Business Performance and Chief Financial Officer starting in 2017. Troy has worked at SaskPower since 1996 in many leadership roles including Director of Corporate Planning and Controller.

He holds a Business Administration degree from the University of Regina and is a Chartered Professional Accountant (CPA, CMA).

Board and Volunteer Positions

- Chair, Board of Directors, Power Corporation Superannuation Plan
- Audit Committee Chair, Board of Directors, Hospitals of Regina Foundation
- Member, Board of Directors, Public Employees Pension Plan
- Co-Chair, Electricity Canada CFO Committee

Howard Matthews
Vice-President, Generation

Howard Matthews was named Vice-President, Generation, in 2023. He was appointed Vice-President, Power Production, in 2015, after serving as acting Vice-President in 2014.

Howard also served as President and Chief Executive Officer of SaskPower International, a SaskPower subsidiary, from 2015 until its dissolution in 2021.

Over his career, he has held many roles at SaskPower, starting as an electrical engineer in 1989. He also served as Director at the Poplar River Power Station in Coronach.

Before SaskPower, Howard was a computer programmer and worked for the Saskatchewan Research Council, Northern Telecom and the Saskatchewan Mining and Development Corporation. He has also worked as a field engineer for Husky Injection in Toronto.

He holds Bachelor of Commerce and Bachelor of Electrical Engineering degrees, both from the University of Saskatchewan.

He is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan.

Board and Volunteer Positions

- Member, Board of Directors, International Carbon Capture and Storage Knowledge Centre

Rachelle Verret Morphy, K.C.
Executive Vice-President, Legal & Corporate Services and General Counsel

Rachelle Verret Morphy was named Executive Vice-President, Legal and Corporate Services and General Counsel, and served as Acting Executive Vice-President, People, Safety and Indigenous and Corporate Relations, in 2023. She became Vice-President, Corporate and Regulatory Affairs and General Counsel in 2017, and in 2021 also took on the role of Acting Vice-President, Human Resources and Safety.

Rachelle joined the company as Assistant General Counsel in the Law Department in 2005, and became the Vice-President of Law, Land and Regulatory Affairs, in 2011.

Before joining SaskPower, Rachelle worked for a federally-regulated financial institution, a law firm and a professional accounting firm.

She has a Bachelor of Laws from the University of Saskatchewan and a Bachelor of Commerce (Honours) from the University of Ottawa. As well, Rachelle holds an Institute of Corporate Directors Designation (ICD.D) and a Chartered Professional Accountant (CPA) designation.

Board and Volunteer Positions

- Vice-Chair, Board of Directors, Power Corporation Superannuation Plan
- Chair, Saskatchewan Electric Reliability Authority

Ryan Neufeld
Vice-President,
Engineering and Construction

Ryan Neufeld was named Vice-President, Engineering and Construction in 2023. He has 25 years of experience in numerous areas within SaskPower, including Transmission, Distribution, and Key Accounts.

Over his career he has held many roles at SaskPower, starting as an electrical engineering technologist in 1998 performing commissioning and testing within Transmission, Distribution, and Generation. He also served as Director, Distribution Construction & Work Management and Director, Distribution Operations North.

Before SaskPower, Ryan worked at ATCO Electric as a Station Technologist in northern Alberta.

He holds a diploma in Electrical Engineering Technology from Palliser Institute, a Journeyman Power System Electrician certificate from Alberta, and a certificate in Business Administration from the University of Saskatchewan.

Board and Volunteer Positions

- Member, Board of Directors, Saskatchewan Common Ground Alliance

Kathryn Pollack
Executive Vice-President,
People, Safety and Indigenous and Corporate Relations

Kathryn Pollack was named Executive Vice-President, People, Safety and Indigenous and Corporate Relations in 2023. Prior to joining SaskPower, Kathryn held a number of leadership positions in government and private industry in Saskatchewan, including Chairperson and CEO of the Public Service Commission of Saskatchewan, Chief Procurement Officer for the Ministry of SaskBuilds and Procurement, and Chief Strategy Officer with Praxis Consulting.

She studied Fine Arts at Collège du Vieux Montréal and holds a Master of Business Administration from the University of Regina and a Petroleum Land Administration Certificate from the Southern Alberta Institute of Technology in Calgary. She has also completed the Directors Education Program through the Rotman School of Business and Institute of Corporate Directors (ICF) and is a Certified Leadership Coach.

In 2022, she received the Queen Elizabeth II Platinum Jubilee Medal (Saskatchewan) for Public Service.

Board and Volunteer Positions

- Director, Vice Chair, Conexus Credit Union Board of Directors
- Member, Levene Leaders Council and Paul J. Hill Advisory Board, University of Regina

Shawn Schmidt
Vice-President,
Transmission and Distribution

Shawn Schmidt was named Vice-President, Transmission & Distribution, in 2023. He had served as Vice-President, Distribution and Customer Services since 2018.

Shawn has spent 35 years in the utility, mining and consulting industries. He joined SaskPower in 2001 in Customer Services Key Accounts. He then became Engineering Supervisor, followed by Regional Manager in Distribution Operations. Shawn also served as Director, Transmission Operations and Maintenance for eight years.

He has a Bachelor of Science in Electrical Engineering from the University of Saskatchewan. In 2018, he co-authored a paper for the Institute of Electrical and Electronics Engineers: *Flashover Performance of Live-Line Tools in High Voltage Environments*. He is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan.

Board and Volunteer Positions

- Chair, Distribution Council, Electricity Canada
- Member, Transmission Council, Electricity Canada
- Member, Executive Operations Board Committee, Western Energy Institute
- SaskPower representative, Transmission Distribution Maintenance Management Association
- Member, Saskatchewan Electric Reliability Authority

COMPENSATION

CIC has established a framework for Executive compensation, and SaskPower's Board can approve compensation packages within that framework. The Board has delegated responsibility for addressing and making recommendations concerning Executive compensation issues to the Governance & Human Resources Committee. Executive performance is assessed annually against corporate and individual objectives that are aligned with our company's Strategic Plan. The mandate for Executive compensation for Saskatchewan Crown corporations is established and monitored by CIC.

Direct reports of SaskPower's President and CEO, including all Executive Members, are required by legislation to file and report the details of their compensation and benefits and any changes to the Clerk of the Saskatchewan Legislature within 14 days of occurrence. In addition, the Crown and Central Agencies Committee of the Legislative Assembly of Saskatchewan requires Crown corporations, including SaskPower, to file an annual payee list that includes the total compensation of Executive Members.

FIVE-YEAR FINANCIAL SUMMARY

(in millions)	2023-24	2022-23	2021-22	2020-21	2019-20
Consolidated Statement of Income (Loss)					
Revenue					
Saskatchewan electricity sales	**$ 3,096**	$ 2,844	$ 2,713	$ 2,615	$ 2,626
Exports	**129**	139	77	53	20
Other revenue	**154**	84	95	103	125
	3,379	3,067	2,885	2,771	2,771
Expense					
Fuel and purchased power	**1,240**	1,283	1,033	807	737
Operating, maintenance and administration	**811**	792	711	700	705
Depreciation and amortization	**605**	597	612	595	572
Finance charges	**409**	406	401	426	431
Taxes	**92**	86	81	79	77
Other expenses	**38**	75	36	4	44
	3,195	3,239	2,874	2,611	2,566
Net income (loss)	**$ 184**	$ (172)	$ 11	$ 160	$ 205
Consolidated Statement of Financial Position					
Assets					
Current assets	**$ 1,249**	$ 989	$ 754	$ 811	$ 950
Property, plant and equipment	**11,173**	10,621	10,133	9,816	9,712
Right-of-use assets	**414**	463	516	565	615
Intangible assets	**82**	72	77	68	70
Debt retirement funds	**799**	717	738	865	848
Other assets	**27**	16	11	8	8
Total assets	**$ 13,744**	$ 12,878	$ 12,229	$ 12,133	$ 12,203
Liabilities and equity					
Current liabilities	**$ 2,161**	$ 1,905	$ 1,690	$ 1,301	$ 1,775
Long-term debt	**7,447**	6,918	6,239	6,501	6,180
Lease liabilities	**795**	849	904	946	980
Employee benefits	**61**	123	131	208	210
Provisions	**327**	341	305	324	311
Equity	**2,953**	2,742	2,960	2,853	2,747
Total liabilities and equity	**$ 13,744**	$ 12,878	$ 12,229	$ 12,133	$ 12,203
Consolidated Statement of Cash Flows					
Cash provided by operating activities	**$ 751**	$ 445	$ 738	$ 814	$ 866
Cash used in investing activities	**(1,133)**	(1,017)	(912)	(658)	(640)
Cash provided by (used in) financing activities	**564**	732	108	(294)	-
Increase (decrease) in cash position	**$ 182**	$ 160	$ (66)	$ (138)	$ 226
Financial Indicators					
Dividends	**$ 18**	$ -	$ 3	$ 48	$ 20
Capital expenditures	**$ 1,213**	$ 1,065	$ 922	$ 693	$ 696
Return on equity	**6.7%**	(6.3%)	0.4%	5.8%	7.8%
Per cent debt ratio	**74.4%**	74.7%	71.9%	71.4%	72.6%

FIVE-YEAR REVENUE STATISTICS

	2023-24	2022-23	2021-22	2020-21	2019-20
Number of Saskatchewan customer accounts					
Residential	**415,037**	411,629	407,995	403,782	399,394
Farm	**57,649**	57,760	57,949	58,035	57,978
Commercial	**65,303**	65,051	64,764	64,272	63,757
Oilfield	**19,318**	19,281	19,103	18,960	19,466
Power	**134**	126	127	128	130
Reseller	**2**	2	2	2	2
Total number of Saskatchewan customer accounts	**557,443**	553,849	549,940	545,179	540,727
Electricity sales (in millions)					
Residential	**$ 632**	$ 606	$ 595	$ 579	$ 559
Farm	**198**	185	178	188	185
Commercial	**557**	528	504	487	508
Oilfield	**469**	440	416	390	435
Power	**895**	815	777	748	759
Reseller	**105**	99	98	94	97
	2,856	2,673	2,568	2,486	2,543
Federal carbon charge collected	**240**	171	145	129	83
Saskatchewan electricity sales	**3,096**	2,844	2,713	2,615	2,626
Exports	**129**	139	77	54	20
Total electricity sales	**$ 3,225**	$ 2,983	$ 2,790	$ 2,669	$ 2,646
Electricity sales (GWh)					
Residential	**3,224**	3,294	3,331	3,224	3,091
Farm	**1,305**	1,288	1,285	1,348	1,330
Commercial	**3,749**	3,776	3,690	3,540	3,748
Oilfield	**4,320**	4,211	4,013	3,727	4,163
Power	**10,531**	10,087	9,821	9,409	9,584
Reseller	**1,150**	1,162	1,160	1,129	1,156
Saskatchewan electricity sales	**24,279**	23,818	23,300	22,377	23,072
Exports	**763**	932	695	526	254
Total electricity sales	**25,042**	24,750	23,995	22,903	23,326
Average electricity sales price ($/MWh)					
Residential	**$ 196**	$ 184	$ 179	$ 180	$ 181
Farm	**152**	144	139	139	139
Commercial	**149**	140	137	138	136
Oilfield	**109**	104	104	105	104
Power	**85**	81	79	79	79
Reseller	**91**	85	84	83	84
Exports	**169**	149	111	103	79
Total weighted average electricity sales price	**$ 119**	$ 114	$ 110	$ 111	$ 110
Average annual usage per residential customer (kWh)	**7,768**	8,002	8,164	7,985	7,739
System-wide average rate increases	**4.0% (Apr 1)**	4.0% (Sep 1)	0.0%	0.0%	0.0%
Federal carbon charge rate rider increases	**0.5% (Jan 1)**	3.0% (Jan 1)	0.0%	0.6% (Jan 1)	2.7% (Apr 1) 2.4% (Jan 1)

FIVE-YEAR GENERATING AND OPERATING STATISTICS

	2023-24	2022-23	2021-22	2020-21	2019-20
Net electricity supplied (GWh)					
Gas	**11,934**	10,575	10,766	10,551	10,767
Coal	**7,895**	8,424	9,479	8,146	9,182
Hydro	**2,490**	3,244	2,850	4,277	3,859
Wind	**1,981**	2,177	1,661	913	815
Imports	**2,027**	1,806	752	629	278
Solar	**71**	55	14	1	-
Other[1]	**177**	145	124	117	132
Gross electricity supplied	**26,575**	26,426	25,646	24,634	25,033
Line losses	**(1,533)**	(1,676)	(1,651)	(1,731)	(1,707)
Net electricity supplied	**25,042**	24,750	23,995	22,903	23,326
Electricity supplied (GWh)					
SaskPower owned	**18,480**	18,618	19,634	19,511	19,752
Independent power producer and imports	**8,095**	7,808	6,012	5,123	5,281
Gross electricity supplied	**26,575**	26,426	25,646	24,634	25,033
Available generating capacity (net MW)					
Gas	**2,065**	2,160	2,160	2,160	2,172
Coal	**1,389**	1,389	1,389	1,530	1,530
Hydro[2]	**1,155**	1,154	989	989	889
Wind	**617**	617	626	241	241
Solar	**95**	83	54	39	34
Other	**34**	34	28	28	27
Total available generating capacity	**5,355**	5,437	5,246	4,987	4,893
Available generating capacity (net MW)					
Fossil fuel generating capacity	**3,454**	3,549	3,549	3,690	3,702
Renewable generating capacity	**1,901**	1,888	1,697	1,297	1,191
Total available generating capacity	**5,355**	5,437	5,246	4,987	4,893
Peak loads (net MW)					
Annual peak load	**3,896**	3,800	3,910	3,722	3,722
Minimum load	**2,111**	2,032	2,106	1,918	2,147
Summer peak load	**3,669**	3,597	3,547	3,481	3,437
Lines in service (circuit km)					
Transmission lines	**14,930**	14,915	14,673	14,600	14,356
Distribution lines	**144,768**	145,792	142,713	142,972	142,773
Total lines in service	**159,698**	160,707	157,386	157,572	157,129
Number of permanent full-time employees	**3,212**	3,096	3,057	3,036	3,178

1. Includes small independent power producers with generation sourced from flare gas, waste heat recovery, landfill gas and biomass. Prior to 2021-22 the amounts reported included generation sourced from small customer-generated solar facilities.
2. Includes import power purchase agreements with Manitoba Hydro.

GREENHOUSE GAS (GHG) EMISSIONS

	GHG emissions[1] (million tonnes of carbon dioxide equivalent (CO_2e))	Carbon intensity: supply[2] (tonnes of CO_2e/GWh)	Carbon intensity: consumption[2] (tonnes of CO_2e/GWh)
2005	14.2	712	778
2019	15.9	627	686
2020	12.8	518	570
2021	14.9	583	637
2022	13.8	525	561
2023	13.6	511	542

1. Includes GHG emissions from SaskPower-owned facilities and large independent power producers. SaskPower is targeting a 50% reduction of GHG emissions from 2005 levels by 2030 while scenario planning for a net-zero GHG emissions future. Our company is also targeting up to a 50% renewable generation capacity by 2030, and in alignment with federal regulations will retire all conventional coal generation before 2030. Until 2030, GHG emissions and intensity will be subject to fluctuation depending on load growth and the fuel mix required to ensure reliability.
2. Supply intensity provides the amount of CO_2e emissions produced per gigawatt hour (GWh) of electricity supplied to the system. Consumption intensity considers line losses and Renewable Energy Certificate (REC) sales in the calculation and therefore represents an appropriate intensity number for the end consumer.

GLOSSARY

Baseload
The minimum amount of electricity needed to be supplied to the grid at all times to meet steady and often essential levels of demand. Electricity utilities seek to have access to constantly operating and highly reliable generation sources to meet their baseload needs. Coal and hydro generation are excellent sources of baseload power generation.

Battery energy storage system (BESS)
Acts as a support to intermittent generation options, like solar and wind. A BESS will help to balance the power system when demand spikes for short periods of time.

Biomass
Energy resources derived from organic matter. These include wood, agricultural waste and other living-cell material that can be burned to produce heat energy.

Capacity
The greatest load that can be supplied by a generating unit, power station or an entire provincial grid system.

Carbon capture and storage (CCS)
Technology that reduces greenhouse gas emissions by capturing carbon dioxide, typically at fossil-fueled power plants, and storing it in geological reservoirs deep underground.

Carbon dioxide (CO_2)
One of the primary greenhouse gases causing climate change. Carbon dioxide is produced in fossil fuel-based electricity generation.

CO_2 equivalent (CO_2e)
Unit of measure for greenhouse gases that includes CO_2 emissions as well as the CO_2 equivalents (CO_2e) for methane (CH_4) and nitrous oxide (N_2O) emissions.

Climate change
Climate change refers to any change in climate over time, whether due to natural variability or as a result of human activity.

Cogeneration
The simultaneous generation of electricity and useful heat or steam. The heat could be put in use in an industrial process or to heat a facility or community. The electricity could be used by the owner or sold.

Decarbonization
Reducing the use of fossil fuels to decrease carbon dioxide emissions.

Demand
The rate at which electric energy is delivered at a given instant or averaged over a period of time. It is measured in kilowatts, megawatts, etc.

Distribution
Process of moving electric energy at lower voltages from major substations to customers.

Fly ash
The fine powder by-product resulting from the combustion of pulverized coal used in SaskPower's coal-fired generating stations.

Gigawatt (GW)
A unit of bulk power; one billion watts or one million kilowatts.

Gigawatt hour (GWh)
A unit of bulk energy; one million kilowatt hours.

Independent power producer (IPP)
An unregulated entity that owns power plants and generates electricity in the competitive wholesale market.

International Financial Reporting Standards (IFRS)
Guidelines and rules set by the International Accounting Standards Board that companies follow when compiling financial statements. IFRS replaced the previous Canadian Generally Accepted Accounting Principles as the acceptable set of accounting standards for publicly accountable enterprises in Canada.

Kilowatt hour (kWh)
A unit of bulk energy; 1,000 watt hours. The measurement is generally used for billing residential customers.

Load
The amount of electric power or energy consumed by a particular customer or group of customers.

Megawatt (MW)
A unit of bulk power; 1,000 kilowatts. The unit generally used to describe the output of a commercial generator.

Megawatt hour (MWh)
A unit of bulk energy; 1,000 kilowatt hours.

Net metering
The offsetting of electricity consumption by a customer against the same customer's production of electricity, typically from a small-scale renewable energy source such as wind or solar.

Nuclear small modular reactors (SMRs)
Nuclear fission reactors that are smaller than conventional nuclear reactors. In areas lacking sufficient lines of transmission and grid capacity, SMRs can be installed into an existing grid or remotely off-grid, providing low-carbon power for industry and consumers.

Open Access Transmission Tariff (OATT)
The SaskPower OATT allows eligible users to access our transmission system to transport electricity to wholesale customers within Saskatchewan or across the province to other jurisdictions. The OATT also ensures SaskPower can access the transmission systems of other utilities.

Peak load demand or peak energy demand
The maximum amount of electric power or energy consumed by a particular customer or group of customers at a precise time.

Polychlorinated biphenyls (PCBs)
A group of organic compounds that were once used as cooling and insulating fluids in various types of electrical equipment, including transformers and capacitors.

Power purchase agreement (PPA)
A contract between electricity producers in which one party sells energy and/or generating capacity to another, who generally serves end-use retail customers. For example, instead of building a new power plant, an electric company can choose to enter into a PPA.

Renewable generation
Electricity generated from sources that can be used continuously without being depleted and are generally free of greenhouse gas emissions.

Smart meter
An electronic device that records consumption of electric energy in intervals of an hour or less and communicates that information at least daily back to the utility for monitoring and billing.

Switching station
A facility containing transformers, regulators, switches and protective equipment for changing transmission voltages between transmission lines.

Transmission
Process of moving electric power in bulk at higher voltages from the source of supply to distribution centres.

SASKPOWER SYSTEM MAP

TOTAL AVAILABLE GENERATING CAPACITY AS AT **MARCH 31, 2024: 5,355 MEGAWATTS (MW)**

HYDRO TOTAL CAPACITY - 865 MW

- H1 Athabasca Hydroelectric System - 23 MW
- H2 Island Falls Hydroelectric Station - 111 MW
- H3 Nipawin Hydroelectric Station - 253 MW
- H4 E.B. Campbell Hydroelectric Station - 292 MW
- H5 Coteau Creek Hydroelectric Station - 186 MW

IMPORT POWER PURCHASE AGREEMENTS - 290 MW

- I1 Manitoba Hydro - 290 MW

NATURAL GAS TOTAL CAPACITY - 2,065 MW

- NG1 Meadow Lake Power Station - 41 MW
- NG2 Meridian Cogeneration Station* - 228 MW
- NG3 North Battleford Generating Station* - 289 MW
- NG4 Yellowhead Power Station - 135 MW
- NG5 Ermine Power Station - 90 MW
- NG6 Landis Power Station - 78 MW
- NG7 Cory Cogeneration Station - 234 MW
- NG8 Queen Elizabeth Power Station - 528 MW
- NG9 Spy Hill Generating Station* - 89 MW
- NG10 Chinook Power Station - 353 MW

WIND TOTAL CAPACITY - 617 MW

- W1 Riverhurst Wind Energy Facility* - 10 MW
- W2 Western Lily Wind Energy Facility* - 20 MW
- W3 Morse Wind Energy Facility* - 23 MW
- W4 Blue Hill Wind Energy Facility* - 175 MW
- W5 Red Lily Wind Energy Facility* - 26 MW
- W6 Centennial Wind Power Facility - 150 MW
- W7 Cypress Wind Power Facility - 11 MW
- W8 Golden South Wind Energy Facility* - 200 MW

Customer-generated wind capacity - 2 MW
(NOT SHOWN ON MAP)

SOLAR TOTAL CAPACITY - 95 MW

- S1 Highfield Solar Energy Facility* - 10 MW
- S2 Pesâkâstêw Solar Energy Facility* - 10 MW
- S3 Awasis Solar Energy Facility* - 10 MW

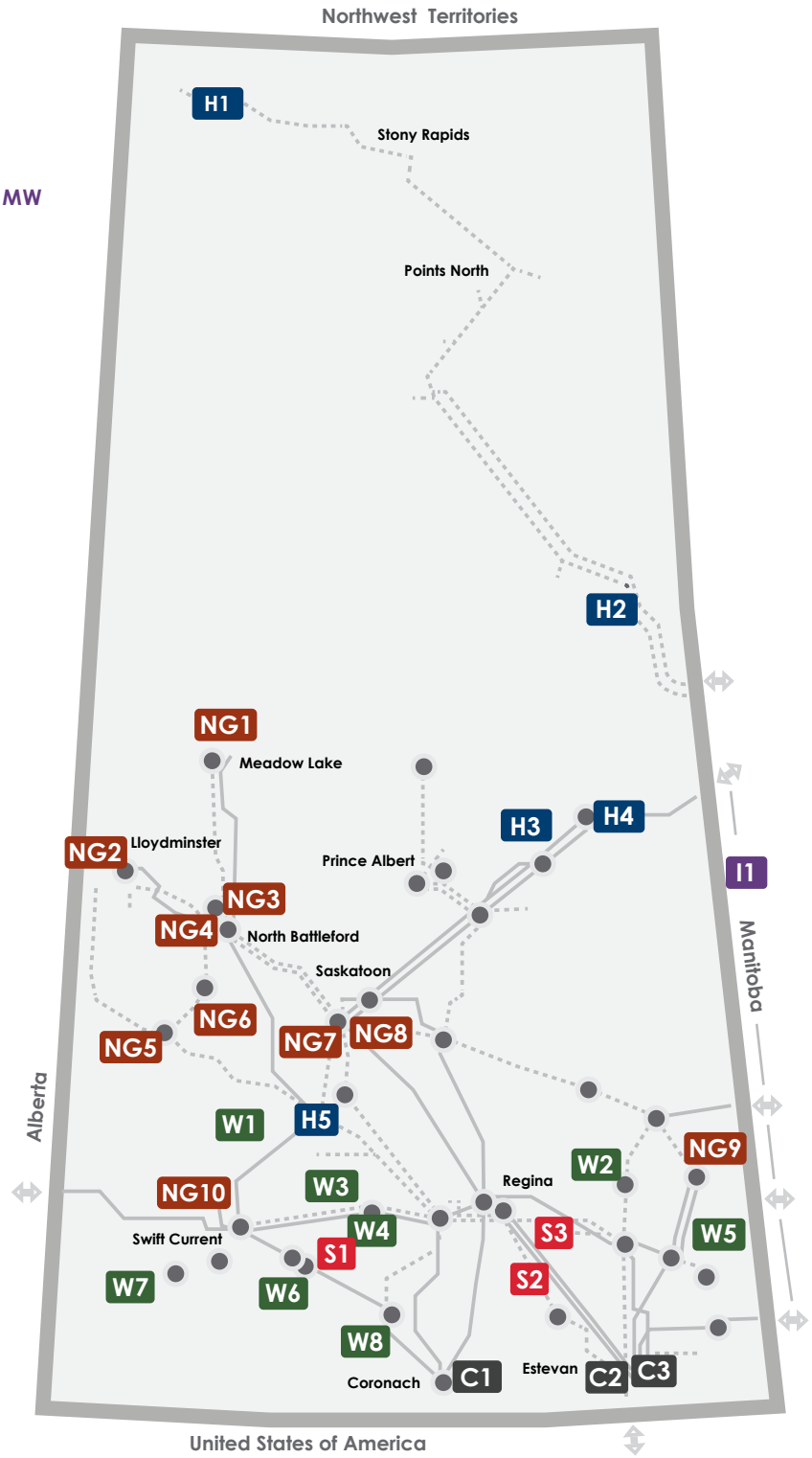
Customer-generated solar capacity - 65 MW
(NOT SHOWN ON MAP)

COAL TOTAL CAPACITY - 1,389 MW

- C1 Poplar River Power Station - 582 MW
- C2 Boundary Dam Power Station - 531 MW
- C3 Shand Power Station - 276 MW

SMALL INDEPENDENT POWER PRODUCERS TOTAL CAPACITY - 34 MW (NOT SHOWN ON MAP)

(Includes flare gas, waste heat recovery, landfill gas and biomass)



TRANSMISSION

- 230 kilovolt (kV)
- 138 kV/115 kV/110 kV
- Switching station
- Interconnection

** Large Independent Power Producer*

Progressive Aboriginal RELATIONS GOLD LEVEL

Canadian Council for Aboriginal Business

SaskPower
Powering our future®

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