



FREQUENTLY ASKED QUESTIONS AND ANSWERS

Why is Swift Current suing SaskPower?

Swift Current Council feels it has no choice but to take this step to defend the interests of Swift Current taxpayers. Taxpayers have been victimized by the discriminatory rate setting practices of SaskPower. They feel it is their duty as City Council to step in to defend our citizens.

What do you mean by “discriminatory rate setting practices”?

Swift Current owns its own utility but the rates are controlled by the provincial government. When the government changes the difference between the wholesale rate and the retail rate it shrinks the margins on which the Swift Current utility operates, reduces the value of the utility, and forces council to find that money somewhere else.

Swift Current has no choice but to buy power from SaskPower and has no real say in the setting of the rates. That leaves Swift Current taxpayers vulnerable.

That may be a tough spot for Swift Current to be in but how is that discriminatory?

Utility rates are a very complex topic and the full details of the discrimination will come out in the court case, but simply put SaskPower should treat all its customers in the same fair manner. That isn't the case where Swift Current is concerned.

Again, the full detail will come out in the courts, but Swift Current will present evidence that supports the claim that SaskPower systematically set rates for Swift Current that would force us to sell the utility to SaskPower at a reduced price.

More information, including copies of the Statement of Claim, is available on the city's website at www.swiftcurrent.ca.

Why don't we just sell the utility?

Our predecessors on council had the foresight to keep our utility when everybody else was selling theirs to the government. It remains a legacy, and revenue generator that belongs to the citizens of Swift Current. If someone is trying to take that away from the citizens of Swift Current we have a responsibility to defend their interests.

How much is the city suing for?

The cost of SaskPower's rate setting practices to Swift Current taxpayers is very significant, but this case isn't just about money – it is about standing up to a bully that is using its position of power to intimidate.

While damages in the suit could be a lot of money, fairness is the ultimate settlement.

When will the case go to court?

Filing our Statement of Claim is just the first step. The case could take years to conclude but we all hope that resolution can be found as soon as possible.

How much will this court case cost the City?

The city will incur costs for lawyers and experts as the case goes forward, but SaskPower's practices have already cost the city a lot in lost revenue. The cost of the case is very small compared to the continuing cost to taxpayers if we don't resolve this issue.

What impact will this have on other City Departments?

It is the genuine hope of city council that this legal action will be resolved as quickly as possible without any negative impact on the city's dealings with other crown corporations and the provincial government. It is council's sincere hope and reasonable expectation that the response from the government will only be through the legal process.

Can they shut off the power?

It would be beyond unreasonable to suggest that this dispute would result in SaskPower taking such action. That is why we have a court system; to resolve disputes. The city has confidence that a resolution will be found through the courts.