



SaskPower

Procurement Policy

Policy approved by the SaskPower Board of Directors

December 15, 2016

OBJECTIVE

The objective of this policy is to ensure SaskPower and its subsidiaries procure goods and services in a manner that achieves Best Value, competition and fairness, and results in the best possible balance of benefits to SaskPower's stakeholders and customers.

SaskPower's Executive is given the flexibility to encourage the use of Best Value procurement methods, to ensure Saskatchewan businesses are treated fairly and to ensure that procurements are open, accessible, and transparent. SaskPower's Executive is given the responsibility for ensuring that established rules and methods are consistently followed by all business divisions and subsidiaries.

POLICY STATEMENT

SaskPower's procurement activities must:

- Obtain Best Value for SaskPower's money by being innovative, efficient and flexible.
- Ensure every person who deals with SaskPower procurement is treated fairly.
- Include strategic procurement advice that reflects the risk assessment appropriate to the initiative, project or operation.
- Manage the supplier relationship including performance and quality elements.
- Meet SaskPower's operational requirements.
- Comply with the Province of Saskatchewan's laws, regulations and trade agreements.
- Maintain the highest ethical business standards.
- Support the development of Saskatchewan's economy, including providing opportunities to Aboriginal businesses in Saskatchewan.

APPLICABILITY

This policy applies to all of SaskPower's procurement activities except:

- revenue-producing contracts;
- contracts related to buying rights in land;
- shared-cost programs in which SaskPower is not the contracting authority;
- employment contracts;
- procurement of energy, natural gas, and capacity pursuant to the SaskPower and NorthPoint Risk Management Manuals;
- procurement, grants and contributions made by the Corporate Relations department in keeping with the [Corporate Contributions Policy](#);
- Communication services procured by Communications Coordination, Saskatchewan Executive Council under the Communication (Advertising) Policy in the Financial Administration Manual of the Treasury Board of the Government of Saskatchewan; and
- Any specific procurement conducted pursuant to a directive issued by the Crown Investments Corporation of Saskatchewan under *The Crown Corporations Act, 1993*.

No procurement activity may be done, and no policy statement or procedure may be interpreted or construed in any way that contradicts or undermines the objectives and principles of this policy.

DEFINITION

“SaskPower” includes its subsidiaries.

“Best Value” means conducting procurement in a fashion which allows consideration of factors beyond price in determining which supplier proposal provides the greatest overall benefit to SaskPower.

PREREQUISITES

Procurements to which this policy applies may be done only under the proper use of SaskPower’s:

Signing Authority – the authority to sign a legal document with an external party (such as a purchase order, contract, licence, resolution, etc.) granted in the *Signing Authority Policy*.

Spending Authority – the authority granted to a SaskPower employee to internally approve capital spending and operating, maintenance and administration spending. Spending Authority for the Executive is delegated through the [Governance Manual](#); all other employees are delegated Spending Authority through the Procurement Procedures.

DELEGATION OF SPENDING AUTHORITY

In accordance with delegation limits and rules set out in the [Governance Manual](#) and the Procurement Procedures, Spending Authority may be delegated to employees, as is required for them to carry out the procurement activities and responsibilities assigned to them.

Anyone who delegates Spending Authority remains fully accountable to ensure it is exercised in the best interest of SaskPower in accordance with all relevant corporate policies and procedures.

EXCEPTION REPORTING

Exceptions to this policy shall be reported to the Audit and Finance committee.

PROCEDURES

The President and CEO, the Chief Financial Officer and the Vice President of Procurement are jointly responsible for developing, managing, periodically reviewing and updating detailed written procedures to support the objectives and principles of this Policy.