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NEW CUSTOMER GROWTH CREATES THIRD MAJOR EXPANSION PHASE FOR SASKENERGY

SaskEnergy is experiencing customer expansion not seen in a generation, thanks to continuing economic and population growth. In the past five years, the Corporation has connected more than 33,000 new customers - four times the average over the previous 10 years. By the end of 2012, SaskEnergy will have added more than 7,000 new residential, business and industrial customers.

This is the third major "wave" of well-above-average customer growth SaskEnergy has experienced. The two other key growth periods were urban growth in the 1950s when natural gas was first introduced to Saskatchewan cities and a rural expansion initiative in the 1980s. In this latest wave, large industrials are the fastest growing customer sector, driven by mining expansion, new power production and oilfield development.

"SaskEnergy plays a vital role in supporting Saskatchewan's economy by developing the energy infrastructure new customers require," Minister responsible for SaskEnergy Tim McMillan said. "This year continued a dynamic period of growth for both SaskEnergy and the province. SaskEnergy has accomplished these customer connections, while achieving productivity and efficiency measures that have allowed it to offer new and existing customers the lowest residential delivery service rates of any natural gas utility in Canada."

Provincial natural gas service began in 1952, serving 290 people in the communities of Brock and Kindersley with 14 kilometres of distribution pipeline and 26 kilometres of transmission pipeline. Today, SaskEnergy operates 67,000 kilometres of distribution lines and more than 14,000 kilometres of transmission pipeline and has a customer base of more than 365,000.

"Demand for new natural gas connections demonstrates how sustained this level of growth has become in our communities, as SaskEnergy will continue connecting new customers throughout the winter months and already has customer commitments indicating that activity will continue at these elevated levels for 2013 and into 2014," McMillan said.

McMillan added that throughout this latest growth period, SaskEnergy continues to focus on its primary goal – delivering safe and reliable natural gas service to the people of Saskatchewan. This includes increased spending on safety programming of \$79 million in 2012, rising to \$94 million for 2013.

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