

IMMEDIATE RELEASE
Mar. 28, 2012

SaskEnergy 12-195

CABINET APPROVES LOWER COMMODITY RATE FOR NATURAL GAS CUSTOMERS

Today the Government of Saskatchewan gave the green light for SaskEnergy to lower its natural gas Commodity Rate by 16 per cent, starting April 1, 2012.

SaskEnergy applied to the Saskatchewan Rate Review Panel (panel) in mid-February to reduce its Commodity Rate from \$4.55/Gigajoule (GJ) to \$3.82/GJ, a decrease of \$6.35 per month for residential customers on equalized payments. On March 21, the panel recommended that a decrease to the commodity portion of the customers' bills proceed, based on market projections of lower gas costs over the next 12 months.

"SaskEnergy customers will soon benefit from the lowest natural gas commodity rate since 2000," Minister responsible for SaskEnergy Dustin Duncan said. "SaskEnergy has now decreased commodity rates for the fourth time in a row, while also providing stable, long-term rates and ensuring Saskatchewan consumers are protected against the volatile upward swings in the natural gas market."

SaskEnergy also applied for a 6.7 per cent increase to its Delivery Service Rate on February 14. A recommendation from the panel on this separate application, which was filed concurrently with the commodity rate, will be provided later this spring. The panel requires at least 90 days to fully review a Delivery Rate Application compared to 30 days for a Commodity Rate Application.

The reduction to the commodity rate, when combined with the proposed adjustment to delivery rates, will result in monthly savings for a typical residential customer. SaskEnergy's residential customers will continue paying the lowest delivery costs in Canada.

Further information on the rate review process, including the panel's report on SaskEnergy's Commodity Rate Applications, is available at <http://www.saskratereview.ca>.

-30-

For more information, contact:

Kathy Young
Executive Council
Regina
Phone: 306-787-0425
Email: kathy.young@gov.sk.ca
Cell: 306-526-8927