



Media Release

For Immediate Release

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TransGas working with producers to provide new energy source for Saskatchewan

A major transmission pipeline under construction by TransGas will allow natural gas customers to access a new supply being developed by producers in southeast Saskatchewan's oil-rich Bakken region. TransGas is the transmission pipeline and storage subsidiary of SaskEnergy.

Once completed, the \$29 million 117-km pipeline from Alameda to Whitewood will transport associated gas that has been captured and processed by oil companies. Associated gas is natural gas extracted during the development of oil reserves. If pipeline capacity is unavailable or too far from existing natural gas infrastructure, oil producers must flare or burn off excess natural gas, resulting in greenhouse gas emissions.

"The Alameda-Whitewood pipeline taps into an important long-term natural gas supply that will be used to fuel Saskatchewan's growing economy," said Hon. Dustin Duncan, Minister responsible for SaskEnergy. "By investing in this project, TransGas supports continued growth in the energy industry, while producer companies demonstrate environmental stewardship through significantly reducing greenhouse gas emissions created when natural gas is flared."

Duncan said pending future provincial government regulations will make it necessary for oil producers to capture more associated gas.

"This pipeline's peak capacity will allow the energy industry in southeast Saskatchewan to reduce CO₂ levels from natural gas flaring by the equivalent of annual emissions produced by heating 105,000 homes in Saskatchewan – that's every household in Saskatoon and Regina combined," Duncan concluded.

Oil producers in the Bakken region are supportive of the additional transmission pipeline capacity.

Crescent Point Energy Corp. expects the Bakken play to provide years of crude oil and natural gas production and reserves growth. "We continue to invest heavily in the play and Saskatchewan remains an important part of our growth strategy," said Trent Stangl, Vice President of Marketing and Investor Relations

for Crescent Point. “We’re pleased TransGas is able to provide the necessary infrastructure to facilitate this long term growth.”

Construction of the pipeline has been awarded to Carson Energy Services Ltd of Lampman, Saskatchewan.

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