

IMMEDIATE RELEASE
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Crown Investments Corporation 09-203

SASKENERGY RATE DECREASE APPROVED

The Provincial Government today approved a 21 per cent decrease for SaskEnergy's rate for natural gas effective April 1, 2009. This change results in savings of approximately \$23 per month for the typical residential customer.

In February, SaskEnergy applied to the Saskatchewan Rate Review Panel (SRRP) for a commodity rate decrease to \$6.23/Gigajoule (GJ) from its current rate, based on its projected natural gas costs over the next 12 months. In early March, due to changing market conditions, the panel requested that SaskEnergy provide a market update to its rate application, which resulted in a revised commodity rate of \$5.96/GJ. The SRRP reviewed the revised proposal and then recommended that decrease to the Government of Saskatchewan.

"This change is good news for consumers, as this is the lowest natural gas rate offered by SaskEnergy since 2003," Crown Corporation Minister Ken Cheveldayoff said. "SaskEnergy continues to offer stable rates, using a 12-month forward pricing outlook, as recommended by the Rate Review Panel.

SaskEnergy's gas price management strategy is designed to protect customers from the continued volatility we see in the natural gas markets and has helped the corporation provide the lowest natural gas rates in Canada seven of the last 10 years, including the lowest rates in the country for 2008.

"Natural gas rates are a direct pass-through, as SaskEnergy only collects from customers what it pays to suppliers for natural gas on the open market," Cheveldayoff said.

The rate decrease announced today will reduce consumer's costs by approximately \$23 per month or a price reduction of \$272 annually.

For more information, contact:

Leanne Persicke

Executive Council

Regina

Phone: 306-787-1321

Email: leanne.persicke@sk.ca

Cell: 306-541-7083