

IMMEDIATE RELEASE
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GOVERNMENT APPROVES SASKENERGY RATE DECREASE

The Government of Saskatchewan has approved a 12.7 per cent decrease to SaskEnergy's natural gas commodity rate, effective November 1, 2010. The new rate of \$4.55/Gigajoule (GJ) is the lowest rate offered by SaskEnergy to Saskatchewan consumers in nearly a decade, and reflects lower anticipated natural gas costs over the coming year.

Following a public review process, the Saskatchewan Rate Review Panel recommended the government accept SaskEnergy's September 9, 2010 application to lower its commodity rate from \$5.21/GJ to \$4.55/GJ, a rate comparable to the rate of \$4.52/GJ implemented for the winter of 2000/2001.

"This is the third decline in SaskEnergy's commodity rate in the past two years, and comes prior to the start of the winter heating season, a time when homes and most businesses use 70 per cent of their annual natural gas consumption," Minister responsible for SaskEnergy Dustin Duncan said. "Commodity markets can be extremely volatile, which is why it's important this new rate is price-protected through the coldest winter months."

The average residential customer's bill will decline by 7 per cent or \$66 annually and commercial customers' bills will decline by 8.3 per cent to 9.2 per cent dependent on their higher natural gas consumption.

"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," Duncan said.

The Panel's report is available at its website <http://www.saskratereview.ca/index.php>.

-30-

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