



Media Release

For Immediate Release

April 19, 2011

Customer Growth, Competitive Rates, Increased Industrial Sector Demand Highlight SaskEnergy's 2010 Results

SaskEnergy's customer base grew to record levels in 2010, as the company continued to provide customers with the lowest residential delivery rate in Canada and the lowest commodity rate in over a decade, highlights of a strong operational and financial year.

SaskEnergy, which tabled its annual report in the Saskatchewan Legislature today, recorded operational net earnings of \$55 million in 2010, compared to operational net earnings of \$64 million in 2009. Crown Investments Corporation (CIC) was paid a dividend of \$49 million, based on net income before fair value adjustments (operational net earnings), as was the practice in 2009. A negative non-cash fair value adjustment of \$18 million resulted in net income of \$37 million for 2010.

"Once again in 2010, SaskEnergy supported the growing Saskatchewan economy with competitive natural gas rates, providing safe, reliable service while making meaningful productivity gains across the company," said Dustin Duncan, Minister Responsible for SaskEnergy. "As well, SaskEnergy continued in its leadership role on environmental issues, developing innovative waste heat recovery projects as a key step toward its goal of energy self-sufficiency by 2015."

Despite challenging weather throughout the construction season, SaskEnergy added 5,470 distribution customers in 2010, marking the second largest annual increase in company history, and reached the 350,000 customer milestone in November. SaskEnergy's *Sask 1st Call* service also received a record 106,382 customer requests to have buried infrastructure marked.

Strong financial results for the corporation were driven by industrial sector growth, led by the potash industry and new gas-fired power generation, and the company's continuing gas marketing efforts. While lower prices for natural gas have contributed to suppressing well-drilling in the Province, the strong demand for the commodity continues to increase the overall volume delivered on the TransGas transmission system.

"In addition to ongoing programs like the SaskEnergy Network of independent retailers and contractors, SaskEnergy strategically leveraged new private sector partnerships in 2010 to create growth in such areas as natural gas storage, flare gas capture and waste heat recovery," Duncan said.

Other 2010 operational highlights include:

- continued commitment to corporate safety, as SaskEnergy recorded its lowest Total Recordable Injury Frequency Rate in 14 years
- excellent customer satisfaction results, with 91 per cent of residential customers surveyed indicating their satisfaction with SaskEnergy as a 5, 6 or 7 (out of a total of 7).

To view a copy of the 2010 SaskEnergy Annual Report, please visit:
http://www.saskenergy.com/about_saskenergy/annual_report/default.asp

-30-

For more information, contact:

Ron Podbielski
SaskEnergy
Regina
Phone: 306-777-9432
Email: rpodbielski@saskenergy.com
Cell: 306-537-0274