

BACKGROUND

2007 SaskWater Annual Report *Solutions*

In 2002, Saskatchewan faced the water crisis of North Battleford, not long after the tragedy in Walkerton, Ontario. In response, SaskWater became a solutions provider, a commercial Crown helping Saskatchewan communities access quality water treated in accordance with stricter standards. SaskWater provides the expertise and capital needed to deliver quality drinking water to our communities.

SaskWater provides competitively-priced, customer-focused, quality water and wastewater services to 53 urban and rural municipalities, 60 rural pipeline groups and 41 commercial customers, encompassing about 48,000 people across the province.

The corporation owns seven water treatment plants, three wastewater facilities, 31 pump stations and over 800 km of pipeline. SaskWater also operates customer-owned systems and provides operator training to 39 Saskatchewan First Nations communities.

2007 Annual Report Highlights:

- SaskWater continued the trend of growth it has experienced since becoming a commercial Crown in 2002.
- SaskWater experienced record sales volumes in 2007 with total volumes increasing to 4.2 billion gallons, up from 4.1 billion gallons in 2006. Sales in 2007 to industrial customers increased 2.9% and sales to municipal customers were up 1.4%.
- In 2007, SaskWater also saw record sales volumes for wastewater services. Total sales volumes increased to 233 million gallons in 2007, up 34.7% from 2006.
- SaskWater invested \$7.5 million on capital for new construction and expansion projects, remote monitoring and asset management investments on existing projects in 2007.
- SaskWater opened the SaskWater Control Centre in 2007, using Supervisory Control and Data Acquisition (SCADA) technology to remotely monitor water supply and quality parameters 24 hours a day, seven days a week, at 33 of SaskWater's owned and contracted facilities.
- SaskWater's operating revenues increased by \$1.1M to \$19.6M, up from \$18.5M in 2006. Included in the \$1.1M increase are increases in the following core lines of business:
 - Water Transmission and Supply, which increased by \$0.8M,
 - Water Treatment and Supply which increased by \$0.3M; and,
 - Wastewater Treatment which increased by \$0.3M.

These increases were offset by small decreases in other lines of business.

New SaskWater Customers since 2002 - Annualized Revenues:

Potable and Non-Potable Water Supply Customers (\$1.4M):

Star City
Star City Colony
Cudworth
White City
Edenwold
St. Louis
Canadian Salt
Elbow
Dundurn Rural Water Board
Terra Grain Fuels
Casa Rio

Wastewater Treatment Customers (\$0.4M):

Fort Qu'Appelle (Echo Regional System)

Certified Operations & Maintenance Customers (\$0.4M):

Edenwold
Elbow
Star City
Vanscoy
White City
Paynton
Halbrite
Jackfish Lake West Water Utility
North Central Rural Pipeline Association
Sherwood Industrial Park