

BACKGROUNDER

2010 SaskWater Annual Report

The clear choice.

SaskWater is Saskatchewan's commercial Crown water utility, helping communities, First Nations and industry gain access to reliable and professional water and wastewater services. SaskWater helps Saskatchewan communities access quality water treated in accordance with strict standards and helps provide the expertise and capital needed to deliver quality drinking water to our communities. SaskWater currently serves, both directly and indirectly, 50,000 Saskatchewan residents, which represents about 5% of the province's population.

2010 Annual Report Highlights:

In 2010, SaskWater's net income was \$224,000. This is the third time SaskWater has posted a profit since being re-mandated a commercial Crown in 2002, and the first time back-to-back surpluses have been achieved (\$454,000 in 2009).

Assets total \$147.7M (2009 – \$95.0M)

- SaskWater will not declare a dividend to CIC in 2010
- Return on equity (net income as a percentage of equity) is 0.6 per cent
- Debt ratio (debt as a percentage of debt plus equity) is 54.8 per cent

Under its capital program the corporation spent \$24.4M on new construction and expansion projects, and on asset management programs and infrastructure management on existing projects. This included \$14.1M invested by SaskWater and \$10.3M in customer capital contributions.

SaskWater continued to provide high-quality water and distributed its detailed Water Quality Report for 2010 with the 2010 Annual Report. The Water Quality Report is available online at www.saskwater.com.

SaskWater continued to provide dependable services to its customers, with fewer unplanned interruptions in 2010 than anticipated.

SaskWater's focus on efficiencies resulted in the energy consumption per sales unit being lower than targeted. The year-end result for energy consumption per sales unit (su) was 3.03kWh/su versus the targeted 3.10 kWh/su.

SaskWater conducts a biennial Customer Satisfaction Survey to track how well the corporation is meeting customer needs. Community, association, industrial and single user customers were surveyed in 2010 with 88.5% of respondents being satisfied with SaskWater.