

Minister Responsible for SaskEnergy

Date:

May 2, 2019

Name:

Bronwyn Eyre

Minister of Energy and Resources Minister responsible for SaskEnergy

Dear:

Herb Cox

Chair

Standing Committee on Crown and Central Agencies

Re:

Standing Committee on Crown and Central Agencies – (April 9, 2019): Sub-vote 150

During SaskEnergy's appearance before the Standing Committee on Crown and Central Agencies on April 9, 2019, I agreed to provide some additional information. The purpose of this correspondence is to address my commitments in that respect. The following information has been provided to me by SaskEnergy officials.

SaskEnergy Pipeline Construction Resources 2010-2018

SaskEnergy has utilized private contractors to supplement its own Gas Construction crews since the mid-1980s. SaskEnergy continues to supervise and provide engineering for these projects. In this way, SaskEnergy is able to utilize its own crew year-round. Emergency response is still performed by SaskEnergy's own employees.

The following information shows contractors hired for work on transmission line projects and the installation of new customer service line connections over the past eight years. All large diameter transmission pipeline work is and has always been performed by contractors, while new customer connections are done by both SaskEnergy and contract crews.

Transmission Work Done by Contractors*	
YEAR	# OF PROJECTS
2010	4
2011	5
2012	3
2013	3
2014	3
2015	2
2016	6
2017	6
2018	4

New Customer Connection Work Done by Contractors	
YEAR	# OF PROJECTS
2010	4
2011	6
2012	7
2013	6
2014	7
2015	7
2016	13
2017	5
2018	6

SaskEnergy Gas Construction		
YEAR	# OF EMPOYEES	
2010	117	
2011	111	
2012	113	
2013	113	
2014	115	
2015	116	
2016	109	
2017	117	
2018	113	

^{*}This table captures large capital pipeline projects over \$100,000. However, SaskEnergy frequently engages third-party contractors on routine transmission line work for specialized services such as electrical, welding and inspections.

Regina Beach 2014 Incident - Update on Legal Action

Following the December 3rd, 2014 explosion and fires at Regina Beach, there were a total of 10 legal actions launched against SaskEnergy and other parties, involving a total of 66 plaintiffs.

Through this process, 46 claims were made in total. All insured claims have been settled. Of the uninsured claims, three remain outstanding. SaskEnergy is aware of three potential additional uninsured claims, but these have not yet been formally advanced.

Bronwyn Eyre

Minister of Energy and Resources and Minister Responsible for SaskEnergy