

ENERGY--Natural Gas Coming to Pictou County

Businesses and families could soon have access to natural gas in Pictou County, making the area a better place to do business and more affordable to live and raise families.

"Our businesses, families, and others in the community understand the benefits of natural gas, and the province is pleased to work with Heritage Gas to deliver it," said Energy Minister Charlie Parker. "It will save millions of dollars in energy costs for large industrial employers, with savings around the corner for small businesses, hospitals, schools and family homes."

Heritage Gas is investing \$15.3 million to extend its pipeline to Pictou County.

"We are proud to make this substantial investment in getting natural gas to Pictou County," said Jim Bracken, president of Heritage Gas. "Energy is a significant cost for industrial and commercial enterprises, so we are proud that we can help companies strengthen their competitiveness and position in the community. Northern Pulp's commitment as our first anchor customer was critical to making this project work."

"This is the first phase of the project and we look forward to working with the community to begin assessing feasibility of further expansion in 2014 and beyond."

The province is contributing \$2.5 million to help with start up, which will be refunded as more businesses join.

"The chamber of commerce is truly excited and encouraged that natural gas will be coming to Pictou County," said Dave Freckelton, past-president, Pictou County Chamber of Commerce. "As we continue to plan for the economic future of this region, it is imperative we have energy sources that are cost effective and environmentally friendly. The announcement made today is a significant step in working towards an alternative for our members to consider."

As Heritage Gas builds the pipeline, Northern Pulp will convert its plant to natural gas as part of the company's plan to reduce its energy costs and improve air quality and environmental performance. The province will lend Northern Pulp \$3.6 million and provide a capital equipment incentive of \$900,000 to help it convert.

"The delivery of natural gas to Pictou County is good for business," said Pat Lee, CEO, Pictou County Health Authority.

"Our business is health care and we are continually seeking efficiencies and ways to save money. Natural gas will give us substantial annual savings, money that can be redirected to patient care."

Heritage Gas is submitting an application to the Nova Scotia Utility and Review Board to expand into Pictou County. A separate application is being filed to establish a new rate for Northern Pulp.

Heritage Gas and Northern Pulp can terminate the agreement if the approvals are not granted

The first phase, to begin this spring, is to build a steel pipeline to Northern Pulp, on Abercrombie Point. That is expected to be finished by Dec. 1, with an extension to New Glasgow and Stellarton planned for 2014.

Natural gas burns cleaner than other fossil fuels, emitting 45 to 80 per cent less carbon dioxide than coal, and two-thirds that of oil, with negligible sulfur dioxides.

"Natural gas is an important part of the province's plan to move toward cleaner and more renewable energy sources, leading to lower, fairer electricity prices for Nova Scotians over the long term," said Mr. Parker.

Heritage Gas Limited is a Nova Scotia-based company formed to operate a full regulation natural gas distribution franchise in the province. In 2012 alone, Heritage Gas customers saved more than \$77 million and reduced emissions by over 160,000 tonnes.

Heritage Gas reaches more than 20,000 households and businesses throughout Nova Scotia. It is owned by AltaGas Utility Group Inc., an indirect wholly-owned subsidiary of AltaGas Limited.

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Energy Minister Charlie Parker says natural gas will save millions of dollars in energy costs for large industrial employers, with savings around the corner for small businesses, hospitals, schools and family homes.

Heritage Gas is investing 15-point-3 million dollars to extend its pipeline to Pictou County. The province is contributing 2-point-5 million dollars to help with start up, which will be refunded as more businesses join.

The province will lend Northern Pulp, the first anchor customer, 3-point-6 million dollars to convert to natural gas with a 900-thousand dollars capital equipment incentive. Heritage gas has applied for the Utilities and Review board for approvals. Both companies can end the deal if they are not received.

The pipeline is expected to reach Northern Pulp by December 1st with expansion to New Glasgow and Stellarton planned for 2014.

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