



CANADIAN UTILITIES INVESTOR PRESENTATION

NOVEMBER 2019

LEGAL DISCLAIMER

Statements made by representatives for ATCO Ltd. and Canadian Utilities Limited and information provided in this presentation may be considered forward-looking statements. By their nature, such statements are subject to numerous known and unknown risks and uncertainties and therefore actual results may differ materially from those currently anticipated. ATCO Ltd. and Canadian Utilities Limited disclaim any intention or obligation to update or revise such statements. Due to the nature of **the Corporation's operations, quarterly revenues and earnings are not necessarily** indicative of annual results.

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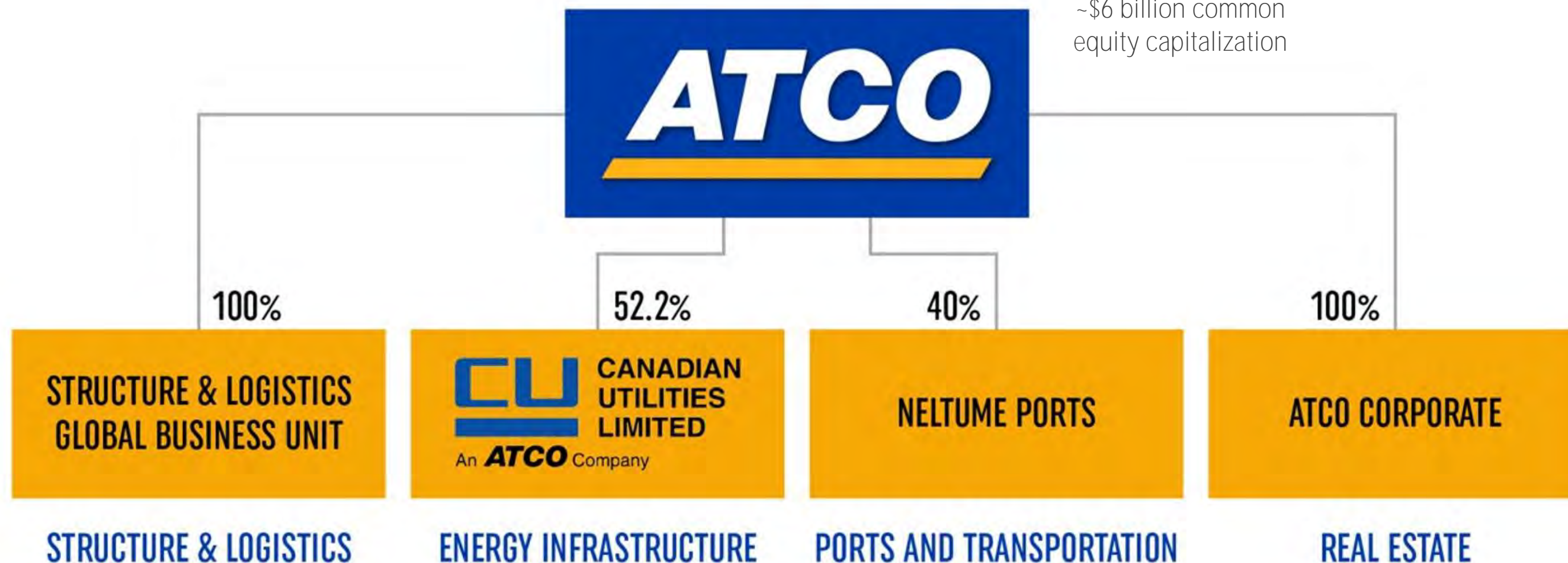


ATCO

GROUP OVERVIEW

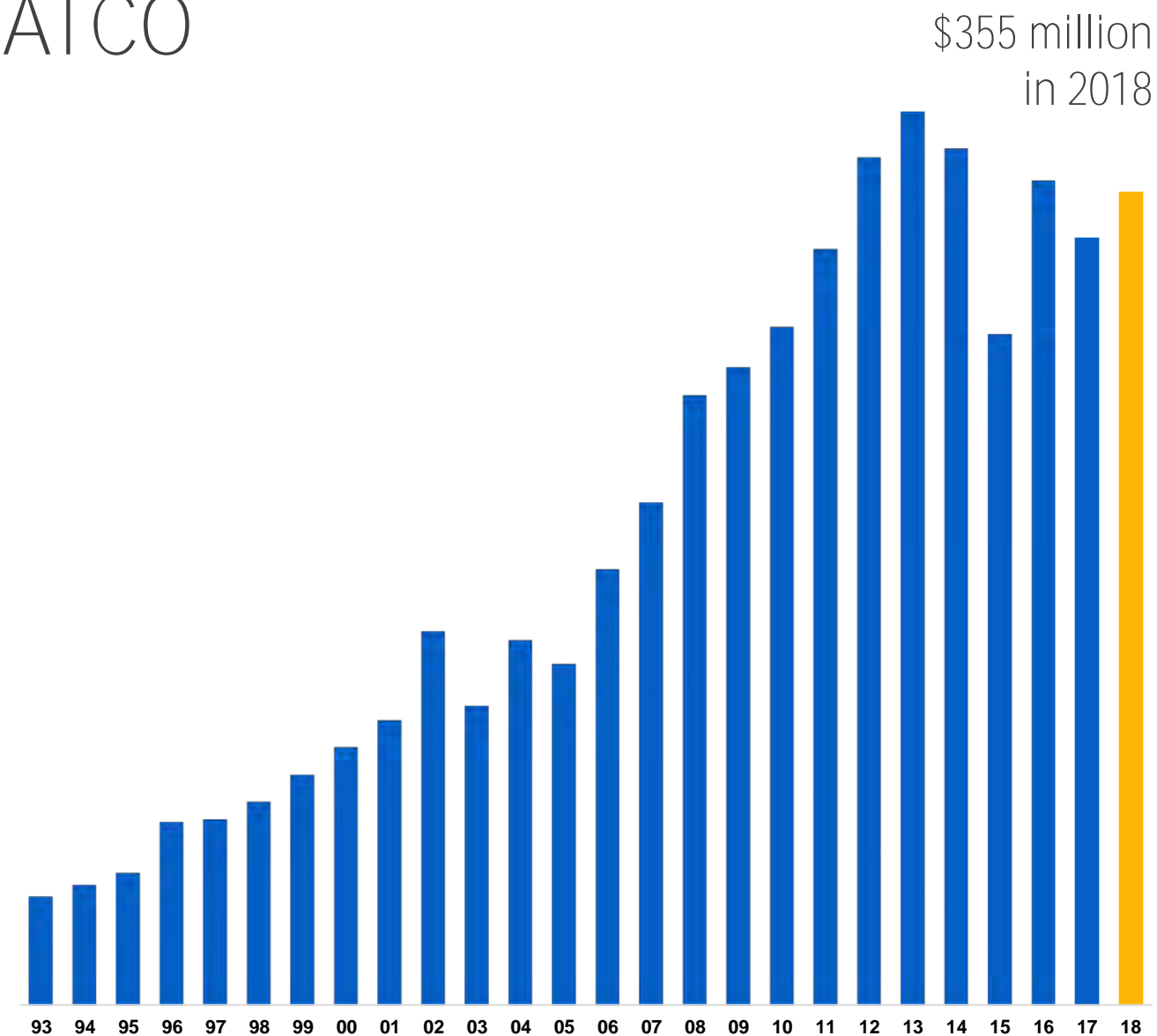
ORGANIZATIONAL STRUCTURE

(TSX: ACO.X / ACO.Y)
~\$6 billion common
equity capitalization

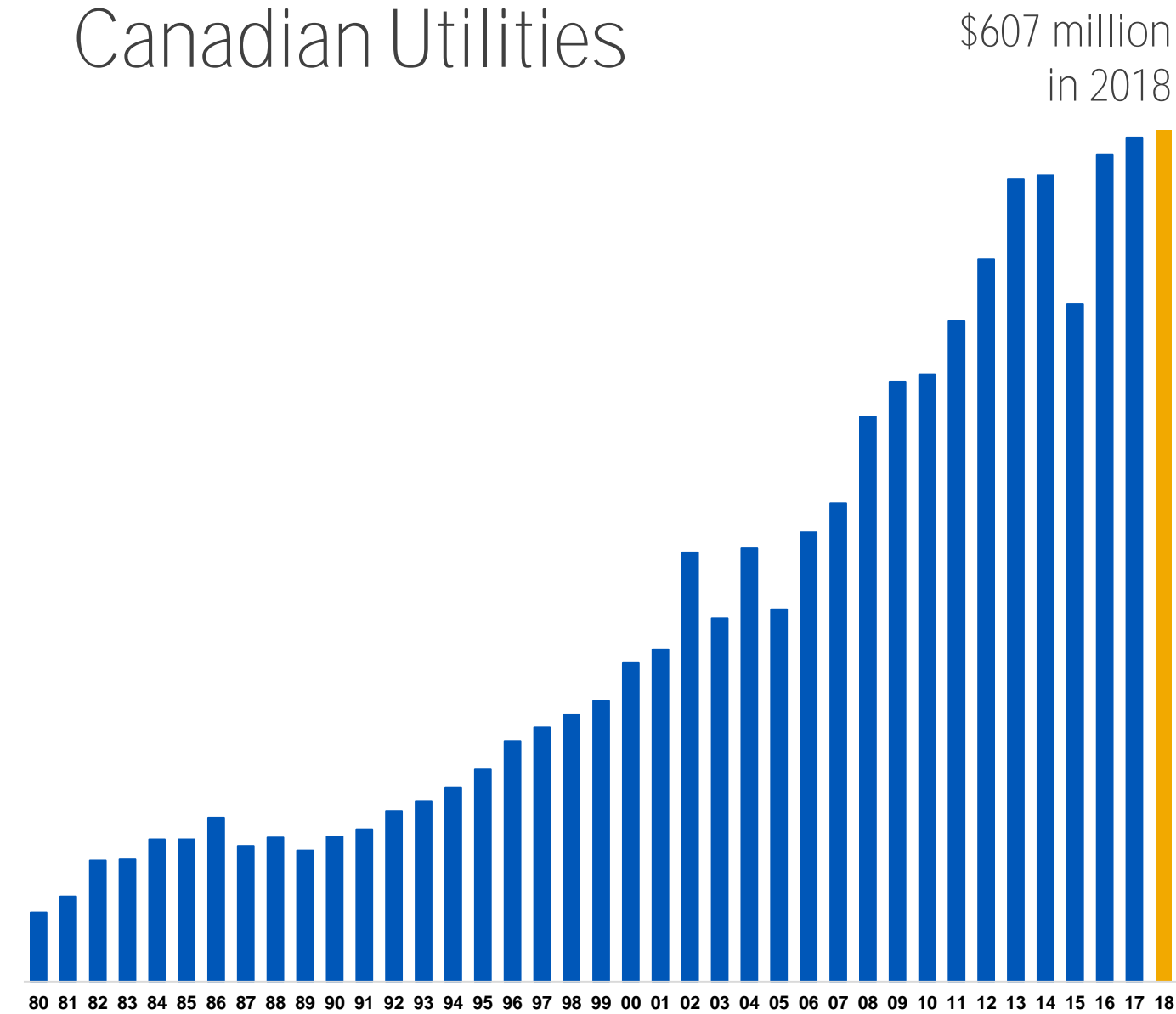


TRACK RECORD OF SUCCESS: EARNINGS GROWTH

ATCO



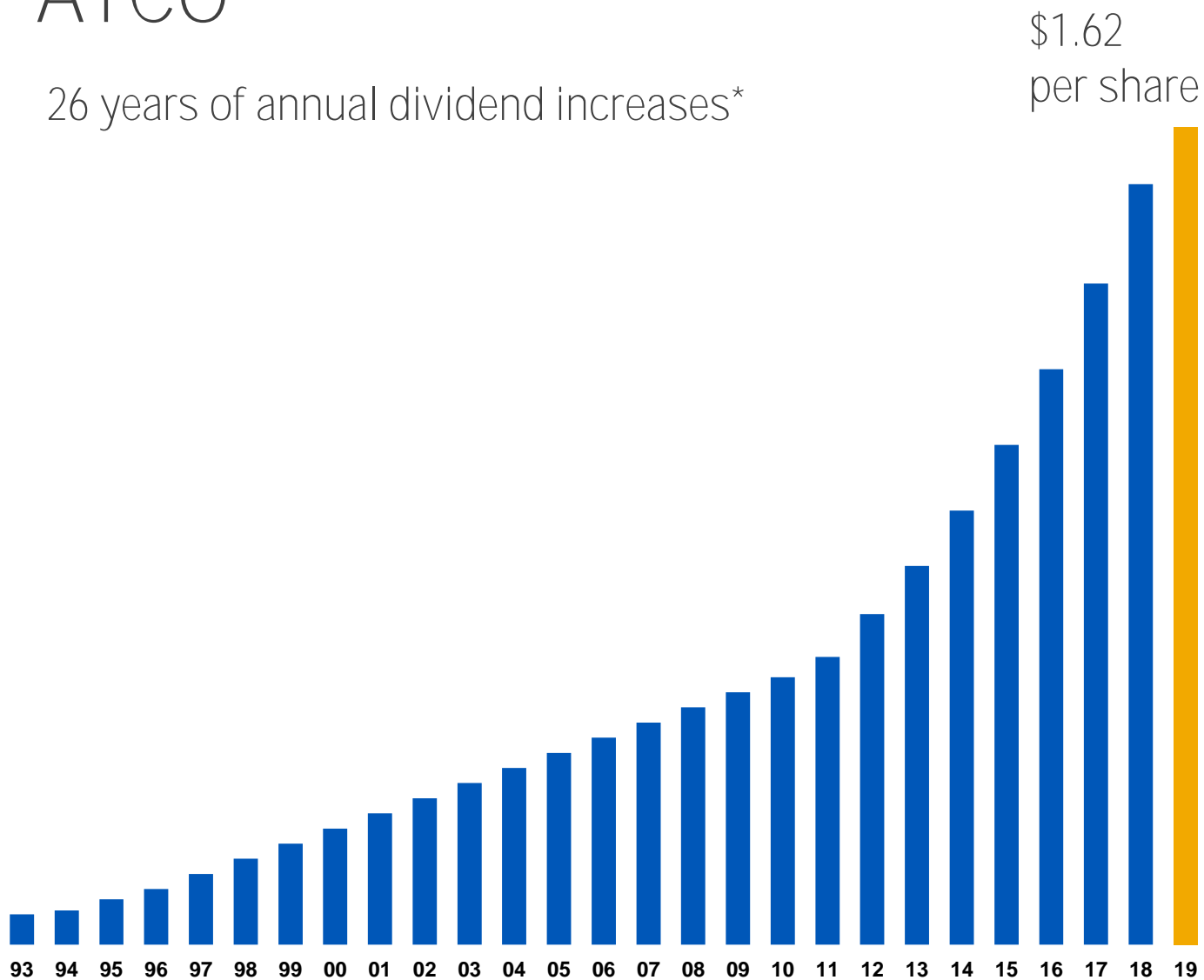
Canadian Utilities



CONTINUED DIVIDEND GROWTH

ATCO

26 years of annual dividend increases*

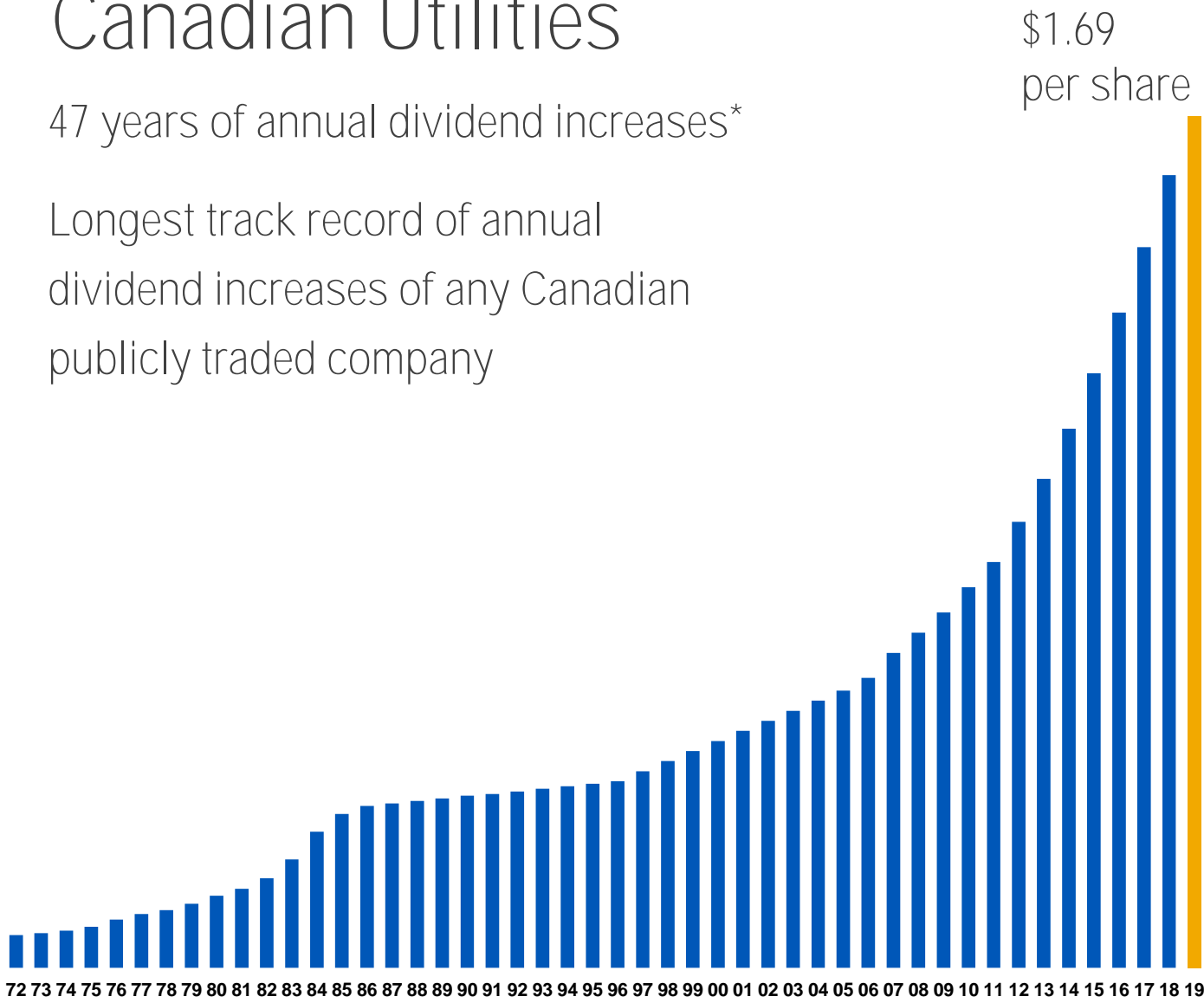


* On October 10, 2019, ATCO declared a fourth quarter dividend of \$0.4048 per share, or \$1.62 per share annualized.

Canadian Utilities

47 years of annual dividend increases*

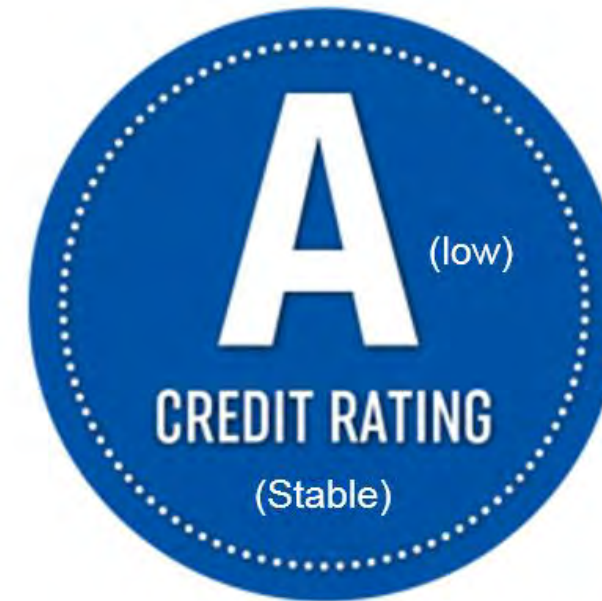
Longest track record of annual dividend increases of any Canadian publicly traded company



*On October 10, 2019, Canadian Utilities declared a fourth quarter dividend of \$0.4227 per share, or \$1.69 per share annualized.

ATCO CREDIT RATINGS

DBRS



S&P



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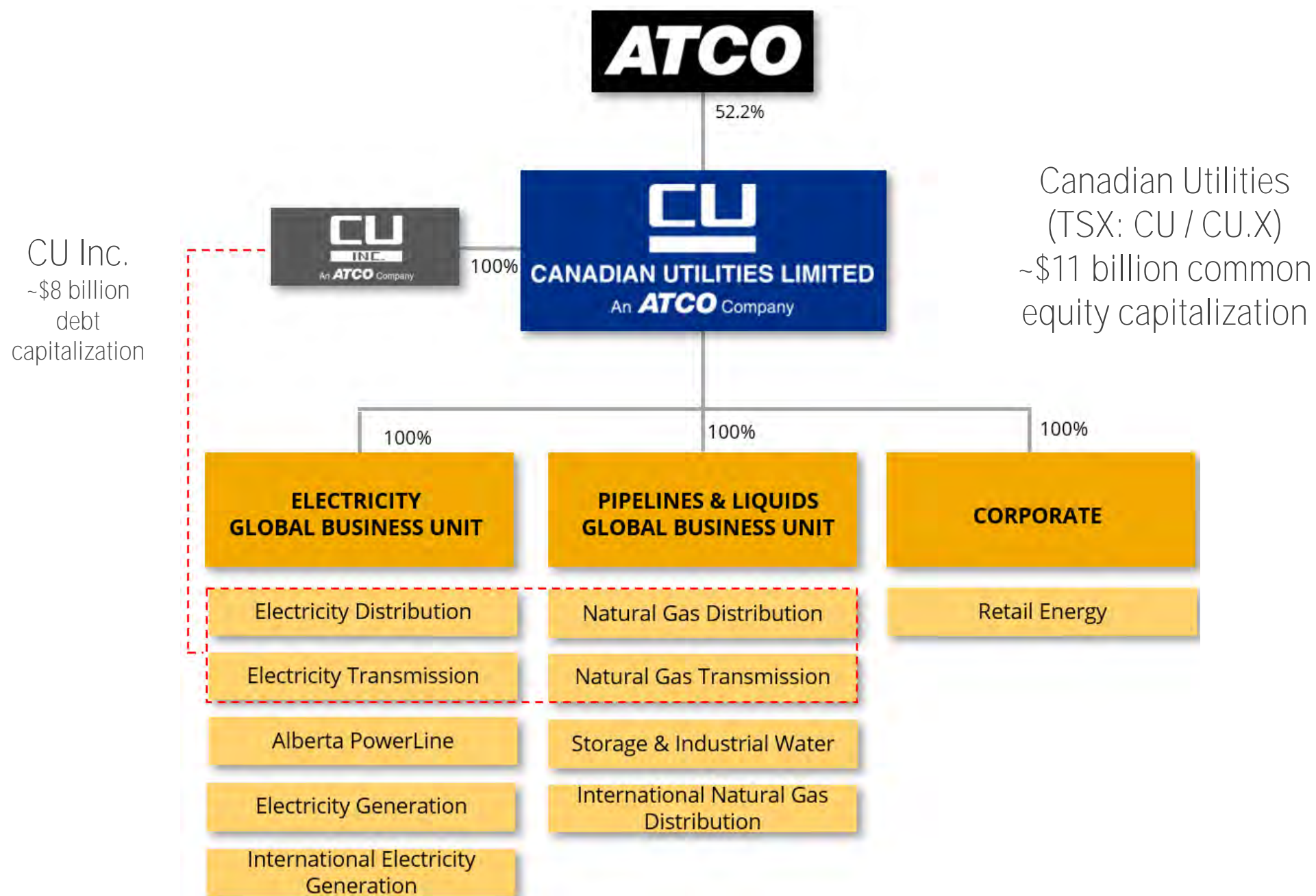


ATCO

CANADIAN UTILITIES

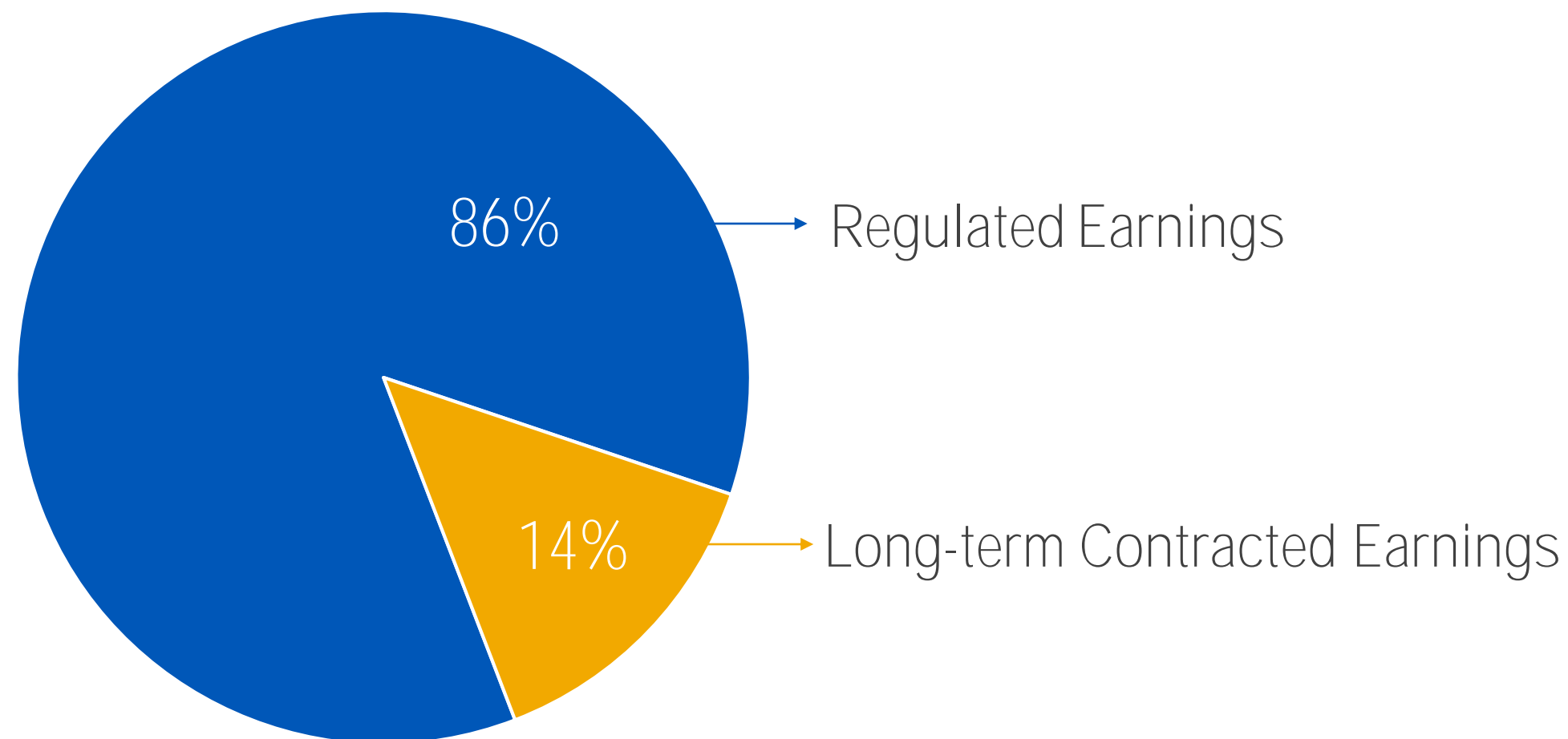
ENERGY INFRASTRUCTURE

ORGANIZATIONAL STRUCTURE

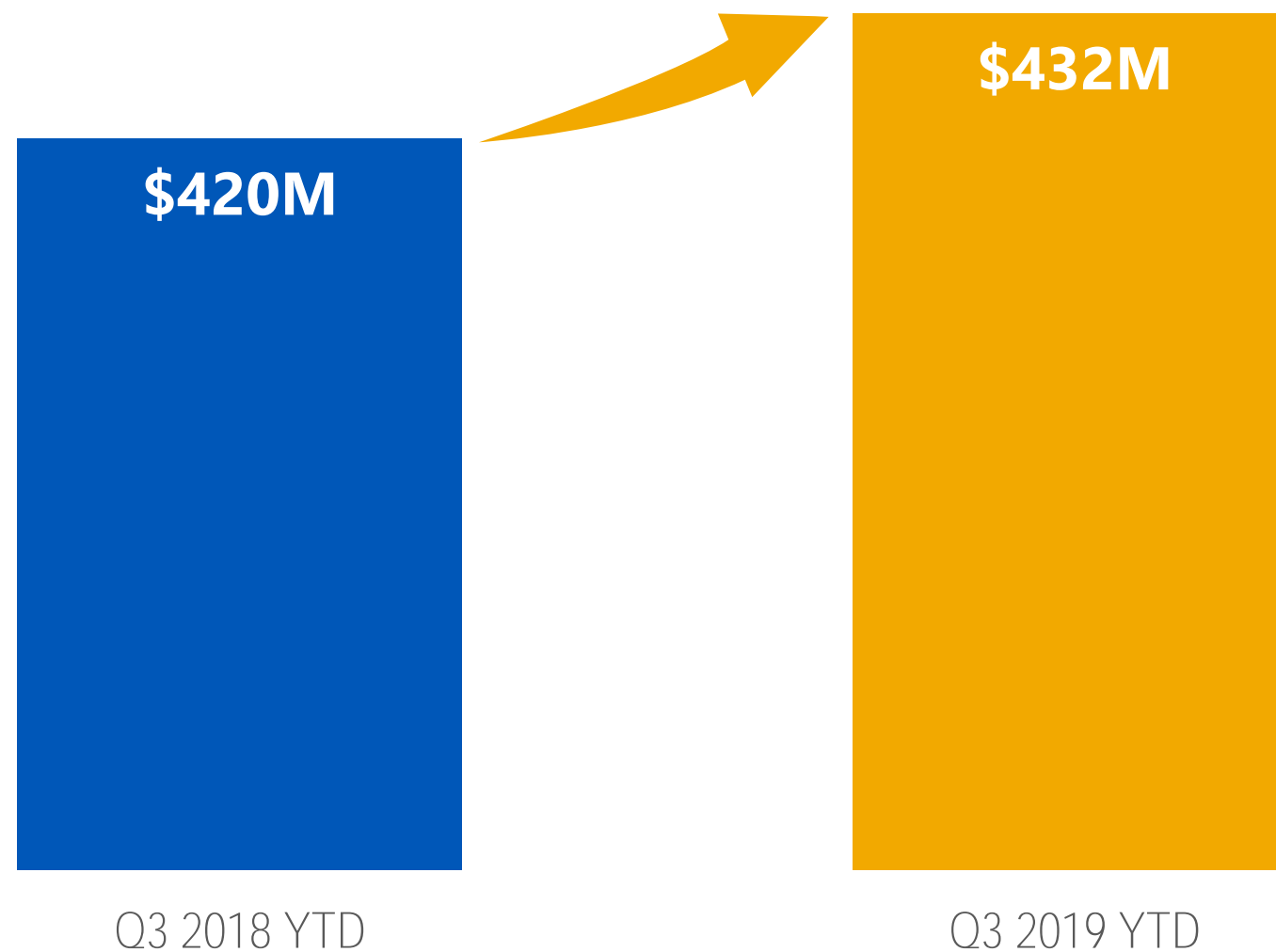


HIGH QUALITY EARNINGS

2018 ADJUSTED EARNINGS



GROWTH: Q3 2019 YTD EARNINGS



REGULATED UTILITIES



ELECTRIC TRANSMISSION
\$5,095M Rate Base



ELECTRIC DISTRIBUTION
\$2,585M Rate Base



NATURAL GAS DISTRIBUTION
\$2,717M Rate Base



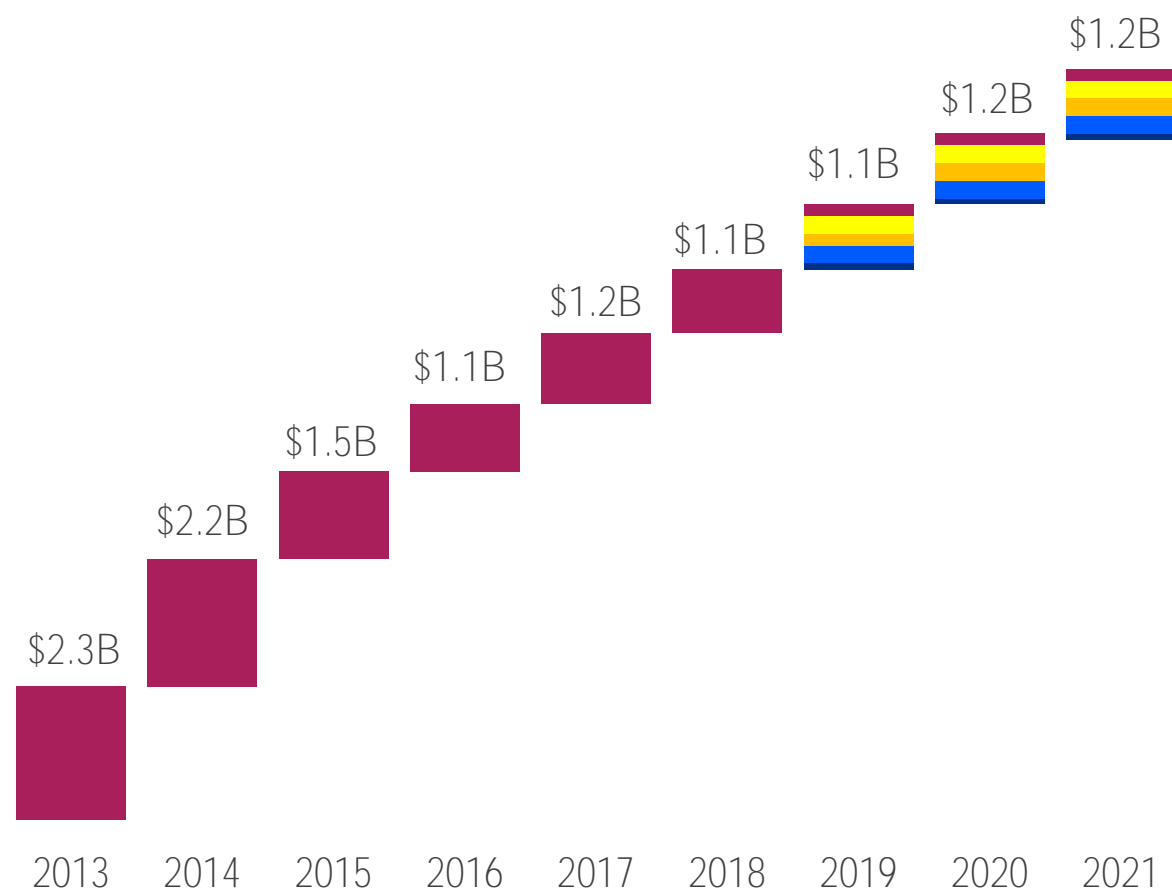
NATURAL GAS TRANSMISSION
\$1,802M Rate Base



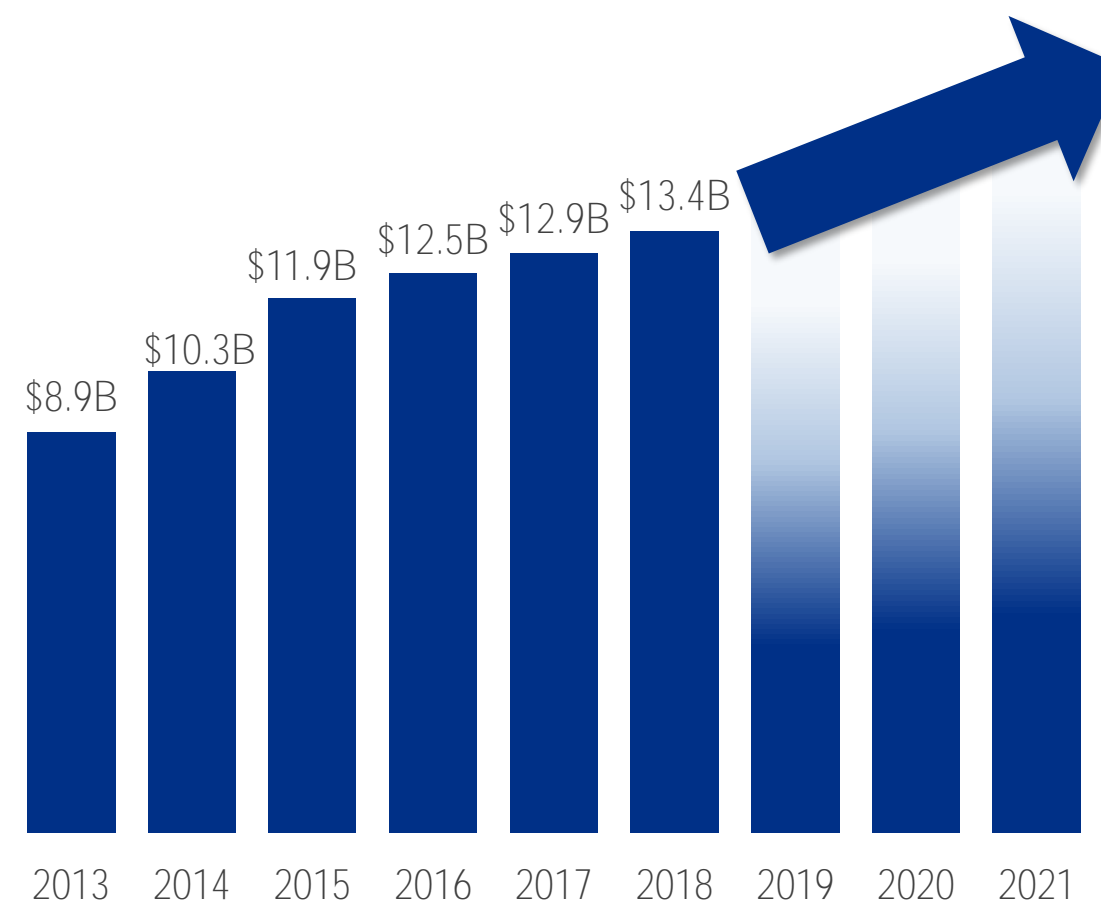
INTERNATIONAL NATURAL GAS
DISTRIBUTION
\$1,211M Rate Base

RATE BASE GROWTH

Regulated Capital Investment



Mid-Year Rate Base Expected to Grow 3%- 4% per year



ENERGY INFRASTRUCTURE BUSINESSES



ELECTRICITY GENERATION
CANADA
24 MW



ELECTRICITY GENERATION
AUSTRALIA
176 MW



ELECTRICITY GENERATION
MEXICO
44 MW



INDUSTRIAL WATER SERVICES
CANADA
85,200 m³/day



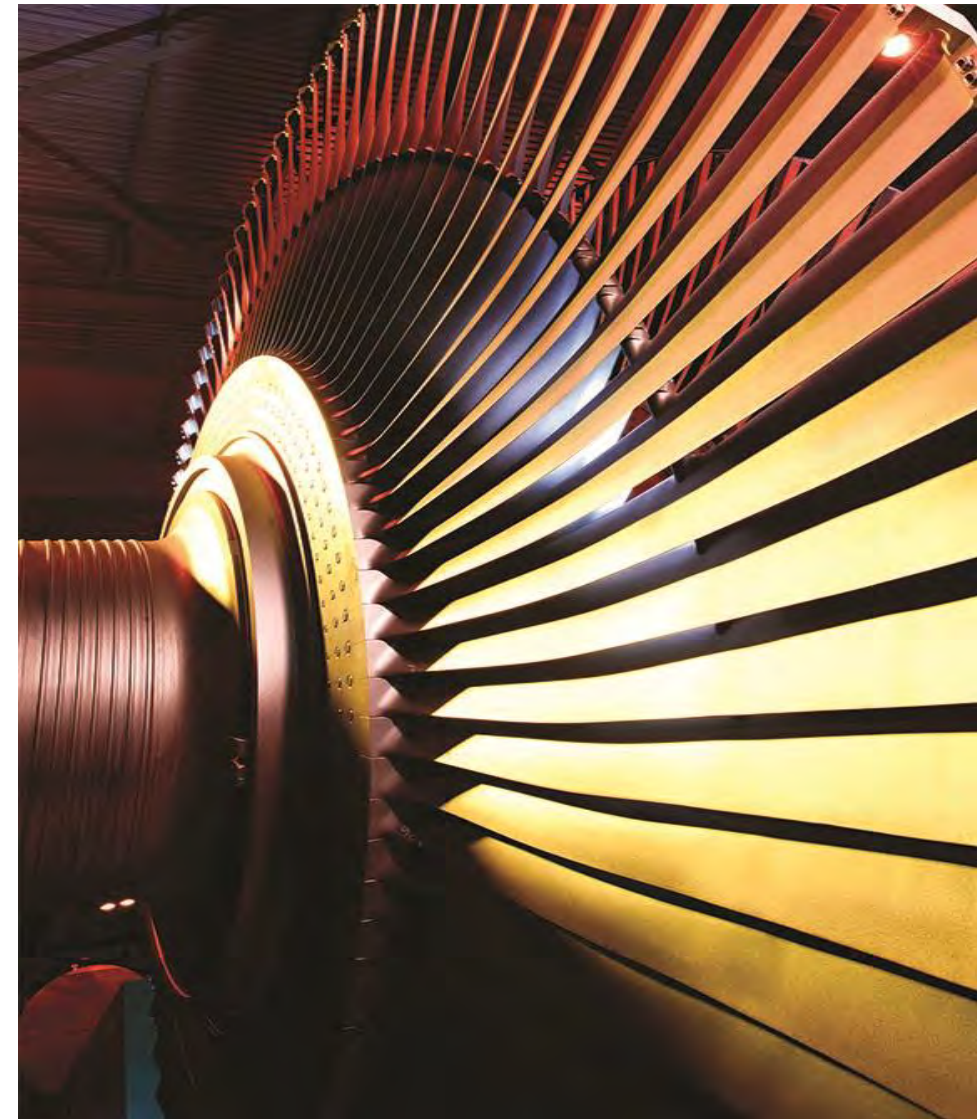
HYDROCARBON STORAGE
CANADA
400,000 m³



NATURAL GAS STORAGE
CANADA
52 PJ

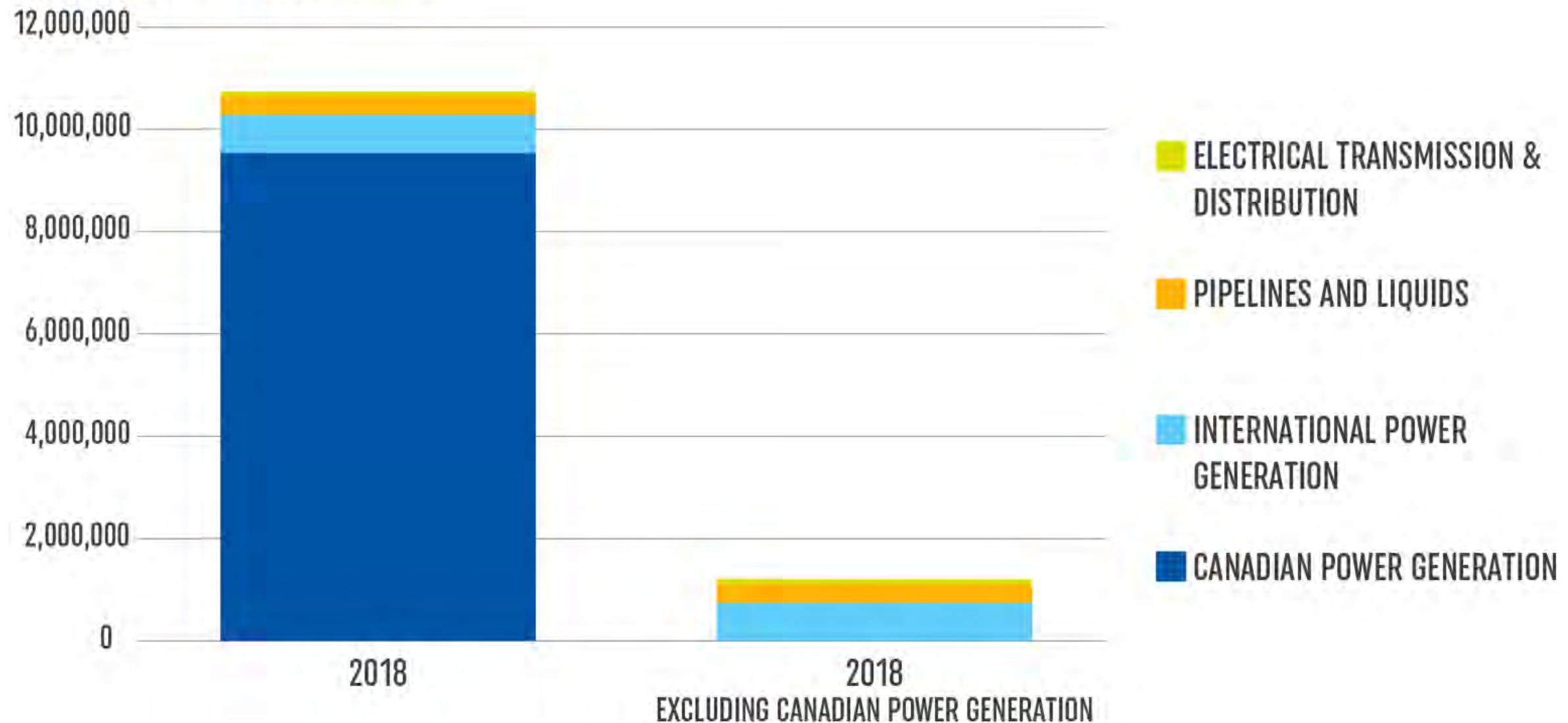
CAPITAL RECYCLING: CANADIAN ELECTRICITY GENERATION SALE

- Sold our entire Canadian fossil fuel-based power generation portfolio for aggregate proceeds of \$821 million in September 2019
- 12 coal-fired and natural gas-fired electricity generation assets located in Alberta, British Columbia, Saskatchewan and Ontario, with generating capacity of approximately 2,200 MW



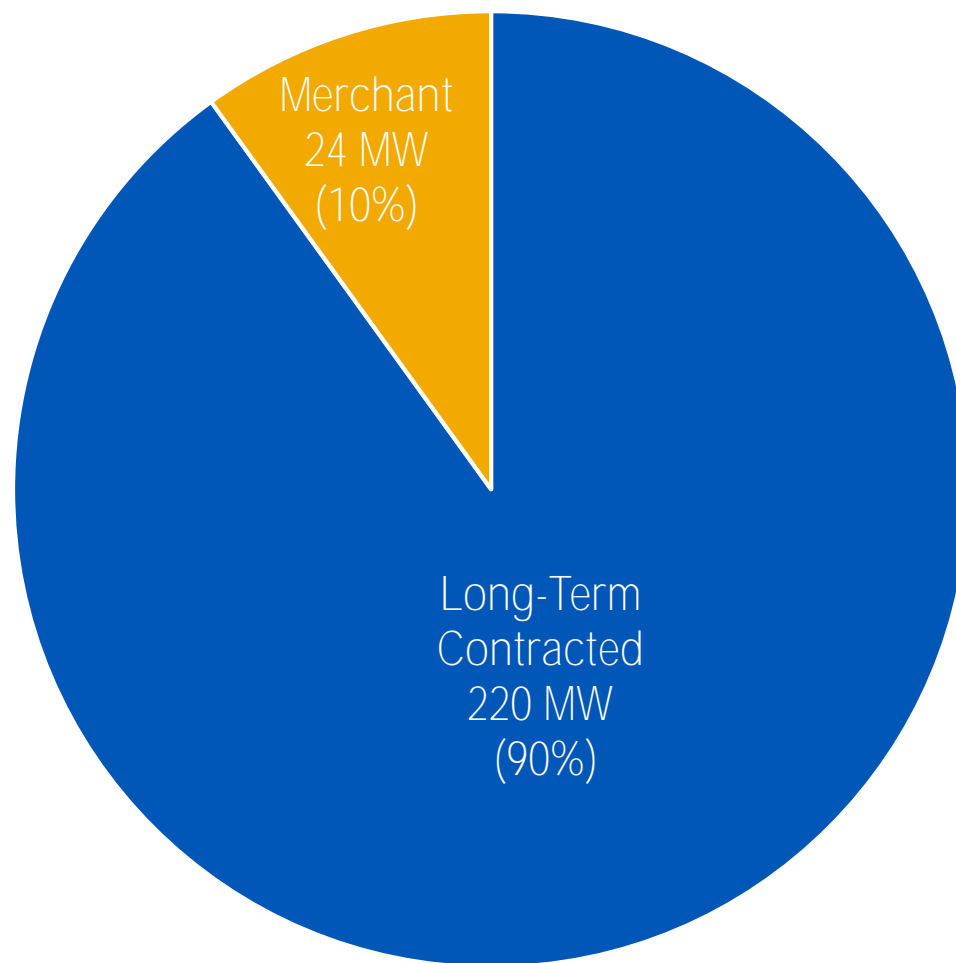
CANADIAN UTILITIES DIRECT GREENHOUSE GAS EMISSIONS

DIRECT GHG EMISSIONS (TONNES)

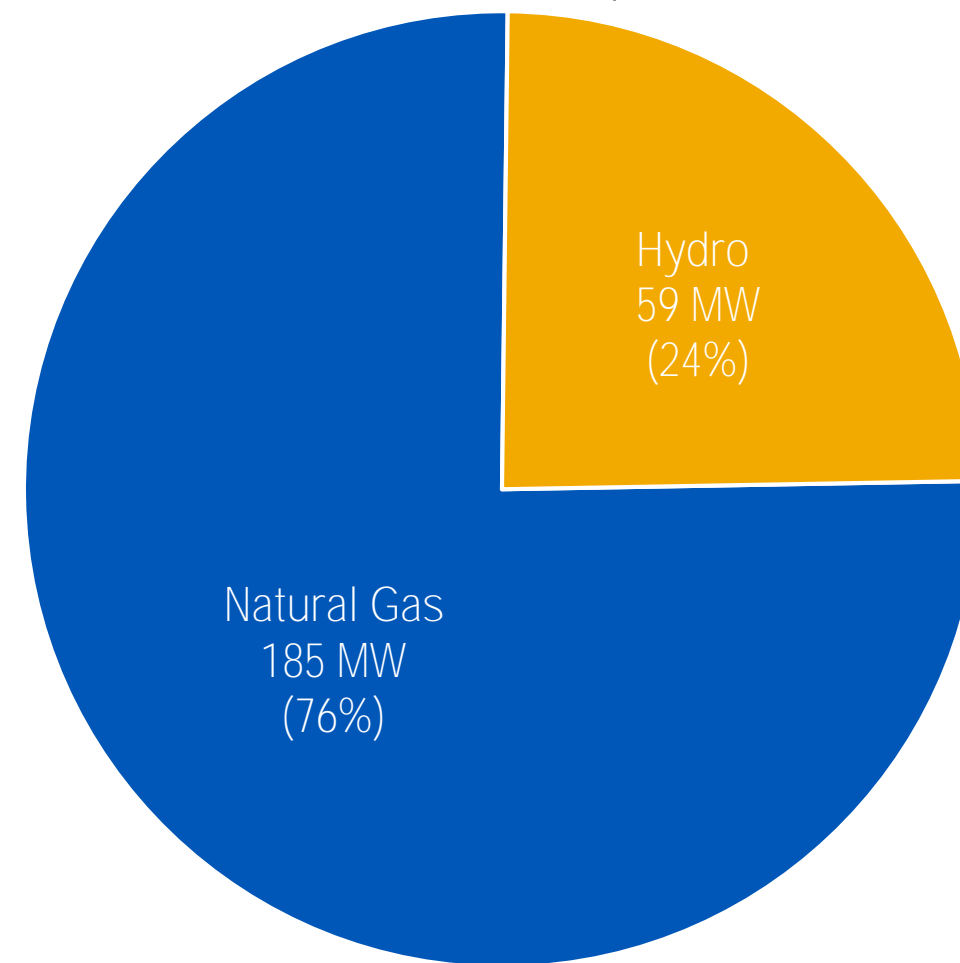


ELECTRICITY GENERATION POST SALE

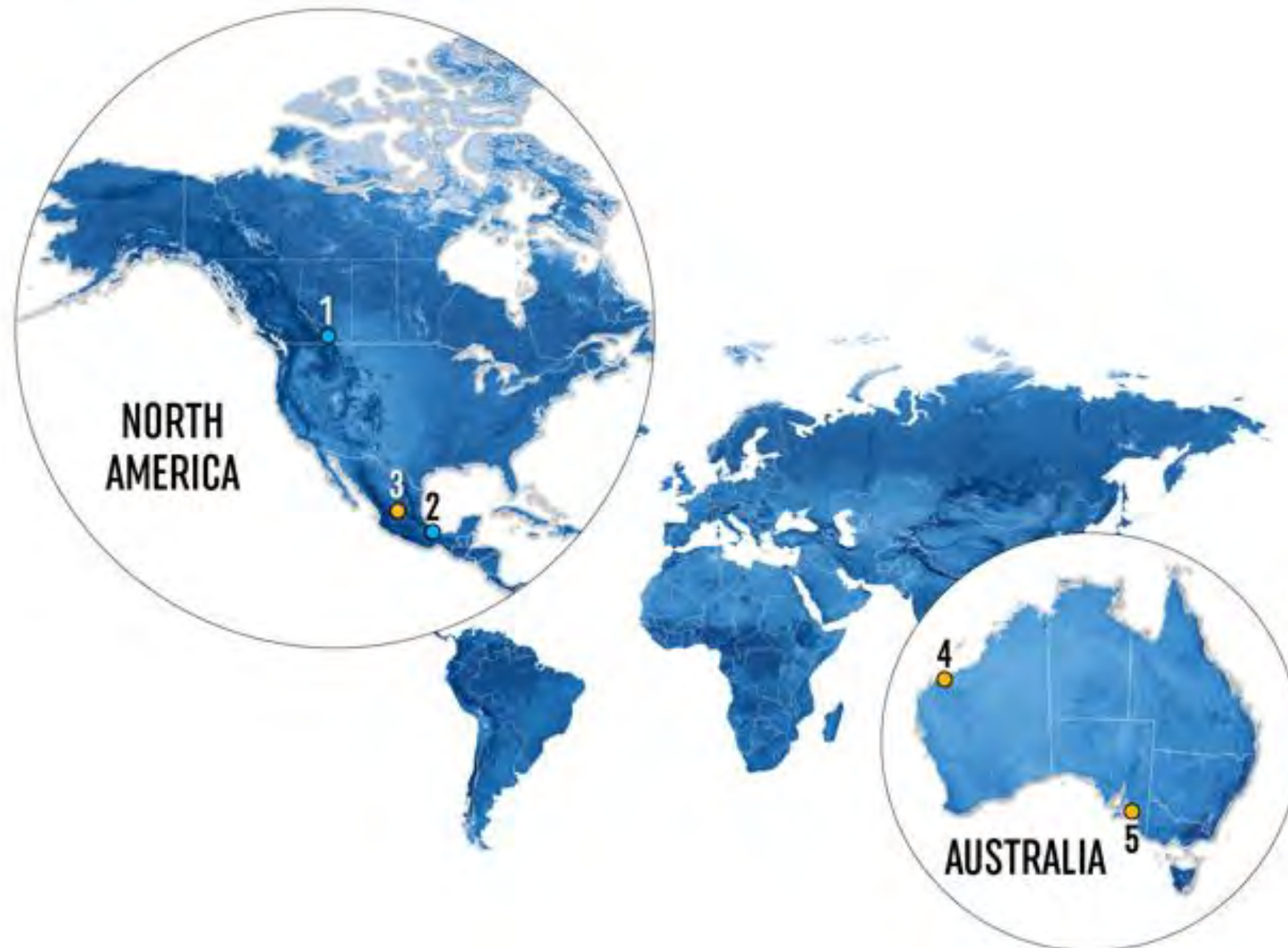
Highly Contracted
Portfolio



Expanding Renewable
Generation Capabilities



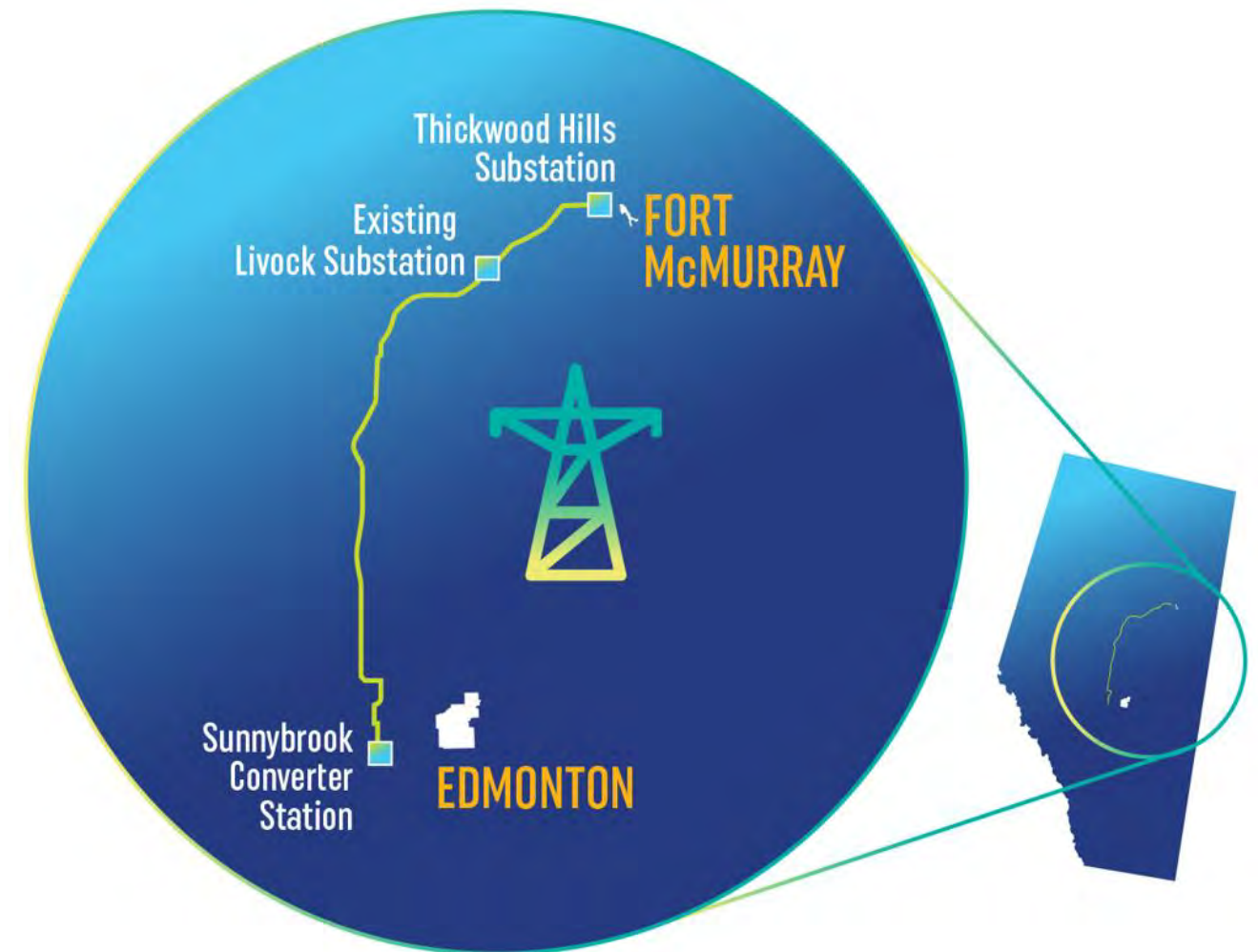
ELECTRICITY GENERATION POST SALE



| | CAPACITY SHARE (MW) |
|----------------------|------------------------|
| ● RUN-OF-RIVER HYDRO | |
| 1 OLDMAN RIVER | 24 |
| 2 VERACRUZ | 35 |
| ● NATURAL GAS | |
| 3 SAN LUIS POTOSI | 9 |
| 4 KARRATHA | 86 |
| 5 OSBORNE | 90 |
| TOTAL | 244 |

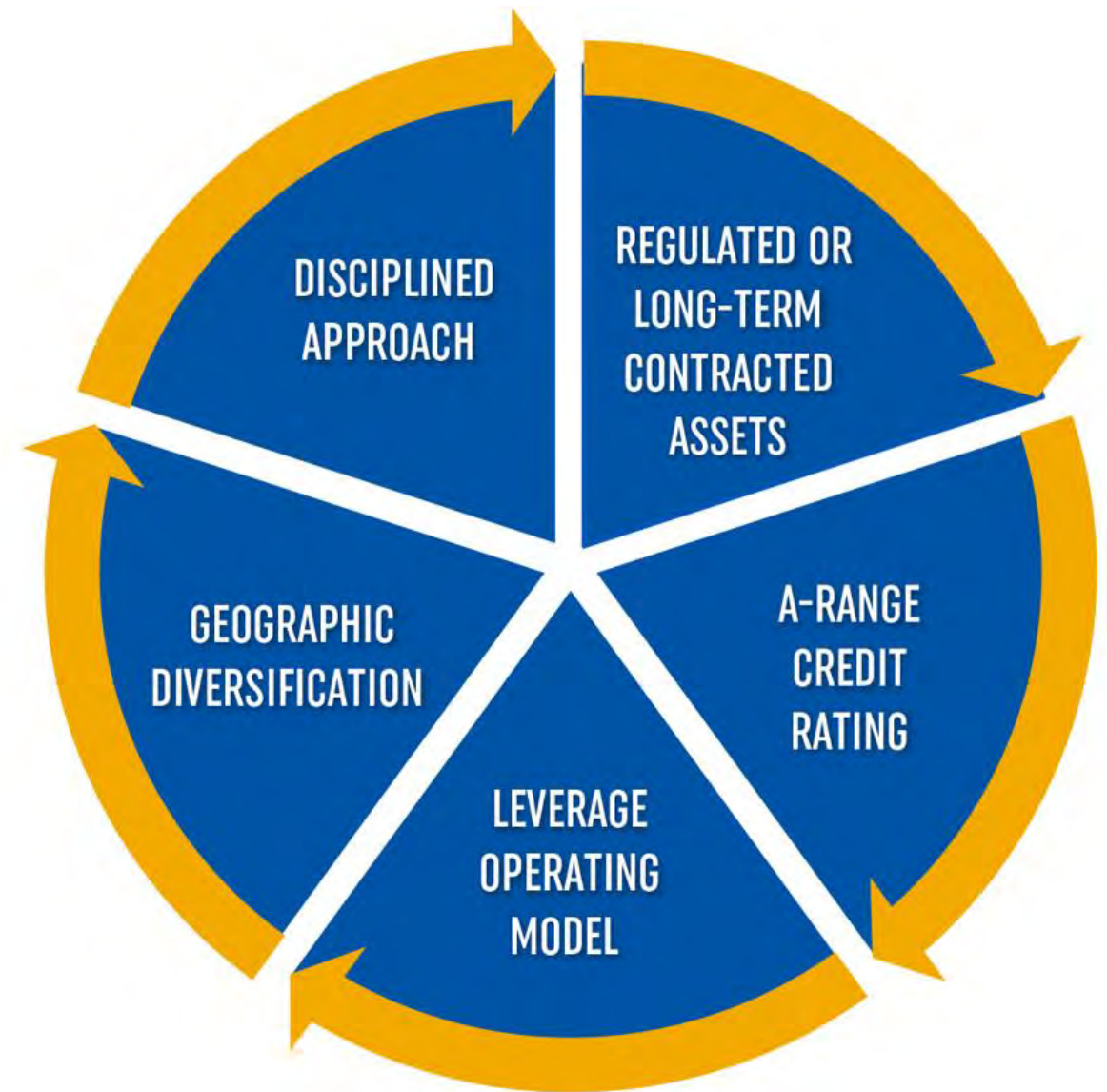
CAPITAL RECYCLING: ALBERTA POWERLINE SALE

- Sold Alberta PowerLine Limited Partnership (APL) for total proceeds of approximately \$300 million, and the assumption of approximately \$1.4 billion of APL debt
- Seven Indigenous communities acquired 40 per cent equity interest in APL
- Canadian Utilities will remain the operator of APL over its 35-year contract with the Alberta Electric System Operator
- The sale is expected to close in the fourth quarter of 2019.

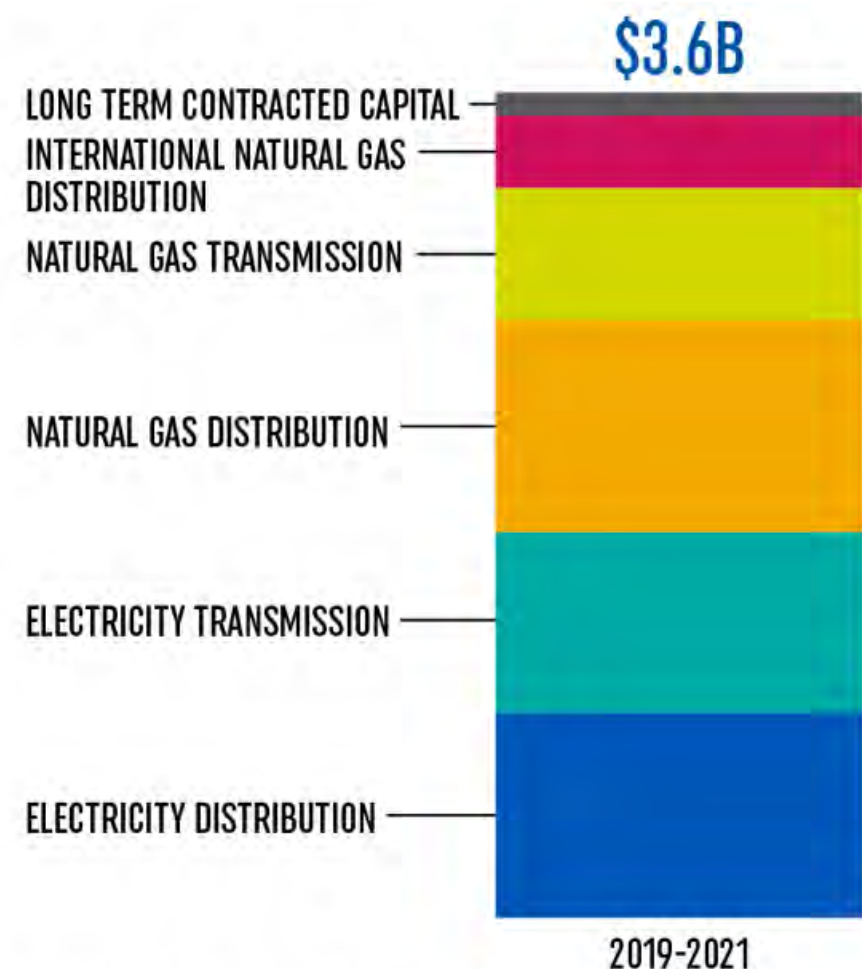


CAPITAL INVESTMENT APPROACH

- Disciplined and prudent approach
- Utility and utility-like assets: regulated or long-term contracted
- “A” range credit rating focus
- The ability to leverage our operating model
- Geographic diversification: Outside Alberta, North America, Latin America, & Australia



CANADIAN UTILITIES SUMMARY



**ONGOING CAPITAL INVESTMENT
DRIVING UTILITY ASSET GROWTH**

2018 ADJUSTED EARNINGS



**HIGH QUALITY
EARNINGS**

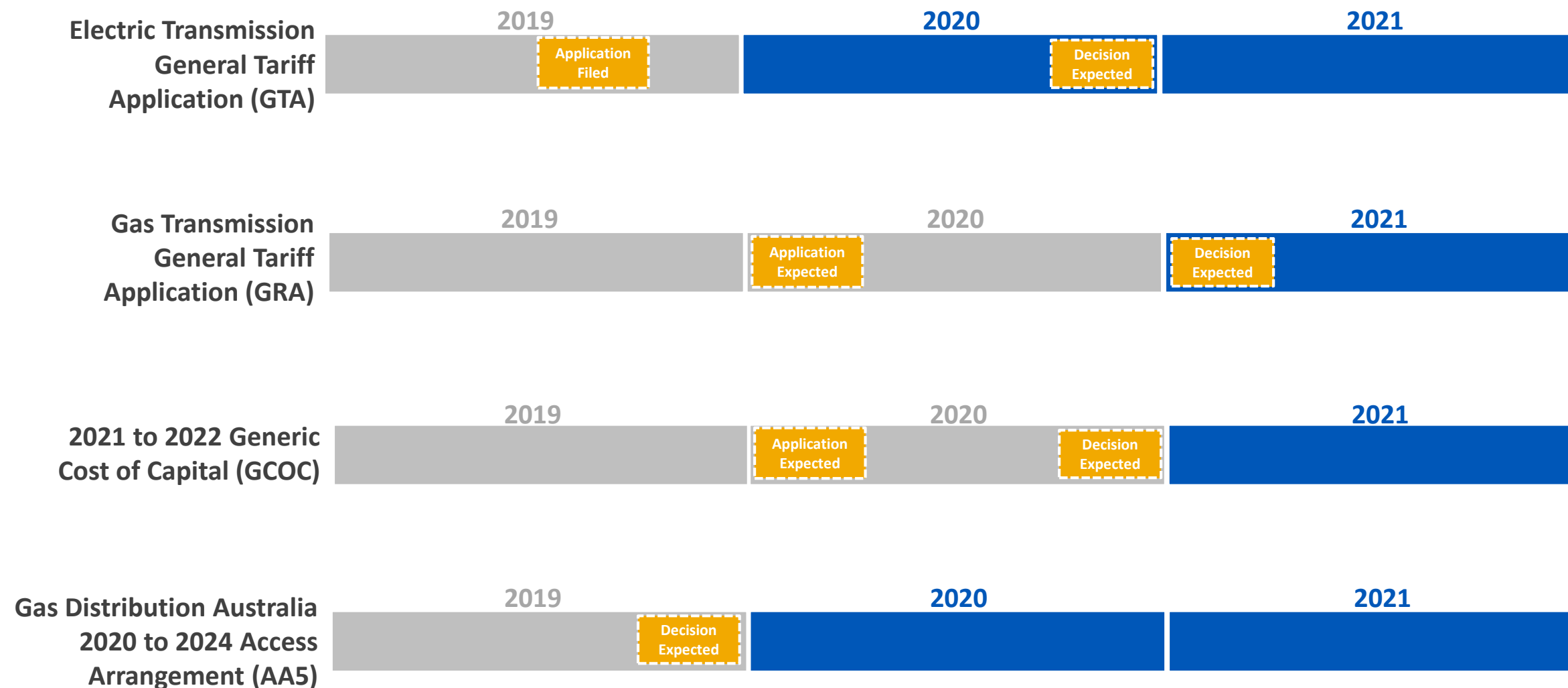


**TRACK RECORD OF
DIVIDEND GROWTH**



APPENDIX

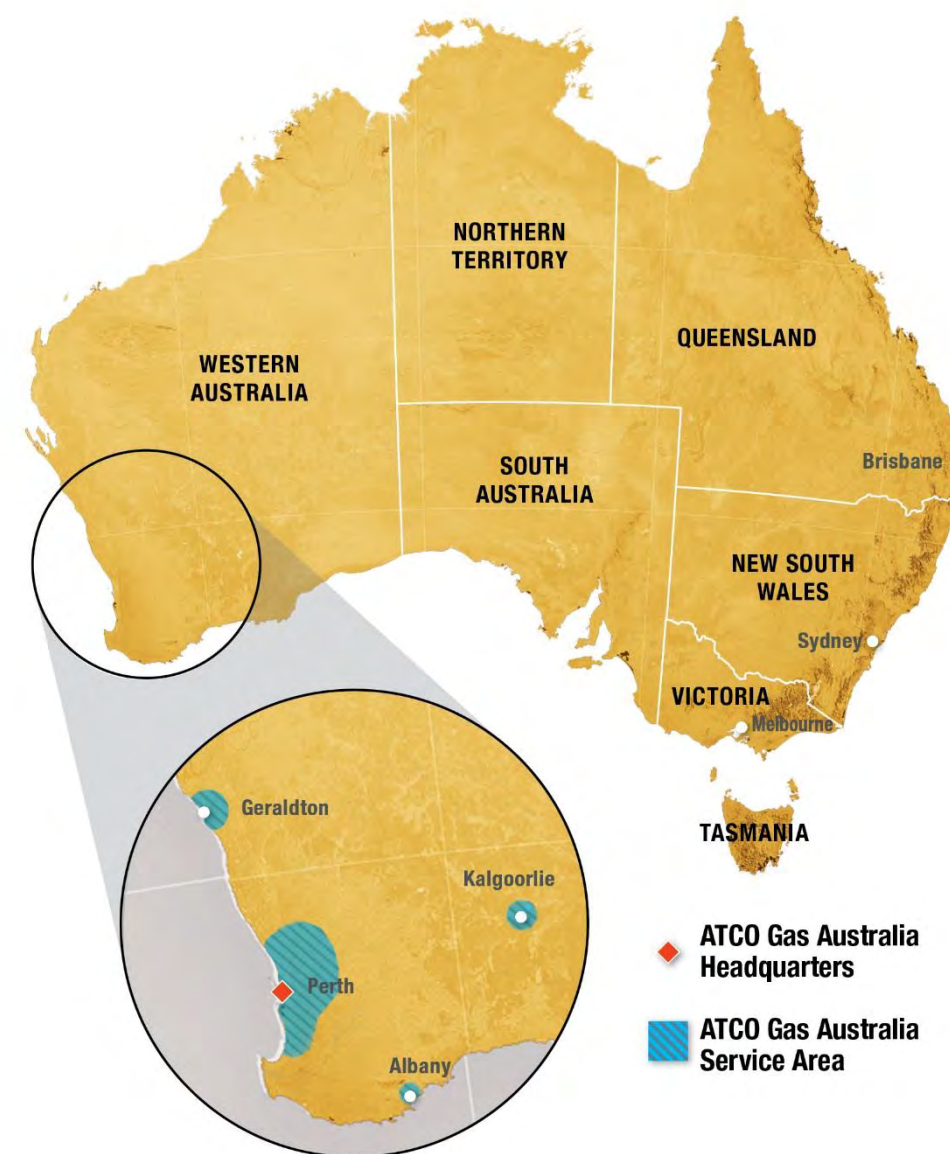
REGULATORY UPDATE



AUSTRALIA UTILITY

We provide safe and reliable natural gas service to the Perth metropolitan area and the wider Western Australian community

- Approximately 761,000 customers
- 14,000 km of natural gas distribution pipelines



ELECTRICITY DISTRIBUTION & TRANSMISSION

We build, own and operate electrical distribution and transmission facilities

- 258,000 farm, business and residential customers in 242 Alberta communities
- Approximately 11,000 km of transmission lines, and delivers power to and operates 4,000 km of lines owned by Rural Electrification Associations, and 72,000 km of distribution lines
- Subsidiaries:
 - ATCO Electric Yukon
 - Northland Utilities



NATURAL GAS DISTRIBUTION

We build, own and operate natural gas distribution facilities in Alberta

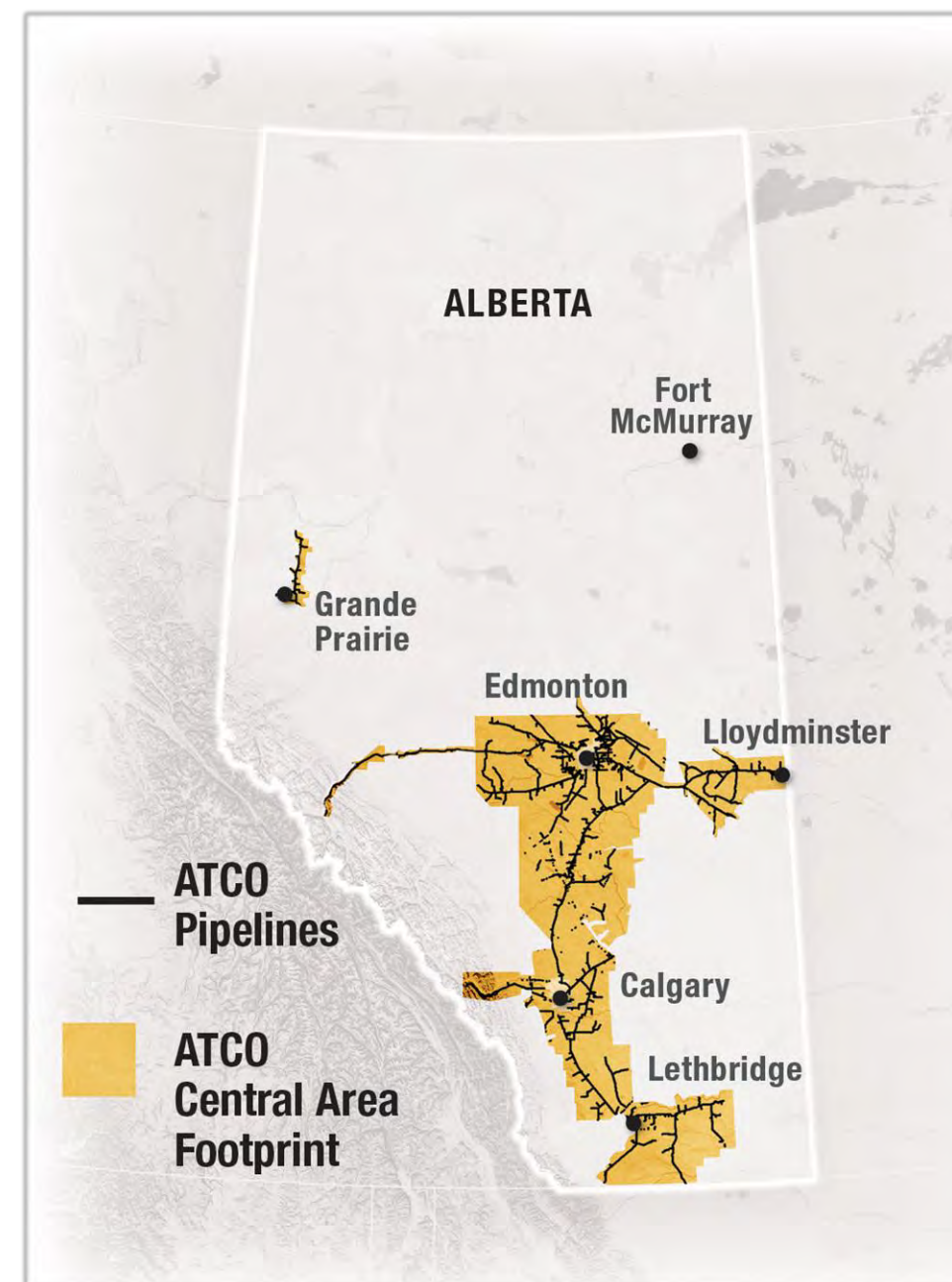
- Alberta's largest natural gas distribution company
- Serves approximately 1.2 million customers in nearly 300 Alberta communities
- We build, maintain, and operate 41,000 km of natural gas distribution pipelines



NATURAL GAS TRANSMISSION

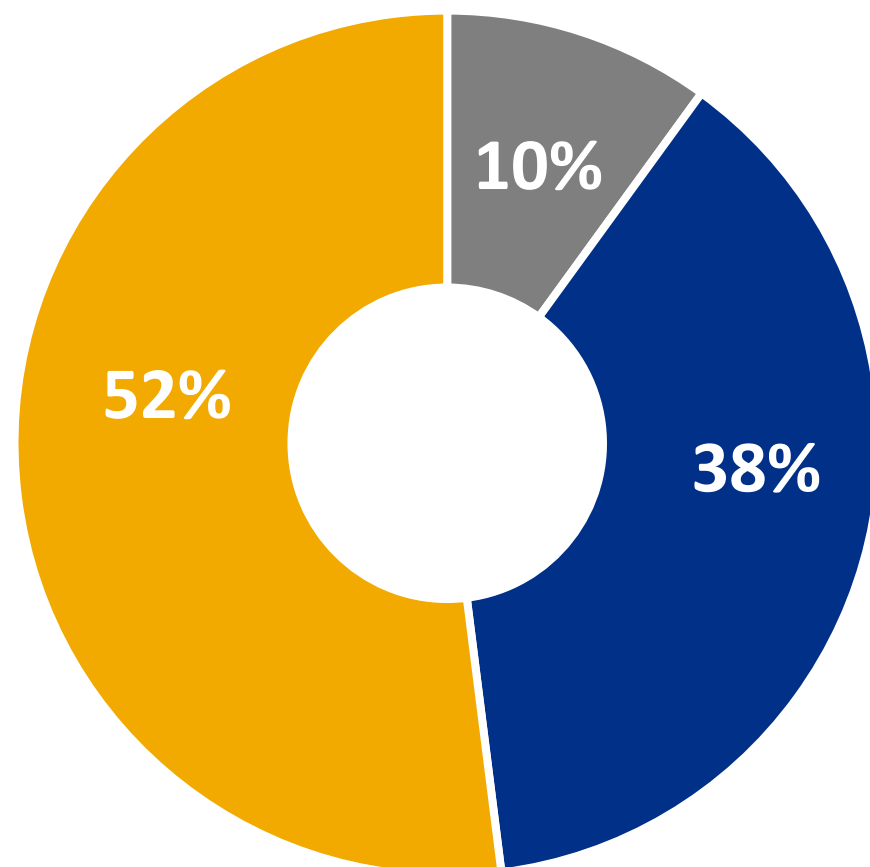
We build, own and operate key high-pressure natural gas transmission facilities in Alberta

- Transports clean, efficient energy from producers and other pipelines to utilities, power generators and major industries
- Owns and operates 9,200 km of pipeline
- Delivers a peak of 3.8B cubic ft/day of natural gas to customers
- Approximately 3,500 receipt and delivery points
- Interconnections facilitate access to multiple intra-Alberta and export markets



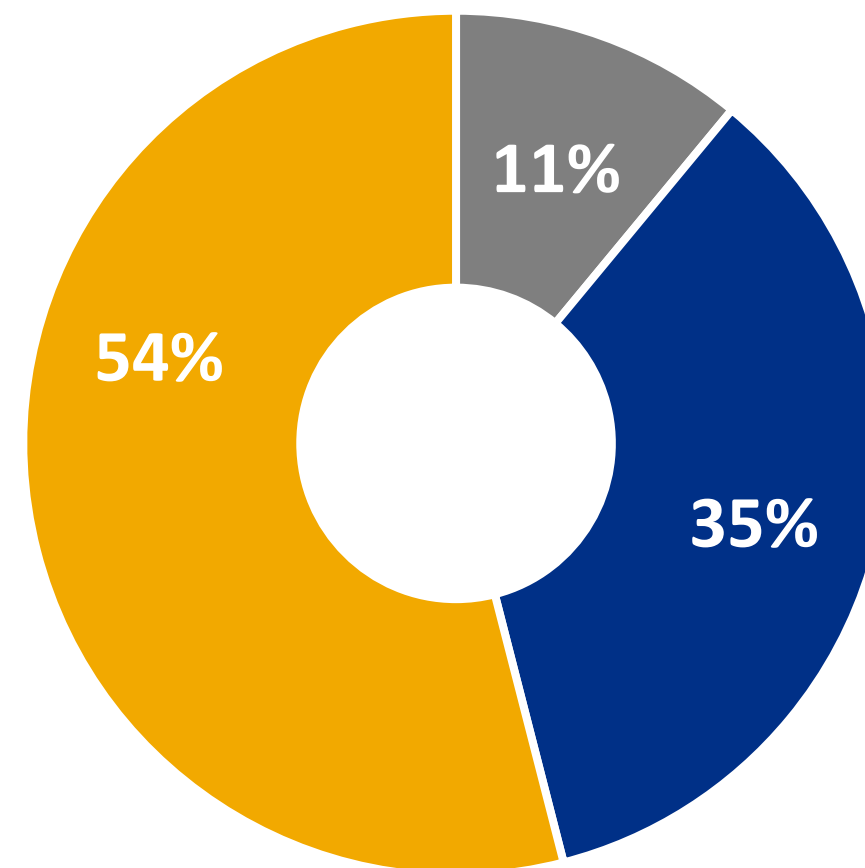
FINANCIAL STRENGTH: BALANCE SHEET AS AT Q3 2019

ATCO



Debt (net of cash) Preferred Shares Equity

Canadian Utilities



Debt (net of cash) Preferred Shares Equity



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