

PROSPECTUS SUPPLEMENT

To a Short Form Base Shelf Prospectus dated December 4, 2013

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement, together with the short form base shelf prospectus dated December 4, 2013 (the "Prospectus") to which it relates, as amended or supplemented, and each document deemed to be incorporated by reference into the short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been and will not be registered under the Securities Act of 1933 of the United States of America. These securities may not be offered, sold or delivered in the United States and this prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States.

Information has been incorporated by reference in this prospectus supplement and the accompanying Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Canadian Utilities Limited at 700 ATCO Centre, 909 - 11th Avenue S.W., Calgary, Alberta T2R 1N6 (telephone: (403) 292-7500), and are also available electronically at www.sedar.com.

New Issue

September 16, 2015



CANADIAN UTILITIES LIMITED

An **ATCO** Company

\$250,000,000

(10,000,000 shares)

Cumulative Redeemable Second Preferred Shares Series FF

The holders of the Cumulative Redeemable Second Preferred Shares Series FF (the "Series FF Preferred Shares") of Canadian Utilities Limited (the "Corporation") will be entitled to receive, as and when declared by the board of directors of the Corporation (the "Board of Directors"), fixed cumulative preferential cash dividends for the Initial Fixed Rate Period (as defined herein) from and including the closing date of this offering to but excluding December 1, 2020, at an annual rate of \$1.125 per Series FF Preferred Share, payable quarterly on the first day of March, June, September and December in each year. Assuming an issue date of September 24, 2015, the first dividend, if declared, will be payable December 1, 2015 in the amount of \$0.20959 per Series FF Preferred Share.

For each five year period after the Initial Fixed Rate Period (each, a "Subsequent Fixed Rate Period"), the holders of the Series FF Preferred Shares shall be entitled to receive, as and when declared by the Board of Directors, fixed cumulative preferential cash dividends, payable quarterly on the first day of each of March, June, September and December in each year, in the amount per share determined by multiplying one quarter of the Annual Fixed Dividend Rate (as defined herein) for such Subsequent Fixed Rate Period by \$25.00. The Annual Fixed Dividend Rate for each ensuing Subsequent Fixed Rate Period will be determined by the Corporation on the Fixed Rate Calculation Date (as defined herein) and will be equal to the sum of the Government of Canada Yield (as defined herein) on the Fixed Rate Calculation Date plus a spread of 3.69% (the "Spread"), provided that, in any event, such rate shall not be less than 4.50%. This Spread will apply to both the Series FF Preferred Shares and the Series GG Preferred Shares described below, and will remain unchanged over the life of the Series FF Preferred Shares and the Series GG Preferred Shares. See "Details of the Offering".

Option to Convert Into Series GG Preferred Shares

The holders of the Series FF Preferred Shares will have the right to convert their shares into Cumulative Redeemable Second Preferred Shares Series GG of the Corporation (the "Series GG Preferred Shares"), subject to certain conditions, on December 1, 2020 and on December 1 in every fifth year thereafter. The holders of the Series GG Preferred Shares will be entitled to receive, as and when declared by the Board of Directors, quarterly floating rate cumulative preferential cash dividends payable on the first day of March, June, September and December in each year (each such quarterly dividend period is referred to as a "Quarterly Floating Rate Period") in the amount per share determined by multiplying the Floating Quarterly Dividend Rate (as defined herein) for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365. The Floating Quarterly Dividend Rate will be the annual rate of interest equal to the sum of the T-Bill Rate (as defined herein) on the applicable Floating Rate Calculation Date (as defined herein) and 3.69%. See "Details of the Offering".

On December 1, 2020 and on December 1 of every fifth year thereafter, the Corporation may, at its option on not more than 60 days nor less than 30 days prior notice, redeem for cash the Series FF Preferred Shares, in whole at any time or in part from time to time, at \$25.00 per Series FF Preferred Share, together with all accrued and unpaid dividends to but excluding the date of redemption.

The Toronto Stock Exchange (the "TSX") has conditionally approved the listing of the Series FF Preferred Shares and the Series GG Preferred Shares. Listing of the Series FF Preferred Shares and Series GG Preferred Shares is subject to the Corporation fulfilling all of the requirements of the TSX on or before December 15, 2015 including distribution of the Series FF Preferred Shares to a minimum number of public securityholders. In the opinion of Counsel (as defined herein), subject to the provisions of any particular plan, the Series FF Preferred Shares and the Series GG Preferred Shares, if issued on the date hereof, generally would be qualified investments under the *Income Tax Act* (Canada) (the "Tax Act") for certain tax-exempt plans. See "Eligibility for Investment". The address of the head office of the Corporation is 700 ATCO Centre, 909 – 11th Avenue S.W., Calgary, Alberta T2R 1N6 and the registered office of the Corporation is 20th floor, 10035 – 105 Street, Edmonton, Alberta T5J 2V6.

Price: \$25.00 per share to yield 4.50% per annum

	Price to the Public	Underwriters' Fee⁽¹⁾	Proceeds to the Corporation⁽¹⁾
Per Series FF Preferred Share	\$25.00	\$0.75	\$24.25
Total Offering	\$250,000,000	\$7,500,000	\$242,500,000

Note:

(1) *The underwriters' fee for the Series FF Preferred Shares is \$0.25 for each such share sold to certain institutions by the closing of the offering and \$0.75 per share for all other Series FF Preferred Shares purchased by the Underwriters (the "Underwriters' Fee"). The Underwriters' Fee indicated in the table assumes that no Series FF Preferred Shares are sold to such institutions.*

BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., TD Securities Inc., Scotia Capital Inc., CIBC World Markets Inc., Canaccord Genuity Corp. and GMP Securities L.P. (the "Underwriters"), as principals, conditionally offer the Series FF Preferred Shares, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Corporation by Bennett Jones LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP. The Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Series FF Preferred Shares. **The Underwriters may offer the Series FF Preferred Shares at a price lower than that stated above. See "Plan of Distribution".**

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that the closing of this offering will take place on or about September 24, 2015 or on such other date as the Corporation and the Underwriters may agree (the "Closing Date"), and in any event not later than September 30, 2015. A book-entry only certificate representing the Series FF Preferred Shares distributed hereunder will be issued in registered form only to CDS Clearing and Depository Services Inc. ("CDS") or its nominee and will be deposited with CDS following the closing of this offering. The Corporation understands that a purchaser of Series FF Preferred Shares will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom Series FF Preferred Shares are purchased.

There is no market through which the Series FF Preferred Shares may be sold and purchasers may not be able to resell Series FF Preferred Shares purchased under this prospectus supplement. This may affect the pricing of the Series FF Preferred Shares in the secondary market (if any), the transparency and availability of trading prices, the liquidity of the Series FF Preferred Shares, and the extent of issuer regulation. A prospective investor should be aware that the purchase of Series FF Preferred Shares may have tax consequences both in Canada and the United States. See "Certain Canadian Federal Income Tax Considerations" and "Risk Factors".

Five of the Underwriters, BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., TD Securities Inc., Scotia Capital Inc. and CIBC World Markets Inc., are subsidiaries of Canadian chartered banks, which have extended credit facilities to the Corporation and certain of its affiliates. Accordingly, under certain circumstances, the Corporation may be considered a "connected issuer" of these Underwriters under applicable Canadian securities legislation. See "Plan of Distribution".

TABLE OF CONTENTS

	<u>Page</u>
Forward-Looking Statements	4
Documents Incorporated by Reference.....	4
Marketing Materials	5
Trading Price and Volume.....	5
Details of the Offering	7
Depository Services.....	13
Ratings.....	13
Plan of Distribution	14
Eligibility for Investment.....	15
Use of Proceeds	15
Earnings Coverage Ratio	16
Risk Factors	16
Certain Canadian Federal Income Tax Considerations.....	17
Legal Matters	19
Transfer Agent and Registrar.....	19
Statutory Rights of Withdrawal and Rescission	20
Certificate of the Underwriters	21

In this prospectus supplement, unless otherwise indicated, capitalized terms which are defined in the accompanying Prospectus are used herein with the meaning defined therein.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus supplement may constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in the forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements due to, among other factors, regulatory decisions, competitive factors in the industries in which the Corporation operates, prevailing economic conditions and the factors detailed under "Risk Factors" in this prospectus supplement as well as in the Corporation's filings with securities regulators, including its annual and interim management's discussion and analysis and annual and interim financial statements and the notes thereto. This is not an exhaustive list of the factors that may affect any of the Corporation's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Corporation's forward-looking statements.

The forward-looking statements contained in this prospectus supplement represent the Corporation's expectations as of the date hereof and are subject to change after such date. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed to be incorporated by reference into the accompanying Prospectus, solely for the purpose of the offering of the Series FF Preferred Shares. The following documents are also incorporated or deemed to be incorporated by reference into the Prospectus:

- (a) annual information form dated February 19, 2015;
- (b) management proxy circular dated March 10, 2015 relating to the annual meeting of shareholders held on May 5, 2015;
- (c) audited comparative consolidated financial statements, together with the accompanying report of the auditor, for the year ended December 31, 2014;
- (d) management's discussion and analysis for the year ended December 31, 2014 and the earnings coverage ratio filed as an exhibit thereto;
- (e) comparative interim consolidated financial statements for the six months ended June 30, 2015;
- (f) management's discussion and analysis for the six months ended June 30, 2015 and the earnings coverage ratio filed as an exhibit thereto; and
- (g) the template version (as such term is defined in National Instrument 41-101 – *General Prospectus Requirements* ("NI 41-101")) of the term sheet for the offering of Series FF Preferred Shares dated September 14, 2015 (the "Initial Term Sheet") and the template version of the revised term sheet for the offering of Series FF Preferred Shares dated September 14, 2015 (the "Revised Term Sheet");

provided that these documents are not incorporated by reference to the extent their contents are modified or superseded by a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated by reference in this prospectus supplement.

Any documents of the type described in section 11.1 of Form 44-101F1 - *Short Form Prospectus*, if filed by the Corporation after the date of this prospectus supplement and before the termination of the distribution, are deemed to be incorporated by reference in this prospectus supplement.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this prospectus supplement to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

MARKETING MATERIALS

The template version of the Initial Term Sheet does not form part of this prospectus supplement to the extent that the contents thereof have been modified or superseded by a statement contained in this prospectus supplement. Statements included in the template version of the Initial Term Sheet relating to the size of the offering of Series FF Preferred Shares, including the number of Series FF Preferred Shares being distributed pursuant to the offering of the Series FF Preferred Shares, have been modified in view of disclosure contained in this prospectus supplement to reflect the increase in the number of Series FF Preferred Shares being distributed pursuant to the offering of Series FF Preferred Shares from what was disclosed in the Initial Term Sheet and the elimination of the option granted to the Underwriters. See disclosure on the cover page of this prospectus supplement and under "Details of the Offering".

Pursuant to Section 9A.3(7) of National Instrument 44-102 – *Shelf Distributions*, the Corporation has prepared a revised template version of the Initial Term Sheet, being the Revised Term Sheet, which has been blacklined to show the modified statements discussed herein. The Revised Term Sheet and the blacklined version thereof have been filed with the securities commissions or similar authorities in each of the provinces of Canada and can be viewed under the Corporation's profile at www.sedar.com. In addition, a template version of any other marketing materials (as such term is defined in NI 41-101) filed with the securities commission or similar authority in each of the provinces of Canada in connection with the offering of Series FF Preferred Shares after the date hereof but prior to the termination of the distribution of the securities under this prospectus supplement is deemed to be incorporated by reference herein.

TRADING PRICE AND VOLUME

The Corporation's Class A non-voting shares ("Class A Shares"), Class B common shares ("Class B Shares"), Cumulative Redeemable Second Preferred Shares Series Y, Cumulative Redeemable Second Preferred Shares Series AA, Cumulative Redeemable Second Preferred Shares Series BB, Cumulative Redeemable Second Preferred Shares Series CC, Cumulative Redeemable Second Preferred Shares Series DD and Cumulative Redeemable Second Preferred Shares Series EE, are listed on the TSX. On August 7, 2015, the Corporation issued 5,000,000 Cumulative Redeemable Second Preferred Shares Series EE ("Series EE Preferred Shares"), which are listed on the TSX under the symbol CU.PR.H. The following table sets forth the high and low prices and volumes of the Corporation's shares traded on the TSX during the periods indicated.

	Class A Shares			Class B Shares		
	High (\$)	Low (\$)	Volume	High (\$)	Low (\$)	Volume
2014						
September	40.36	38.46	4,361,272	40.25	38.50	16,798
October	40.49	38.17	4,739,825	40.25	38.42	16,301

	Class A Shares			Class B Shares		
	High (\$)	Low (\$)	Volume	High (\$)	Low (\$)	Volume
November	40.78	36.69	5,253,248	40.56	36.79	19,820
December	41.23	37.87	5,039,868	41.00	37.91	16,196
2015						
January	44.27	40.16	5,608,440	44.20	40.25	14,052
February	42.68	40.18	4,856,420	42.40	40.50	15,421
March	42.41	39.43	4,713,507	42.25	39.50	48,289
April	40.87	39.09	3,615,336	40.75	39.23	8,076
May	39.33	36.05	5,732,029	39.00	36.20	22,731
June	37.22	34.67	6,178,626	37.09	34.72	17,308
July	37.90	34.91	5,399,109	37.51	34.38	14,134
August	37.20	31.08	6,682,255	36.75	32.50	17,470
September 1 to September 15	36.14	34.05	2,814,754	35.75	34.00	8,666

	Cumulative Redeemable Second Preferred Shares								
	Series Y			Series AA			Series BB		
	High (\$)	Low (\$)	Volume	High (\$)	Low (\$)	Volume	High (\$)	Low (\$)	Volume
2014									
September	25.89	25.36	203,275	24.78	24.13	41,490	24.76	24.20	67,826
October	26.05	25.50	155,086	24.66	24.00	258,292	24.62	23.77	48,070
November	26.05	25.70	177,704	24.90	24.52	276,850	24.98	24.47	72,919
December	26.33	25.00	129,650	24.86	23.90	32,879	24.92	23.87	156,482
2015									
January	26.09	24.00	250,235	25.66	24.58	43,976	25.73	24.60	30,665
February	25.00	23.86	249,825	25.73	25.35	27,449	25.70	25.06	52,121
March	25.00	23.91	1,081,177	25.65	25.04	74,169	25.58	25.10	60,722
April	25.00	24.06	632,492	25.41	24.80	45,989	25.35	24.51	64,523
May	25.29	24.50	159,704	25.65	24.30	75,684	25.45	24.77	87,153
June	24.93	24.50	300,940	24.89	23.50	86,612	25.19	23.61	73,799
July	24.97	23.80	382,894	24.26	23.00	73,332	24.29	23.00	79,905
August	24.13	19.66	177,173	23.20	22.00	46,754	23.00	22.02	60,787
September 1 to September 15	21.60	20.03	75,347	22.55	22.10	15,465	22.60	22.10	19,582

	Cumulative Redeemable Second Preferred Shares								
	Series CC			Series DD			Series EE		
	High (\$)	Low (\$)	Volume	High (\$)	Low (\$)	Volume	High (\$)	Low (\$)	Volume
2014									
September	22.52	22.06	98,477	22.49	22.12	111,013	-	-	-
October	22.63	22.10	99,993	22.64	22.11	102,664	-	-	-
November	22.87	22.19	144,527	22.80	22.22	257,833	-	-	-
December	22.80	22.21	100,365	22.70	22.17	140,622	-	-	-
2015									
January	23.92	22.53	178,980	23.80	22.23	207,644	-	-	-
February	24.00	23.39	162,622	24.00	23.11	218,971	-	-	-
March	24.20	23.59	215,102	24.00	23.56	163,663	-	-	-
April	24.00	23.00	105,693	23.95	23.01	183,868	-	-	-
May	23.88	22.60	200,672	23.70	22.50	112,091	-	-	-
June	22.86	21.68	389,537	22.93	21.95	173,660	-	-	-
July	22.49	21.30	77,363	22.56	21.27	77,975	-	-	-
August ¹	21.45	20.24	67,910	21.60	20.12	188,927	24.20	23.62	634,657
September 1 to September 15	21.20	20.60	45,585	21.24	20.70	21,276	24.50	23.87	65,864

¹ The Series EE Preferred Shares began trading on the TSX on August 7, 2015.

DETAILS OF THE OFFERING

Definition of Terms

The following definitions are relevant to the Series FF Preferred Shares and the Series GG Preferred Shares.

"Annual Fixed Dividend Rate" means, for any Subsequent Fixed Rate Period, the annual rate of interest (expressed as a percentage rounded to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date and 3.69%, provided that, in any event, such rate shall not be less than 4.50%.

"Dividend Payment Date" means the first day of March, June, September and December each year.

"Fixed Rate Calculation Date" means, for any Subsequent Fixed Rate Period, the 30th day prior to the first day of such Subsequent Fixed Rate Period.

"Floating Quarterly Dividend Rate" means, for any Quarterly Floating Rate Period, the annual rate of interest (expressed as a percentage rounded to the nearest one hundred-thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date and 3.69%.

"Floating Rate Calculation Date" means, for any Quarterly Floating Rate Period, the 30th day prior to the first day of such Quarterly Floating Rate Period.

"Government of Canada Yield" on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and that appears on the Bloomberg Screen GCAN5YR Page on such date; provided that if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, then the Government of Canada Yield shall mean the arithmetic average of the yields quoted to the Corporation by two registered Canadian investment dealers selected by the Corporation as being the annual yield to maturity on such date, compounded semi-annually, that a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at 100% of its principal amount on such date with a term to maturity of five years.

"Initial Fixed Rate Period" means the period from and including the date of issuance of the Series FF Preferred Shares to but excluding December 1, 2020.

"Quarterly Commencement Date" means the first day of March, June, September and December in each year.

"Quarterly Floating Rate Period" means the period from and including a Quarterly Commencement Date to but excluding the next succeeding Quarterly Commencement Date.

"Series FF Conversion Date" means December 1, 2020 and December 1 in every fifth year thereafter.

"Series GG Conversion Date" means December 1, 2025 and December 1 in every fifth year thereafter.

"Subsequent Fixed Rate Period" means, for the initial Subsequent Fixed Rate Period, the period from and including December 1, 2020, to but excluding December 1, 2025 and for each succeeding Subsequent Fixed Rate Period means the period from and including the day immediately following the last day of the immediately preceding Subsequent Fixed Rate Period to but excluding December 1 in the fifth year thereafter.

"T-Bill Rate" means, for any Quarterly Floating Rate Period, the average yield expressed as an annual rate on three-month Government of Canada treasury bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate Calculation Date.

Certain Provisions of the Series FF Preferred Shares

Issue Price

The Series FF Preferred Shares will have an issue price of \$25.00 per share.

Dividends on Series FF Preferred Shares

During the Initial Fixed Rate Period, the holders of the Series FF Preferred Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends at an annual rate of \$1.125 per share, payable quarterly on each Dividend Payment Date in each year (less any tax required to be deducted or withheld by the Corporation). The first dividend, if declared, shall be payable on December 1, 2015, and, notwithstanding the foregoing, shall be \$0.20959 per Series FF Preferred Share based on the anticipated closing of the offering of the Series FF Preferred Shares on September 24, 2015.

During each Subsequent Fixed Rate Period, the holders of the Series FF Preferred Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, fixed cumulative preferential cash dividends, payable quarterly on each Dividend Payment Date, in the amount per share determined by multiplying one-quarter of the Annual Fixed Dividend Rate for such Subsequent Fixed Rate Period by \$25.00 (less any tax required to be deducted or withheld by the Corporation).

On each Fixed Rate Calculation Date, the Corporation shall determine the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series FF Preferred Shares. The Corporation shall, on each Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Series FF Preferred Shares.

Redemption of Series FF Preferred Shares

The Series FF Preferred Shares shall not be redeemable prior to December 1, 2020. Subject to the provisions described under "Restrictions on Payments and Reductions of Capital", on December 1, 2020, and on December 1 in every fifth year thereafter, the Corporation may redeem all or any part of the Series FF Preferred Shares by the payment of an amount in cash for each Series FF Preferred Share to be redeemed equal to \$25.00 plus all accrued and unpaid dividends thereon to but excluding the date fixed for redemption (less any tax required to be deducted or withheld by the Corporation).

Notice of any redemption of Series FF Preferred Shares will be given by the Corporation not more than 60 days and not less than 30 days prior to the date fixed for redemption. If less than all of the outstanding Series FF Preferred Shares are at any time to be redeemed, the shares to be redeemed will be selected pro rata disregarding fractions or in such other manner as the Corporation may determine.

Conversion of Series FF Preferred Shares into Series GG Preferred Shares

The Series FF Preferred Shares shall not be convertible prior to December 1, 2020. Holders of Series FF Preferred Shares shall have the right to convert on each Series FF Conversion Date, subject to the restrictions on conversion described below, all or any of their Series FF Preferred Shares into Series GG Preferred Shares on the basis of one Series FF Preferred Share for each Series GG Preferred Share. Notice of a holder's intention to convert Series FF Preferred Shares must be received by the transfer agent and registrar for the Series FF Preferred Shares at its principal office in Toronto not earlier than the 30th day prior to, but not later than 5:00 p.m. (Toronto time) on the 15th day preceding, a Series FF Conversion Date.

The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series FF Conversion Date, give notice to the registered holders of the then outstanding Series FF Preferred Shares of the conversion right. On the 30th day prior to each Series FF Conversion Date, the Corporation shall give notice to the registered holders of the then outstanding Series FF Preferred Shares of the Annual Fixed Dividend Rate for the Series FF Preferred Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series GG Preferred Shares for the next succeeding Quarterly Floating Rate Period.

Holders of Series FF Preferred Shares shall not be entitled to convert their shares into Series GG Preferred Shares if the Corporation determines that there would remain outstanding on a Series FF Conversion Date less than 2,000,000 Series GG Preferred Shares, after having taken into account all Series FF Preferred Shares tendered for conversion

into Series GG Preferred Shares and all Series GG Preferred Shares tendered for conversion into Series FF Preferred Shares. The Corporation shall give notice thereof to all affected registered holders of the Series FF Preferred Shares at least seven days prior to the applicable Series FF Conversion Date. Furthermore, if the Corporation determines that there would remain outstanding on a Series FF Conversion Date less than 2,000,000 Series FF Preferred Shares, after having taken into account all Series FF Preferred Shares tendered for conversion into Series GG Preferred Shares and all Series GG Preferred Shares tendered for conversion into Series FF Preferred Shares, then all of the remaining outstanding Series FF Preferred Shares shall be converted automatically into Series GG Preferred Shares on the basis of one Series GG Preferred Share for each Series FF Preferred Share on the applicable Series FF Conversion Date and the Corporation shall give notice thereof to the registered holders of such remaining Series FF Preferred Shares at least seven days prior to the Series FF Conversion Date.

The Corporation reserves the right not to deliver Series GG Preferred Shares to any person that the Corporation or its transfer agent has reason to believe is a person whose address is in, or that the Corporation or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction.

If the Corporation gives notice to the holders of the Series FF Preferred Shares of the redemption of all of the Series FF Preferred Shares, the right of a holder of Series FF Preferred Shares to convert such Series FF Preferred Shares shall terminate and the Corporation shall not be required to give notice to the registered holders of the Series FF Preferred Shares of an Annual Fixed Dividend Rate, a Floating Quarterly Dividend Rate or the conversion right of holders of Series FF Preferred Shares.

Purchase for Cancellation

Subject to the provisions described under "Restrictions on Payments and Reductions of Capital", the Corporation may at any time or times purchase for cancellation all or any part of the Series FF Preferred Shares at the lowest price or prices at which, in the opinion of the board of directors of the Corporation, such shares are obtainable.

Rights on Liquidation

The Series FF Preferred Shares will rank junior to the series preferred shares (none of which are outstanding) and in priority to the Class A Shares and the Class B Shares and on a parity with any further series of series second preferred shares with respect to the payment of any dividends and the distribution of assets upon the liquidation, dissolution or winding-up of the Corporation.

Restrictions on Payments and Reductions of Capital

So long as any Series FF Preferred Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce or otherwise pay off less than all the Series FF Preferred Shares and all other preferred shares then outstanding ranking prior to or on a parity with the Series FF Preferred Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series FF Preferred Shares) on the Class A Shares or Class B Shares or any other shares of the Corporation ranking junior to the Series FF Preferred Shares with respect to payment of dividends; or
- (c) call for redemption, purchase, reduce or otherwise pay off any shares of the Corporation ranking junior to the Series FF Preferred Shares with respect to repayment of capital or with respect to payment of dividends,

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series FF Preferred Shares and on all other preferred shares then outstanding ranking prior to or on a parity with the Series FF Preferred Shares with respect to payment of dividends shall have been declared and paid or set apart for payment at the date of any such action.

Creation or Issue of Additional Shares

So long as any Series FF Preferred Shares are outstanding, the Corporation shall not, without the prior approval of the holders of the Series FF Preferred Shares, create or issue any shares ranking prior to or on a parity with the Series FF Preferred Shares with respect to repayment of capital or payment of dividends, provided that the Corporation may without such approval issue additional series of series second preferred shares if all dividends then payable on the Series FF Preferred Shares shall have been paid or set apart for payment.

Voting Rights

The holders of the Series FF Preferred Shares are not entitled to any voting rights or to receive notice of or to attend shareholders' meetings unless dividends on the series second preferred shares of any series are in arrears to the extent of eight quarterly dividends or four half-yearly dividends, as the case may be, whether or not consecutive. Until all arrears of dividends have been paid, holders of Series FF Preferred Shares will be entitled to receive notice of and to attend all shareholders' meetings at which directors are to be elected (other than separate meetings of holders of another class or series of shares) and to one vote in respect of each Series FF Preferred Share held.

Tax Election

The Series FF Preferred Shares will be "taxable preferred shares" as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate holders of the Series FF Preferred Shares. The terms of the Series FF Preferred Shares require the Corporation to make the necessary election under Part VI.1 of the Tax Act so that such corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series FF Preferred Shares. See "Certain Canadian Federal Income Tax Considerations - Dividends".

Modification

The series provisions attaching to the Series FF Preferred Shares may be amended with the written approval of all the holders of the Series FF Preferred Shares outstanding or by at least two-thirds of the votes cast at a meeting of the holders of such shares duly called for that purpose and at which a quorum is present.

Business Day

If any day on which any dividend on the Series FF Preferred Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

Certain Provisions of the Series GG Preferred Shares

Issue Price

The Series GG Preferred Shares will be issuable only upon conversion of Series FF Preferred Shares and will have an ascribed issue price of \$25.00 per share.

Dividends on Series GG Preferred Shares

During each Quarterly Floating Rate Period, the holders of the Series GG Preferred Shares shall be entitled to receive and the Corporation shall pay, as and when declared by the Board of Directors, out of the monies of the Corporation properly applicable to the payment of dividends, cumulative preferential cash dividends, payable on each Dividend Payment Date, in the amount per share (less any tax required to be deducted or withheld by the Corporation) determined by multiplying the Floating Quarterly Dividend Rate for such Quarterly Floating Rate Period by \$25.00 and multiplying that product by a fraction, the numerator of which is the actual number of days in such Quarterly Floating Rate Period and the denominator of which is 365.

On each Floating Rate Calculation Date, the Corporation shall determine the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period. Each such determination shall, in the absence of manifest error, be final and binding upon the Corporation and upon all holders of Series GG Preferred Shares. The Corporation shall, on

each Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to the registered holders of the then outstanding Series GG Preferred Shares.

Redemption of Series GG Preferred Shares

Subject to the provisions described under "Restrictions on Payments and Reductions of Capital", the Corporation may redeem all or any part of the Series GG Preferred Shares by the payment of an amount in cash (less any tax required to be deducted or withheld by the Corporation) for each share to be redeemed equal to:

- (a) \$25.00 in the case of a redemption on a Series GG Conversion Date; or
- (b) \$25.50 in the case of a redemption on any other date,

plus all accrued and unpaid dividends thereon to but excluding the date fixed for redemption.

Notice of any redemption of Series GG Preferred Shares will be given by the Corporation not more than 60 days and not less than 30 days prior to the date fixed for redemption. If less than all of the outstanding Series GG Preferred Shares are at any time to be redeemed, the shares to be redeemed will be selected pro rata disregarding fractions or in such other manner as the Corporation may determine.

Conversion of Series GG Preferred Shares into Series FF Preferred Shares

The Series GG Preferred Shares shall not be convertible prior to December 1, 2025. Holders of the Series GG Preferred Shares shall have the right to convert on each Series GG Conversion Date, subject to the restrictions on conversion described below, all or any of their Series GG Preferred Shares into Series FF Preferred Shares on the basis of one Series FF Preferred Share for each Series GG Preferred Share. Notice of a holder's intention to convert Series GG Preferred Shares must be received by the transfer agent and registrar for the Series GG Preferred Shares at its principal office in Toronto not earlier than the 30th day prior to, but not later than 5:00 p.m. (Toronto time) on the 15th day preceding, a Series GG Conversion Date.

The Corporation shall, not more than 60 days and not less than 30 days prior to the applicable Series GG Conversion Date, give notice to the registered holders of the then outstanding Series GG Preferred Shares of the conversion right. On the 30th day prior to each Series GG Conversion Date, the Corporation shall give notice to the registered holders of the then outstanding Series GG Preferred Shares of the Annual Fixed Dividend Rate for the Series FF Preferred Shares for the next succeeding Subsequent Fixed Rate Period and the Floating Quarterly Dividend Rate for the Series GG Preferred Shares for the next succeeding Quarterly Floating Rate Period.

Holders of Series GG Preferred Shares shall not be entitled to convert their shares into Series FF Preferred Shares if the Corporation determines that there would remain outstanding on a Series GG Conversion Date less than 2,000,000 Series FF Preferred Shares, after having taken into account all Series FF Preferred Shares tendered for conversion into Series GG Preferred Shares and all Series GG Preferred Shares tendered for conversion into Series FF Preferred Shares. The Corporation shall give notice thereof to all affected registered holders of the Series GG Preferred Shares at least seven days prior to the applicable Series GG Conversion Date. Furthermore, if the Corporation determines that there would remain outstanding on a Series GG Conversion Date less than 2,000,000 Series GG Preferred Shares, after having taken into account all Series FF Preferred Shares tendered for conversion into Series GG Preferred Shares and all Series GG Preferred Shares tendered for conversion into Series FF Preferred Shares, then all of the remaining outstanding Series GG Preferred Shares shall be converted automatically into Series FF Preferred Shares on the basis of one Series FF Preferred Share for each Series GG Preferred Share on the applicable Series GG Conversion Date and the Corporation shall give notice thereof to the registered holders of such remaining Series GG Preferred Shares at least seven days prior to the Series GG Conversion Date.

The Corporation reserves the right not to deliver Series FF Preferred Shares to any person that the Corporation or its transfer agent has reason to believe is a person whose address is in, or that the Corporation or its transfer agent has reason to believe is a resident of, any jurisdiction outside Canada if such delivery would require the Corporation to take any action to comply with the securities laws of such jurisdiction.

If the Corporation gives notice to the holders of the Series GG Preferred Shares of the redemption of all of the Series GG Preferred Shares, the right of a holder of Series GG Preferred Shares to convert such Series GG Preferred Shares shall terminate and the Corporation shall not be required to give notice to the registered holders of the Series GG Preferred Shares of an Annual Fixed Dividend Rate, a Floating Quarterly Dividend Rate or the conversion right of holders of Series GG Preferred Shares.

Purchase for Cancellation

Subject to the provisions described under "Restrictions on Payments and Reductions of Capital", the Corporation may at any time or times purchase for cancellation all or any part of the Series GG Preferred Shares at the lowest price or prices at which, in the opinion of the Board of Directors, such shares are obtainable.

Rights on Liquidation

The Series GG Preferred Shares will rank junior to the series preferred shares (none of which are outstanding) and in priority to the Class A Shares and the Class B Shares and on a parity with any further series of series second preferred shares with respect to the payment of any dividends and the distribution of assets upon the liquidation, dissolution or winding-up of the Corporation.

Restrictions on Payments and Reductions of Capital

So long as any Series GG Preferred Shares are outstanding, the Corporation shall not:

- (a) call for redemption, purchase, reduce or otherwise pay off less than all the Series GG Preferred Shares and all other preferred shares then outstanding ranking prior to or on a parity with the Series GG Preferred Shares with respect to payment of dividends;
- (b) declare, pay or set apart for payment any dividends (other than stock dividends in shares of the Corporation ranking junior to the Series GG Preferred Shares) on the Class A Shares or Class B Shares or any other shares of the Corporation ranking junior to the Series GG Preferred Shares with respect to payment of dividends; or
- (c) call for redemption, purchase, reduce or otherwise pay off any shares of the Corporation ranking junior to the Series GG Preferred Shares with respect to repayment of capital or with respect to payment of dividends,

unless all dividends up to and including the dividends payable on the last preceding dividend payment dates on the Series GG Preferred Shares and on all other preferred shares then outstanding ranking prior to or on a parity with the Series GG Preferred Shares with respect to payment of dividends shall have been declared and paid or set apart for payment at the date of any such action.

Creation or Issue of Additional Shares

So long as any Series GG Preferred Shares are outstanding, the Corporation shall not, without the prior approval of the holders of the Series GG Preferred Shares, create or issue any shares ranking prior to or on a parity with the Series GG Preferred Shares with respect to repayment of capital or payment of dividends, provided that the Corporation may without such approval issue additional series of series second preferred shares if all dividends then payable on the Series GG Preferred Shares shall have been paid or set apart for payment.

Voting Rights

The holders of the Series GG Preferred Shares are not entitled to any voting rights or to receive notice of or to attend shareholders' meetings unless dividends on the series second preferred shares of any series are in arrears to the extent of eight quarterly dividends or four half-yearly dividends, as the case may be, whether or not consecutive. Until all arrears of dividends have been paid, holders of Series GG Preferred Shares will be entitled to receive notice of and to attend all shareholders' meetings at which directors are to be elected (other than separate meetings of holders of another class or series of shares) and to one vote in respect of each Series GG Preferred Share held.

Tax Election

The Series GG Preferred Shares will be "taxable preferred shares" as defined in the Tax Act for purposes of the tax under Part IV.1 of the Tax Act applicable to certain corporate holders of the Series GG Preferred Shares. The terms of the Series GG Preferred Shares require the Corporation to make the necessary election under Part VI.1 of the Tax Act so that such corporate holders will not be subject to the tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series GG Preferred Shares. See "Certain Canadian Federal Income Tax Considerations – Dividends".

Modification

The series provisions attaching to the Series GG Preferred Shares may be amended with the written approval of all the holders of the Series GG Preferred Shares outstanding or by at least two-thirds of the votes cast at a meeting of the holders of such shares duly called for that purpose and at which a quorum is present.

Business Day

If any day on which any dividend on the Series GG Preferred Shares is payable by the Corporation or on or by which any other action is required to be taken by the Corporation is not a business day, then such dividend shall be payable and such other action may be taken on or by the next succeeding day that is a business day.

DEPOSITORY SERVICES

Except as otherwise provided herein, the Series FF Preferred Shares and the Series GG Preferred Shares will be issued in "book-entry only" form and must be purchased, transferred, converted or redeemed through participants (collectively, "Participants" and individually, a "Participant") in the depository service of CDS or its nominee. Each of the Underwriters is a Participant. On the closing of this offering, the Corporation will cause a global certificate or certificates representing the Series FF Preferred Shares to be delivered to, and registered in the name of, CDS or its nominee. Except as described below, no purchaser of Series FF Preferred Shares or Series GG Preferred Shares, as applicable, will be entitled to a certificate or other instrument from the Corporation or CDS evidencing that purchaser's ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a Participant acting on behalf of such purchaser. The Corporation understands that each purchaser of Series FF Preferred Shares or Series GG Preferred Shares, as applicable, will receive a customer confirmation of purchase from the registered dealer from or through which the Series FF Preferred Shares or Series GG Preferred Shares are purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in the Series FF Preferred Shares or Series GG Preferred Shares, as applicable. Reference in this prospectus supplement to a holder of Series FF Preferred Shares or Series GG Preferred Shares, as applicable, means, unless the context otherwise requires, the owner of the beneficial interest in the Series FF Preferred Shares or the Series GG Preferred Shares, as applicable.

If the Corporation determines, or CDS notifies the Corporation in writing, that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Series FF Preferred Shares or the Series GG Preferred Shares, as applicable, and the Corporation is unable to locate a qualified successor, or if the Corporation at its option elects, or is required by law, to terminate the book-entry system, then Series FF Preferred Shares or Series GG Preferred Shares, as applicable, will be issued in fully registered and certificated form to the owners of the beneficial interests in such Series FF Preferred Shares or Series GG Preferred Shares, as applicable, or their nominees.

RATINGS

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities and are indicators of the likelihood of payment and of the capacity and willingness of an issuer to meet its financial commitment on a security in accordance with the terms of the security.

The Series FF Preferred Shares of the Corporation are rated Pfd-2 (high) by DBRS Limited ("DBRS") and P-2 (High) by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P").

A Pfd-2 rating by DBRS is the second highest of six categories granted by DBRS. Preferred shares rated Pfd-2 are of satisfactory credit quality. Protection of dividends and principal is substantial, but earnings, the balance sheet, and coverage ratios are not as strong as higher rated companies. Each rating category is denoted by the subcategories "high" and "low". The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category.

A P-2 rating by S&P is the second highest of eight categories S&P uses in its Canadian preferred share rating scale. A security rated P-2 exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the issuer to meet its financial commitment on the security. A "high" or "low" designation shows relative standing within a rating category. The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization.

The Corporation will make payments to DBRS and S&P in connection with the assignment of the ratings to the Series FF Preferred Shares. In addition, the Corporation has made payments in respect of certain other services provided to the Corporation by each of DBRS and S&P during the last two years.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated effective September 16, 2015 between the Corporation and the Underwriters (the "Underwriting Agreement"), the Corporation has agreed to sell and the Underwriters have severally agreed to purchase on September 24, 2015, or on such later date as may be agreed upon, but not later than September 30, 2015, subject to the terms and conditions stated therein, all but not less than all of the Series FF Preferred Shares at a price of \$25.00 per share payable in cash to the Corporation against delivery of such Series FF Preferred Shares. The obligations of the Underwriters under the Underwriting Agreement may be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Series FF Preferred Shares if any Series FF Preferred Shares are purchased under the Underwriting Agreement. The offering price of the Series FF Preferred Shares was determined by negotiation between the Corporation and the Underwriters. The Underwriters have agreed not to offer, sell or deliver any Series FF Preferred Shares in the United States or to any U.S. persons.

The Underwriters may not, throughout the period of distribution, bid for or purchase Series FF Preferred Shares. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Series FF Preferred Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. The Corporation has been advised that, in connection with this offering and subject to the foregoing, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Series FF Preferred Shares at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriters propose to offer the Series FF Preferred Shares initially at the initial public offering price specified on the cover page of this prospectus supplement. After a reasonable effort has been made to sell all of the Series FF Preferred Shares at the initial public offering price, the Underwriters may subsequently reduce and thereafter change, from time to time, the price at which the Series FF Preferred Shares are offered to an amount not greater than \$25.00 per share. Should such a price reduction occur, the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the securities is less than the price paid by the Underwriters to the Corporation. Notwithstanding any such reduction by the Underwriters, the proceeds received by the Corporation will not be affected.

Five of the Underwriters, BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., TD Securities Inc., Scotia Capital Inc. and CIBC World Markets Inc., are subsidiaries of Canadian chartered banks, which have extended credit facilities to the Corporation and certain of its affiliates. Accordingly, under certain circumstances, the Corporation may be considered a "connected issuer" of the Underwriters under applicable Canadian securities legislation. The aggregate amount of such credit facilities available to the Corporation and its affiliates is approximately \$2.4 billion, of which approximately \$595 million was drawn as of June 30, 2015. These facilities include term facilities, demand facilities and overdraft facilities made available to the Corporation and its affiliates. These facilities also include non-recourse debt of the Corporation's affiliates for which the lender's recourse in the event of default is limited to the business and assets of the project in question and to the affiliates' equity therein. The Corporation and its affiliates are in compliance with the terms of these credit facilities. Since June 30, 2015, there have been no material changes to the amounts owing under these facilities. The decision of each Underwriter to participate in this offering was made independently of its bank parent. The net proceeds from the offering will not be used to repay amounts outstanding under the credit facilities of the Corporation. See "Use of Proceeds".

The TSX has conditionally approved the listing of the Series FF Preferred Shares and the Series GG Preferred Shares. Listing of the Series FF Preferred Shares and the Series GG Preferred Shares is subject to the Corporation fulfilling all of the requirements of the TSX on or before December 15, 2015 including distribution of these securities to a minimum number of public securityholders.

ELIGIBILITY FOR INVESTMENT

In the opinion of Bennett Jones LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, subject to the provisions of any particular plan, the Series FF Preferred Shares and the Series GG Preferred Shares offered hereby, if issued on the date hereof, generally would be qualified investments for purposes of the Tax Act and the regulations thereunder (the "Regulations") for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a registered education savings plan, a registered disability savings plan, a deferred profit sharing plan, and a tax-free savings account ("TFSA"), each as defined in the Tax Act.

Notwithstanding that the Series FF Preferred Shares and the Series GG Preferred Shares may be qualified investments for a trust governed by an RRSP, RRIF or a TFSA, the annuitant under an RRSP or RRIF or the holder of a TFSA may be subject to a penalty tax if such Series FF Preferred Shares and the Series GG Preferred Shares are "prohibited investments" for the RRSP, RRIF or TFSA, as the case may be. The Series FF Preferred Shares and the Series GG Preferred Shares will not be a "prohibited investment" for a RRSP, RRIF or TFSA provided that the annuitant of the RRSP or RRIF, or the holder of the TFSA deals at arm's length with the Corporation for purposes of the Tax Act and does not have a "significant interest" (within the meaning of the Tax Act) in the Corporation. Generally, a holder or annuitant will have a significant interest in the Corporation if the holder or annuitant and/or persons or partnerships not dealing at arm's length with the holder own directly or indirectly 10% or more of the issued shares of any class in the capital stock of the Corporation or a corporation related to the Corporation (within the meaning of the Tax Act). In addition, the Series FF Preferred Shares and the Series GG Preferred Shares will generally not be a prohibited investment if the Series FF Preferred Shares and the Series GG Preferred Shares are "excluded property" for the purposes of section 207.01 of the Tax Act for trusts governed by a TFSA, RRSP or RRIF.

Prospective investors who intend to hold Series FF Preferred Shares or Series GG Preferred Shares in their RRSP, RRIF or TFSA should consult their own tax advisors based on their particular circumstances.

USE OF PROCEEDS

The estimated net proceeds (after deducting the Underwriters' Fee) to be received by the Corporation from the sale of the Series FF Preferred Shares are \$242,500,000, in each case assuming that no Series FF Preferred Shares are sold to certain institutions. The net proceeds will be added to the general funds of the Corporation to be used for capital expenditures, to repay existing indebtedness and for other general corporate purposes.

EARNINGS COVERAGE RATIO

The earnings coverage ratios for the 12 month periods ended December 31, 2014 and June 30, 2015 have been calculated based on information contained within the Corporation's financial statements for the related periods which were prepared in accordance with Canadian generally accepted accounting principles, which is within the framework of International Financial Reporting Standards. The earnings coverage ratios set out below do not purport to be indicative of earnings coverage ratios for any future periods. The earnings coverage ratios are equal to net earnings before borrowing costs on all financial liabilities ("borrowing costs") and income taxes divided by borrowing costs (including capitalized interest) and the Corporation's aggregate dividend requirements.

The Corporation's dividend requirements on all of its preferred shares, after giving effect to the issue of the Series EE Preferred Shares (as if such shares had been issued as of the beginning of the relevant period) and the Series FF Preferred Shares and adjusted to a before-tax equivalent using an effective income tax rate of 22.2%, amounted to \$104 million for the 12 months ended December 31, 2014. The Corporation's borrowing cost requirements (including capitalized interest) amounted to \$384 million for the 12 months ended December 31, 2014. The Corporation's earnings before borrowing costs and income taxes for the 12 months ended December 31, 2014, were \$1,238 million, which was 2.5 times Corporation's aggregate dividend and borrowing cost requirements (including capitalized interest), after giving effect to the issue of the Series EE Preferred Shares and the Series FF Preferred Shares.

The Corporation's dividend requirements on all of its preferred shares, after giving effect to the issue of the Series EE Preferred Shares (as if such shares had been issued as of the beginning of the relevant period) and the Series FF Preferred Shares and adjusted to a before-tax equivalent using an effective income tax rate of 29.7%, amounted to \$108 million for the 12 months ended June 30, 2015. The Corporation's borrowing cost requirements (including capitalized interest) amounted to \$385 million for the 12 months ended June 30, 2015. The Corporation's earnings before borrowing costs and income taxes for the 12 months ended June 30, 2015, were \$1,153 million, which was 2.3 times Corporation's aggregate dividend and borrowing cost requirements (including capitalized interest), after giving effect to the issue of the Series EE Preferred Shares and the Series FF Preferred Shares.

RISK FACTORS

A prospective purchaser of Series FF Preferred Shares should carefully consider the following investment considerations before making a decision to purchase Series FF Preferred Shares, as well as the other information contained in this prospectus supplement and the documents incorporated by reference herein, including, in particular, the information described under the headings "Utilities - Utilities Risks", "Energy - Energy Business Risks", "ATCO Australia - ATCO Australia Business Risks" and "Risk Management and Financial Instruments" in the Corporation's management's discussion and analysis for the year ended December 31, 2014.

There is no market through which the Series FF Preferred Shares may be sold and purchasers may not be able to resell Series FF Preferred Shares purchased under this prospectus supplement. This may affect the pricing of the Series FF Preferred Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Series FF Preferred Shares and the extent of issuer regulation.

Prevailing yields on similar securities will affect the market values of the Series FF Preferred Shares and the Series GG Preferred Shares. Assuming all other factors remain unchanged, the market values of the Series FF Preferred Shares and the Series GG Preferred Shares will decline as prevailing yields for similar securities rise and will increase as prevailing yields for similar securities decline. Real or anticipated changes in credit ratings on the Series FF Preferred Shares and the Series GG Preferred Shares may affect the market value of the Series FF Preferred Shares and the Series GG Preferred Shares.

The Series FF Preferred Shares and the Series GG Preferred Shares are equity capital of the Corporation which rank equally with other preferred shares of the Corporation in the event of an insolvency or winding-up of the Corporation. If the Corporation becomes insolvent or is wound up, the Corporation's assets must be used to pay liabilities and other debt before payments may be made on the Series FF Preferred Shares and the Series GG Preferred Shares and other preferred shares.

An investment in the Series FF Preferred Shares may become an investment in the Series GG Preferred Shares without the consent of the holder in the event of automatic conversion of the Series FF Preferred Shares into Series GG Preferred Shares. Upon such automatic conversion, the dividend rate on the Series GG Preferred Shares will be a floating rate that is adjusted quarterly by reference to the T-Bill Rate, which may vary from time to time. In addition, holders may be prevented from converting their Series FF Preferred Shares into Series GG Preferred Shares.

The Series FF Preferred Shares and the Series GG Preferred Shares may be redeemed by the Corporation in certain circumstances without the holders' consent. The Series FF Preferred Shares and the Series GG Preferred Shares do not have a fixed redemption date, nor are such shares retractable at the option of the holders thereof. The ability of a holder to liquidate its holdings of such shares may be limited.

Dividends on the Series FF Preferred Shares and the Series GG Preferred Shares are payable at the discretion of the Board of Directors. The Corporation may not declare or pay a dividend if there are reasonable grounds for believing that (a) the Corporation is, or would after the payment be, unable to pay its liabilities as they become due, or (b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of its outstanding shares.

The dividend rate for Series FF Preferred Shares and the Series GG Preferred Shares will reset every five years. The new dividend rate is unlikely to be the same as, and may be lower than, the dividend rate for the applicable preceding period.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Bennett Jones LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, (collectively "Counsel") the following summary, as of the date hereof, describes the principal Canadian federal income tax considerations generally applicable under the provisions of the Tax Act to a prospective purchaser of Series FF Preferred Shares or Series GG Preferred Shares pursuant to the Prospectus and to a holder of Series GG Preferred Shares who acquired such shares as a result of the conversion of the Series FF Preferred Shares who, at all relevant times, for the purposes of the Tax Act, is (or is deemed to be) resident in Canada, deals at arm's length with the Corporation and the Underwriters, is not affiliated with the Corporation or the Underwriters, and holds the Series FF Preferred Shares or Series GG Preferred Shares, as applicable, as capital property (a "Holder"). Generally, the Series FF Preferred Shares will be considered to be capital property to a Holder provided the Holder does not hold the shares in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of a trade. Certain Holders who might not otherwise be considered to hold their Series FF Preferred Shares or Series GG Preferred Shares as capital property may, in certain circumstances, be entitled to have their Series FF Preferred Shares and every other "Canadian security", as defined in the Tax Act, owned by the Holder in the taxation year of the election and every subsequent taxation year, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Holders who do not hold their Series FF Preferred Shares or Series GG Preferred Shares as capital property should consult their own tax advisors with respect to their own particular circumstances. This summary assumes that the Series FF Preferred Shares and Series GG Preferred Shares will be listed on a designated stock exchange in Canada under the Tax Act (which currently includes the TSX) at all relevant times.

This summary is not applicable to a Holder: (i) that is a "financial institution", as defined in the Tax Act for the purpose of the "mark-to-market" rules; (ii) an interest in which would be a "tax shelter investment", as defined in the Tax Act; (iii) that is a "specified financial institution" as defined in the Tax Act; (iv) which has made a "functional currency" election under the Tax Act to determine its Canadian tax results in a currency other than Canadian currency; or (v) that has entered into or will enter into, in respect of the Series FF Preferred Shares or Series GG Preferred Shares, a "derivative forward agreement", as this term is defined in the Tax Act including in any Proposals (as defined below). Any such Holder should consult its own tax advisors with respect to an investment in the Series FF Preferred Shares or Series GG Preferred Shares.

This summary is based upon the current provisions of the Tax Act, the Regulations, all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Proposals"), existing case law and Counsels' understanding of the current published administrative

and assessing policies and practices of the Canada Revenue Agency. This summary assumes the Proposals will be enacted in the form proposed, however, no assurance can be given that the Proposals will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposals, does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, nor does it take into account any provincial, territorial or foreign income tax legislation or considerations.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder of Series FF Preferred Shares or Series GG Preferred Shares. No representations are made with respect to the income tax consequences to any particular Holder. Consequently, prospective Holders should consult their own tax advisers with respect to their particular circumstances for advice with respect to the tax consequences to them of acquiring, holding and disposing of the Series FF Preferred Shares or Series GG Preferred Shares including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

Dividends

Dividends (including deemed dividends) received (or deemed to be received) on the Series FF Preferred Shares or Series GG Preferred Shares, as the case may be, by a Holder that is an individual (other than certain trusts) will be included in such Holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations. Individuals are entitled to an enhanced gross-up and dividend tax credit in respect of "eligible dividends" received from taxable Canadian corporations, such as the Corporation, if such dividends have been designated as eligible dividends by the Corporation. By notice in writing on the Corporation's website, the Corporation has designated that all taxable dividends paid on its shares on or after January 1, 2006 will be "eligible dividends" within the meaning of the Tax Act unless otherwise indicated.

Dividends received by a Holder that is an individual (other than certain trusts) may also give rise to a liability for alternative minimum tax under the Tax Act.

Dividends (including deemed dividends) received on the Series FF Preferred Shares or the Series GG Preferred Shares, as the case may be, by a Holder that is a corporation will be included in computing the Holder's income and will generally be deductible in computing the Holder's taxable income. In certain circumstances, subsection 55(2) of the Tax Act (as proposed to be amended by Proposals released on July 31, 2015) will treat a taxable dividend received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations should consult their own tax advisors having regard to their own circumstances. A "private corporation", as defined in the Tax Act, or any other corporation controlled (whether by reason of a beneficial interest in one or more trusts or otherwise) by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a 33 ⅓% refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Series FF Preferred Shares or the Series GG Preferred Shares, as the case may be, to the extent such dividends are deductible in computing its taxable income.

The Series FF Preferred Shares and the Series GG Preferred Shares will be "taxable preferred shares" as defined in the Tax Act. The terms of the Series FF Preferred Shares and Series GG Preferred Shares require the Corporation to make the necessary election under Part VI.1 of the Tax Act so that corporate Holders will not be subject to tax under Part IV.1 of the Tax Act on dividends received (or deemed to be received) on the Series FF Preferred Shares or the Series GG Preferred Shares.

Dispositions

A Holder who disposes of or is deemed to dispose of Series FF Preferred Shares or Series GG Preferred Shares (on the redemption of such shares or otherwise but not including on a conversion) will generally realize a capital gain (or a capital loss) to the extent that the Holder's proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such shares to the Holder. The amount of any deemed dividend arising on the redemption, acquisition or cancellation by the Corporation of Series FF Preferred Shares or Series GG Preferred Shares, as the case may be, will generally not be included in computing the Holder's proceeds of disposition for purposes of computing the capital gain (or capital loss) arising on the disposition of such Series FF

Preferred Shares or Series GG Preferred Shares, as the case may be. See "Redemption" below. If the Holder is a corporation, any capital loss arising on a disposition of a Series FF Preferred Share or a Series GG Preferred Share, as the case may be, may, in certain circumstances, be reduced by the amount of any dividends which have been received (or deemed to be received) on the Series FF Preferred Share or Series GG Preferred Share or any share which was converted into such share. Analogous rules apply to a partnership or trust of which a corporation, partnership or trust is a member or beneficiary.

Generally, one-half of any capital gain realized by a Holder in a taxation year will be included in computing the Holder's income in that taxation year as a taxable capital gain and, generally, one-half of any capital loss realized in a taxation year (an "allowable capital loss") must be deducted from the taxable capital gains realized by the Holder in the same taxation year, in accordance with the rules contained in the Tax Act. Allowable capital losses in excess of taxable capital gains realized by a Holder in a particular taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Holder in such taxation year, subject to and in accordance with the rules contained in the Tax Act. Capital gains realized by a Holder that is an individual may give rise to a liability for alternative minimum tax under the Tax Act. Taxable capital gains of a "Canadian-controlled private corporation", as defined in the Tax Act, may be subject to an additional refundable tax at a rate of 6²/₃%.

Redemption

If the Corporation redeems Series FF Preferred Shares or Series GG Preferred Shares or otherwise acquires or cancels Series FF Preferred Shares or Series GG Preferred Shares (other than by a purchase by the Corporation of the shares in the open market in the manner in which shares are normally purchased by any member of the public in the open market), the Holder will be deemed to have received a dividend equal to the amount, if any, paid by the Corporation in excess of the paid-up capital (as determined for purposes of the Tax Act) of such shares at such time. Generally, the difference between the amount paid by the Corporation and the amount of the deemed dividend will be treated as proceeds of disposition for purposes of computing the capital gain or capital loss arising on the disposition of such shares. See "Dispositions" above. In the case of a Holder that is a corporation, it is possible that in certain circumstances all or part of any such deemed dividend may be treated as proceeds of disposition and not as a dividend.

Conversion

The conversion of the Series FF Preferred Shares into Series GG Preferred Shares and the conversion of the Series GG Preferred Shares into Series FF Preferred Shares will be deemed not to be a disposition of property for purposes of the Tax Act and, accordingly, will not give rise to a capital gain or capital loss. The cost to a Holder of the Series GG Preferred Shares or Series FF Preferred Shares, as the case may be, received on the conversion will, subject to the averaging rules contained in the Tax Act, be deemed to be equal to the Holder's adjusted cost base of the converted Series FF Preferred Share or Series GG Preferred Shares, as the case may be, immediately before the conversion.

LEGAL MATTERS

Certain legal matters relating to the offering will be passed upon by Bennett Jones LLP for the Corporation and by Blake, Cassels & Graydon LLP for the Underwriters. As at the date hereof, partners and associates of Bennett Jones LLP and of Blake, Cassels & Graydon LLP, as a group, beneficially owned, directly or indirectly, less than 1% of any class of securities of the Corporation. R.T. Booth, a partner of Bennett Jones LLP, is a director of ATCO Ltd., which is a publicly traded affiliate of the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Series FF Preferred Shares is CST Trust Company at its principal office in Toronto.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the purchase price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE UNDERWRITERS

Dated: September 16, 2015

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

BMO NESBITT BURNS INC.

RBC DOMINION SECURITIES INC.

By: (signed) Aaron M. Engen

By: (signed) David Dal Bello

TD SECURITIES INC.

By: (signed) Alec W.G. Clark

SCOTIA CAPITAL INC.

By: (signed) Anthony Aulicino

CIBC WORLD MARKETS INC.

By: (signed) Kelsen Vallee

CANACCORD GENUITY CORP.

GMP SECURITIES L.P.

By: (signed) Steve Winokur

By: (signed) Ross Prokopy