

A construction site at dusk. A large, dark-colored pipe is being lifted by a red crane with "STAMPEDE" written on its boom. The pipe is supported by a yellow tracked crane. The scene is illuminated by site lights, and the sky is a deep blue with some clouds. In the background, there are other construction vehicles and a body of water.

ATCO

**CIBC CALGARY FIXED INCOME
CONFERENCE**

April 11, 2018

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.

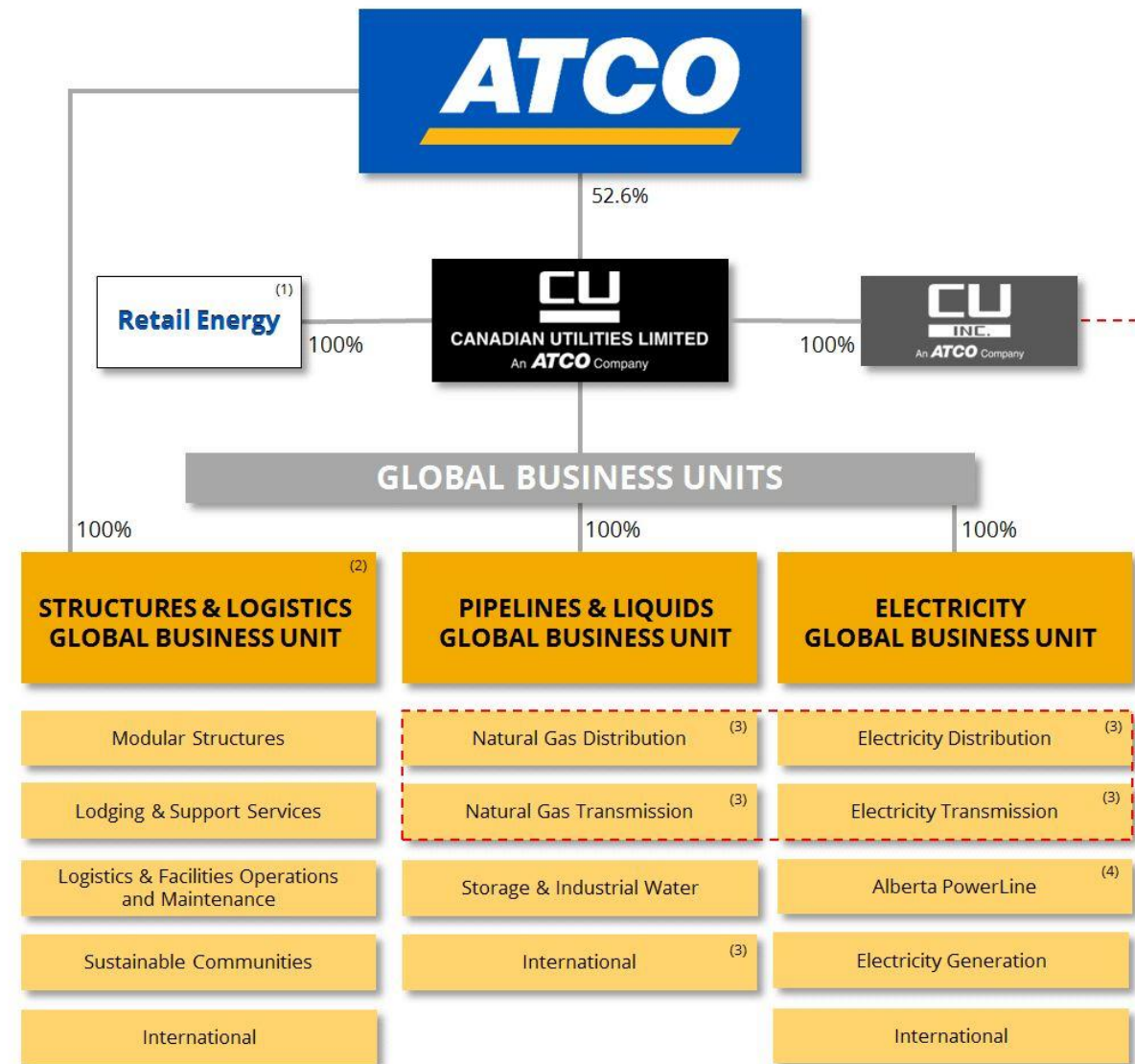
WELCOME

INVESTOR PRESENTATION

Myles Dougan
Senior Manager, Investor Relations

April 11, 2018

ORGANIZATIONAL STRUCTURE



¹ Retail Energy was launched in early 2016 to provide retail, commercial and industrial electricity and natural gas service in Alberta.

² In December 2017, ATCO Ltd. purchased Canadian Utilities' 24.5 per cent interest in ATCO Structures & Logistics Ltd.

³ Regulated operations include ATCO Gas, ATCO Pipelines, ATCO Gas Australia, ATCO Electric Distribution, and ATCO Electric Transmission.

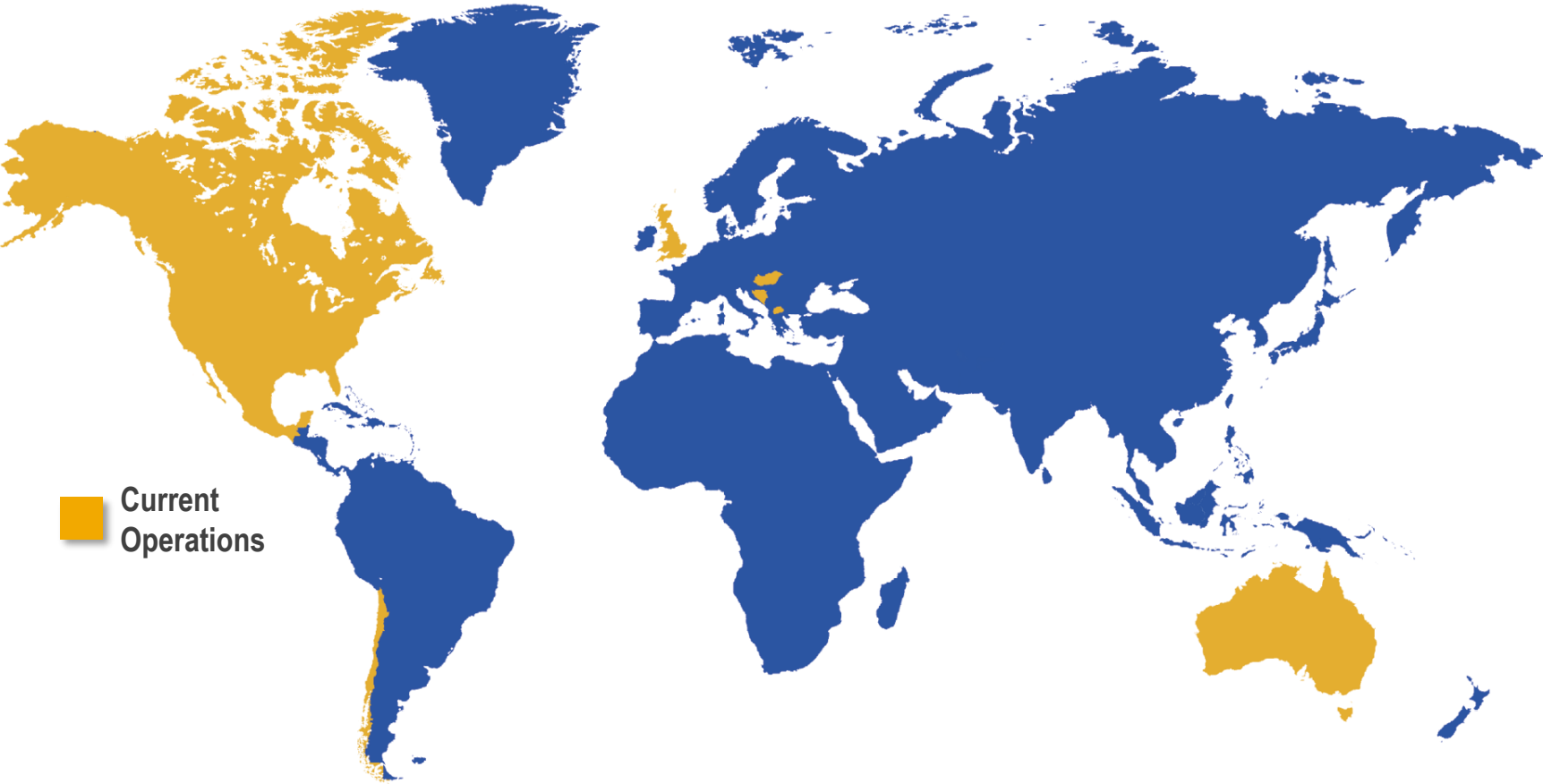
⁴ Alberta PowerLine General Partner Ltd. is the general partner of Alberta PowerLine Limited Partnership (Alberta PowerLine or APL), a partnership between Canadian Utilities Limited (80 per cent) and Quanta Services, Inc. (20 per cent).

THE ATCO GROUP OF COMPANIES

With approximately 7,000 employees and assets of \$22 billion, ATCO is a diversified corporation delivering service excellence and innovative business solutions.

Structures & Logistics

- Operations on 4 continents
- 7 manufacturing plants and nearly 1,000,000 sq ft of manufacturing space globally



ATCO
(TSX: ACO.X / ACO.Y)
~\$5 billion common equity capitalization

Canadian Utilities
(TSX: CU / CU.X)
~\$10 billion common equity capitalization

CU Inc.
~\$7.5 billion debt capitalization

Electricity

- 87,000 kms of electric power lines
- 18 power plants globally
- 2,482 MW power generating capacity

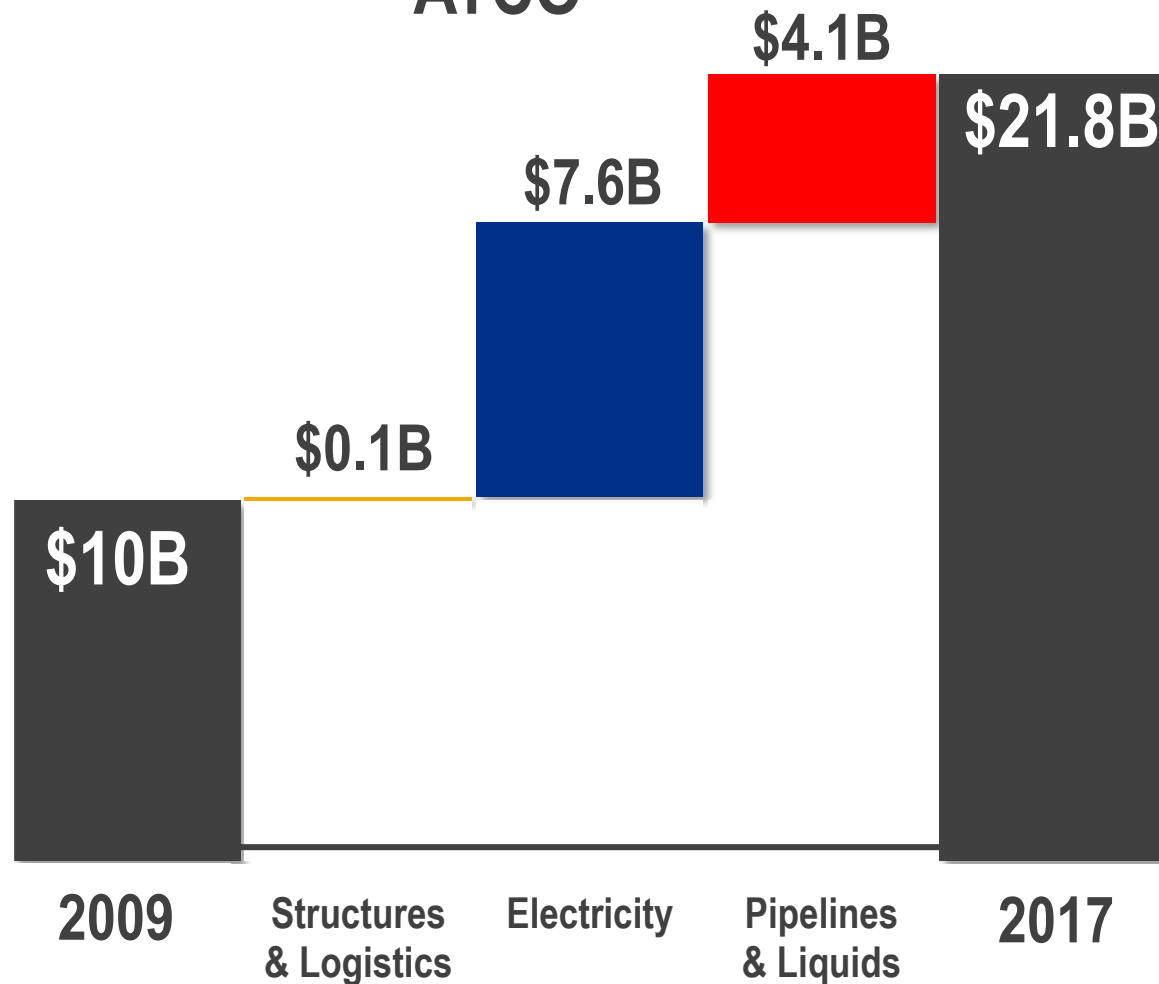
Pipelines & Liquids

- 65,000 kms of pipelines
- 85,200 m³/d water infrastructure capacity
- 52 PJ natural gas storage capacity
- 200,000 m³ hydrocarbon storage capacity

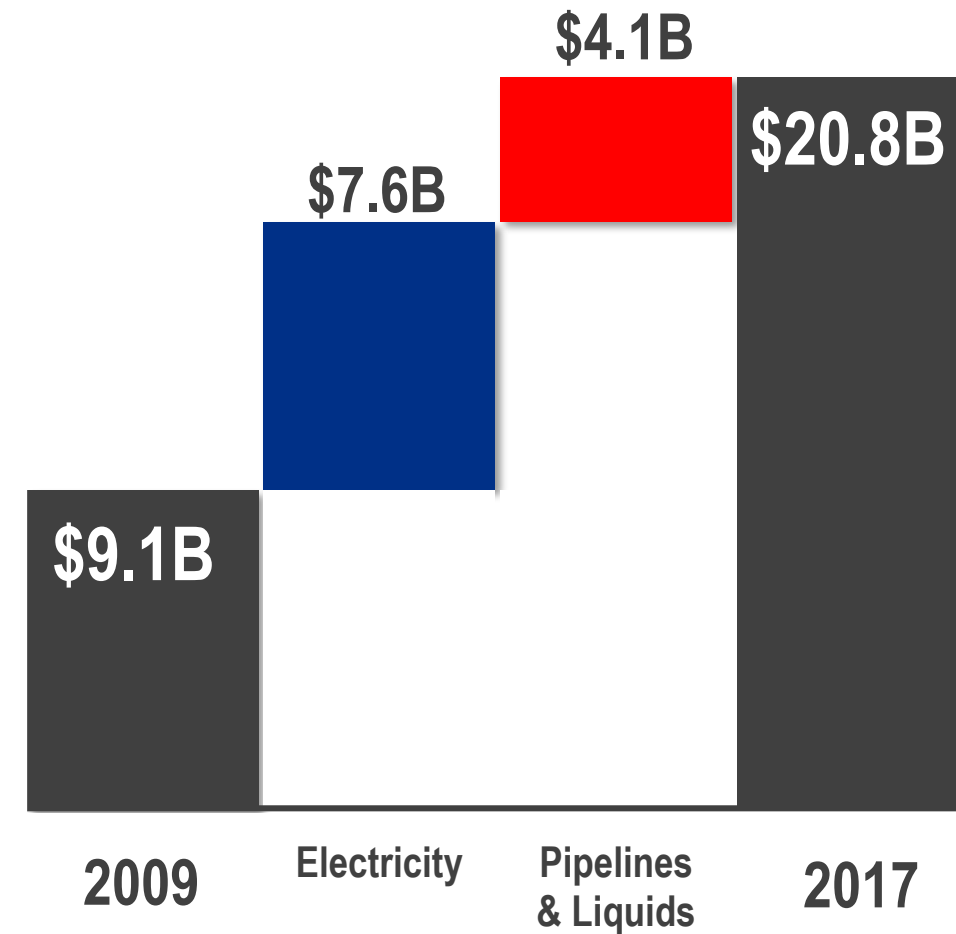
ASSET GROWTH

We have more than doubled in size since 2009

ATCO

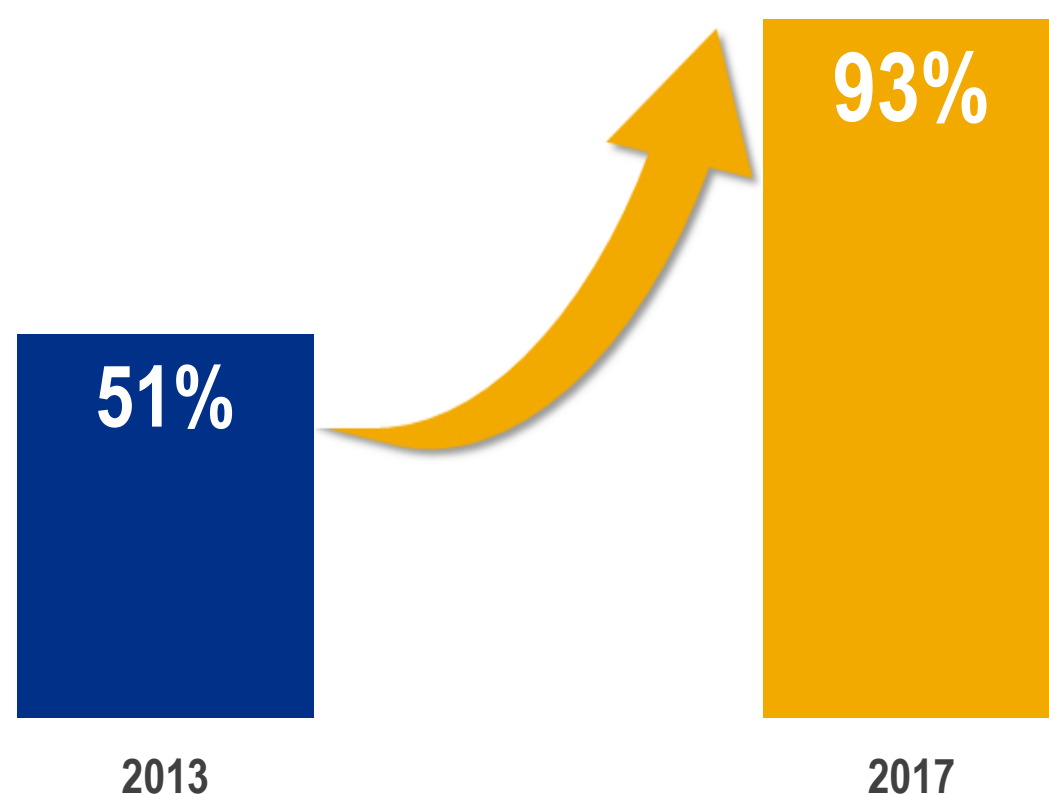


Canadian Utilities

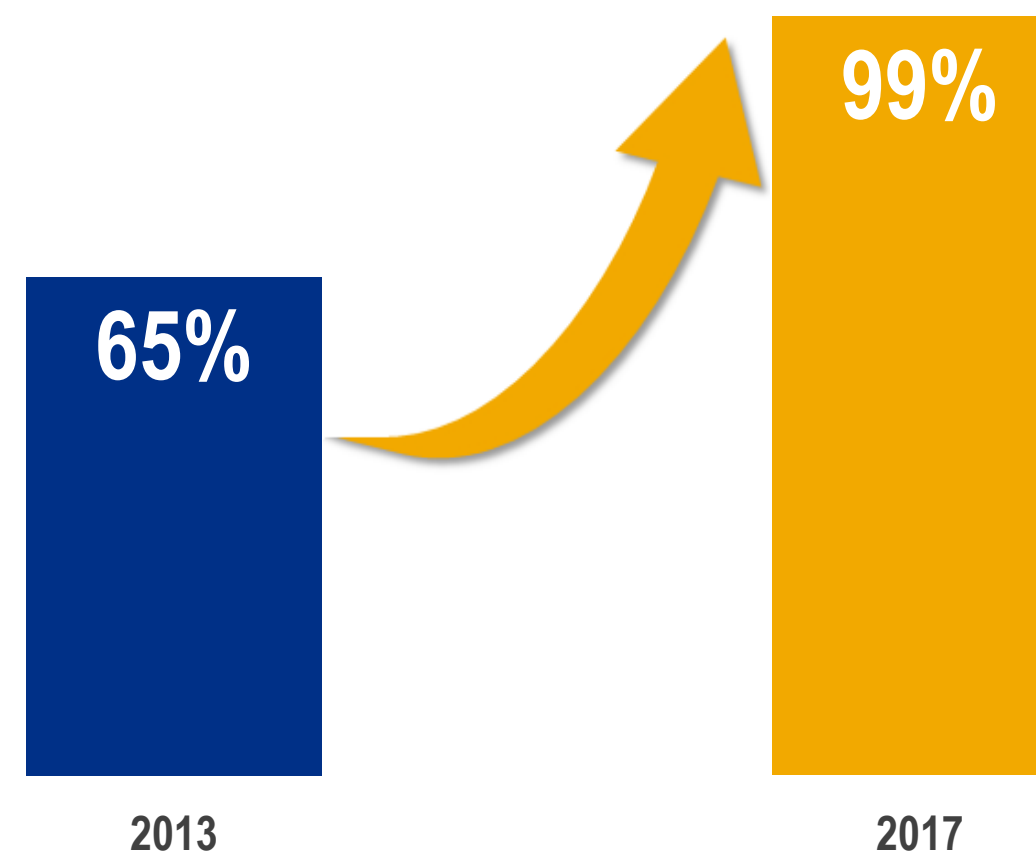


GROWING A HIGH QUALITY EARNINGS BASE

ATCO Regulated Adjusted Earnings

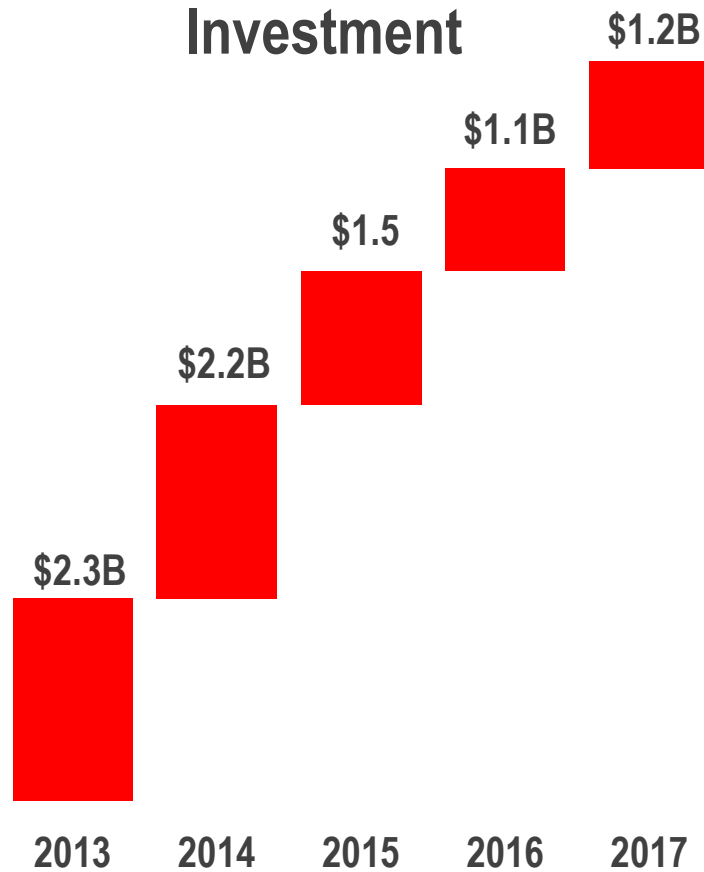


Canadian Utilities Regulated Adjusted Earnings

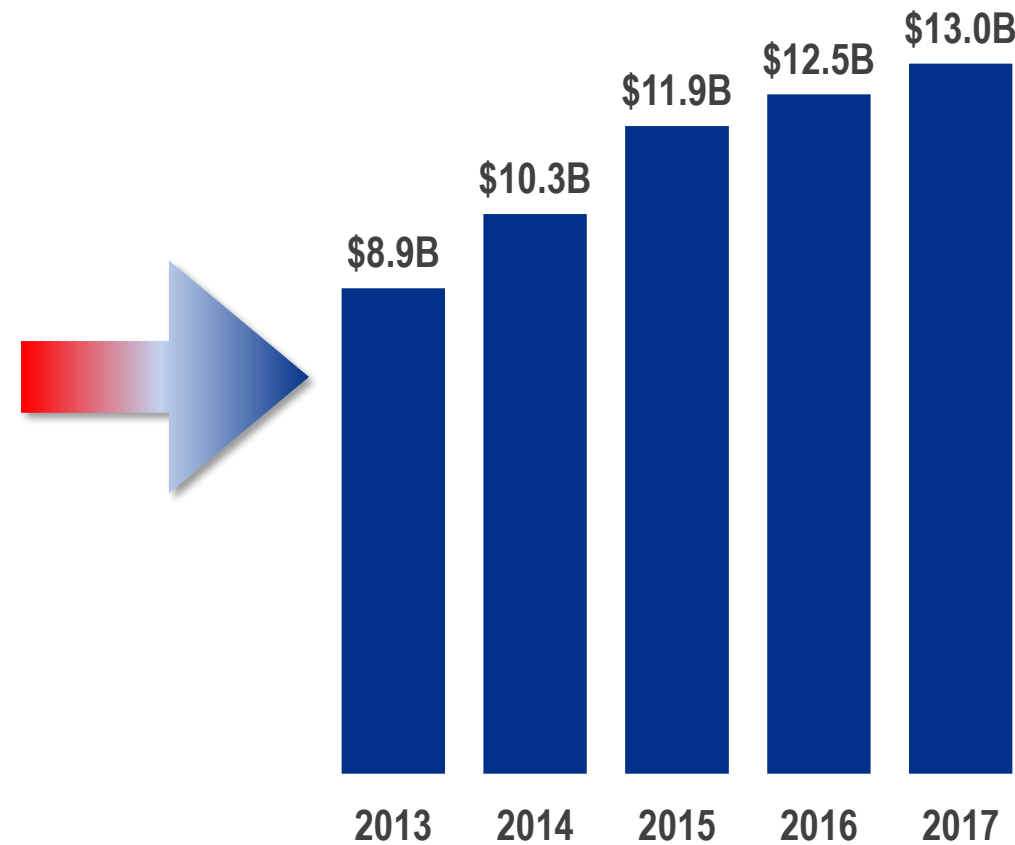


REGULATED UTILITY GROWTH

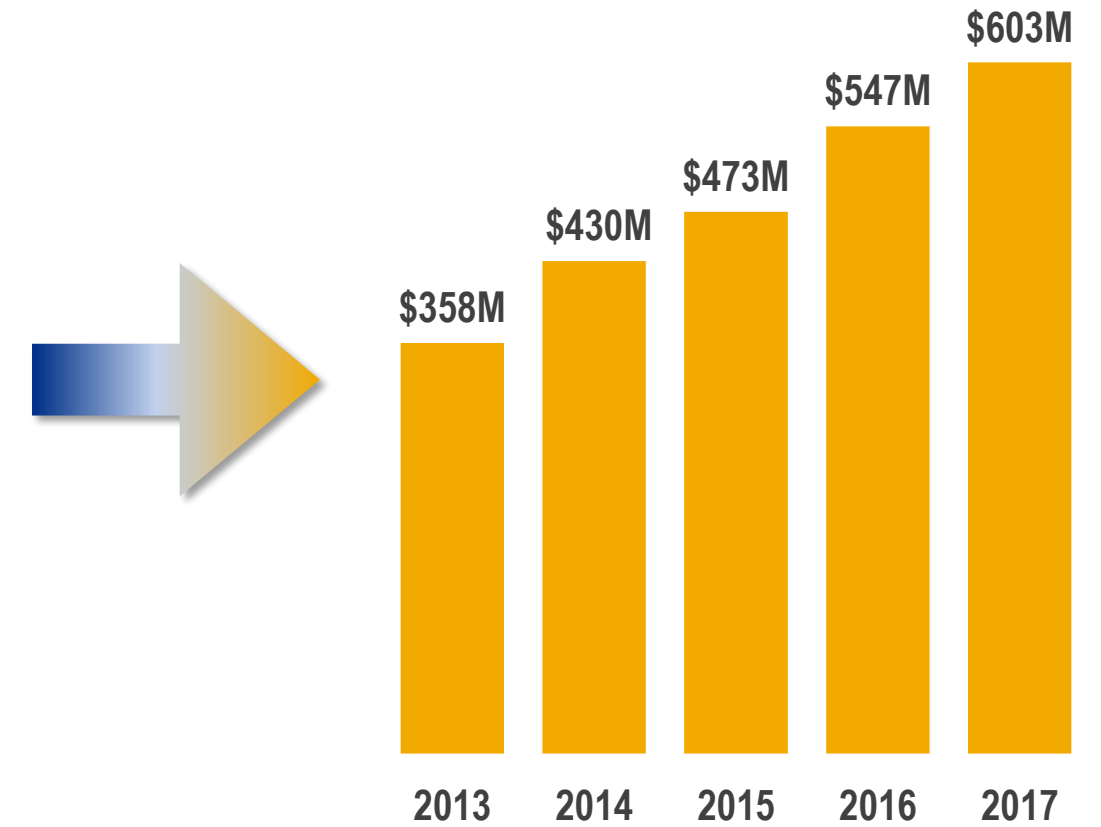
Regulated Capital Investment



Mid-Year Rate Base

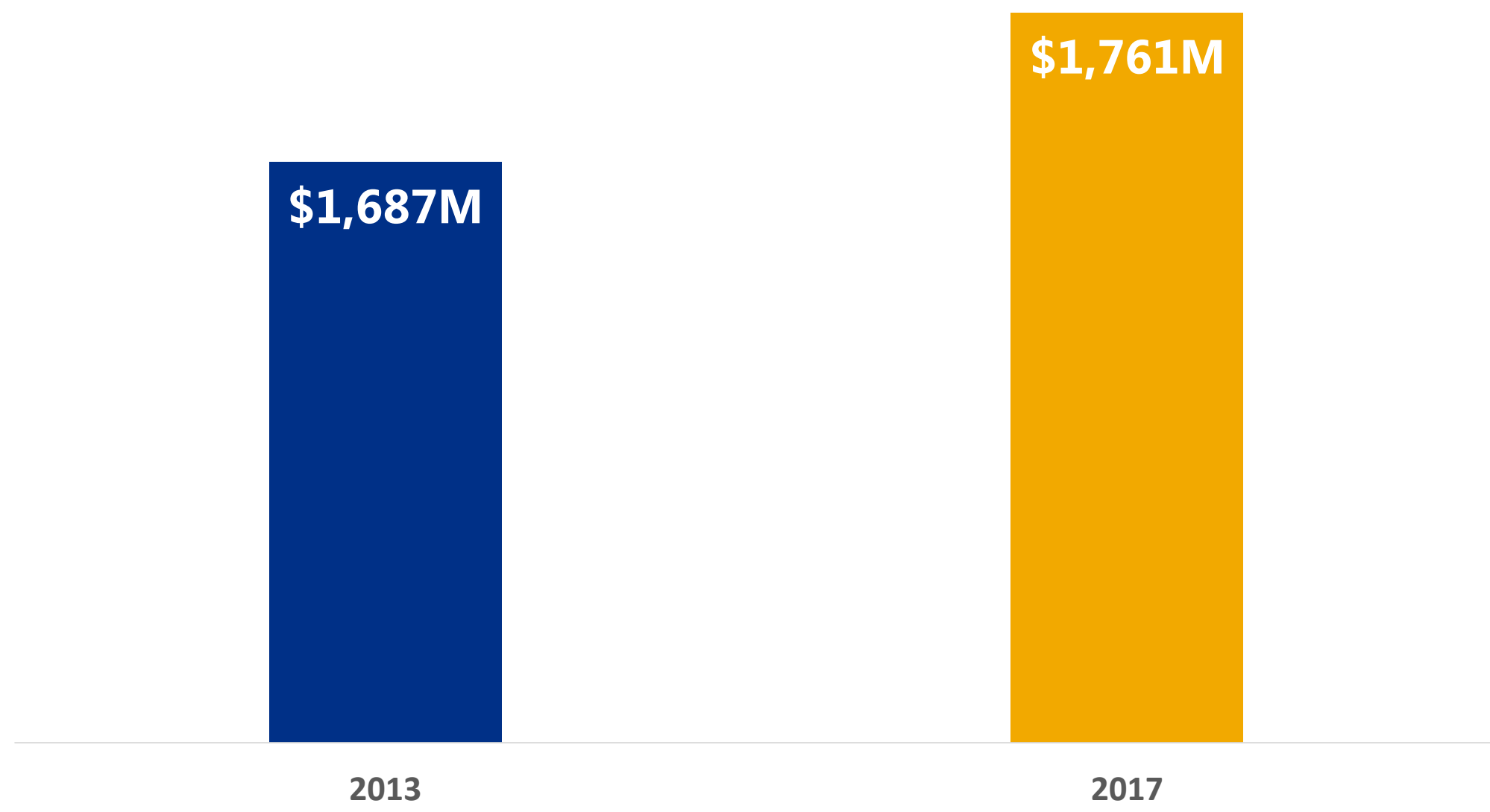


Regulated Normalized Adjusted Earnings



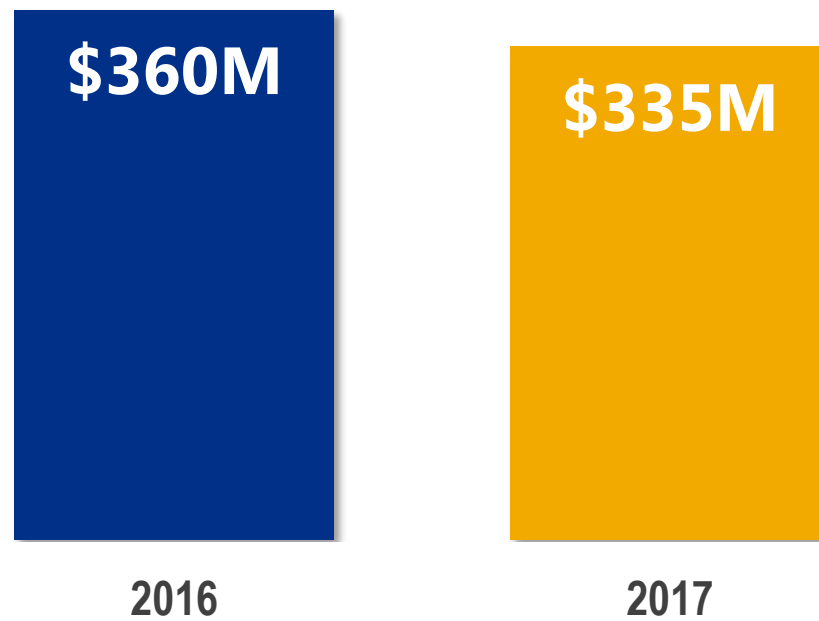
CANADIAN UTILITIES

FUNDS GENERATED FROM OPERATIONS

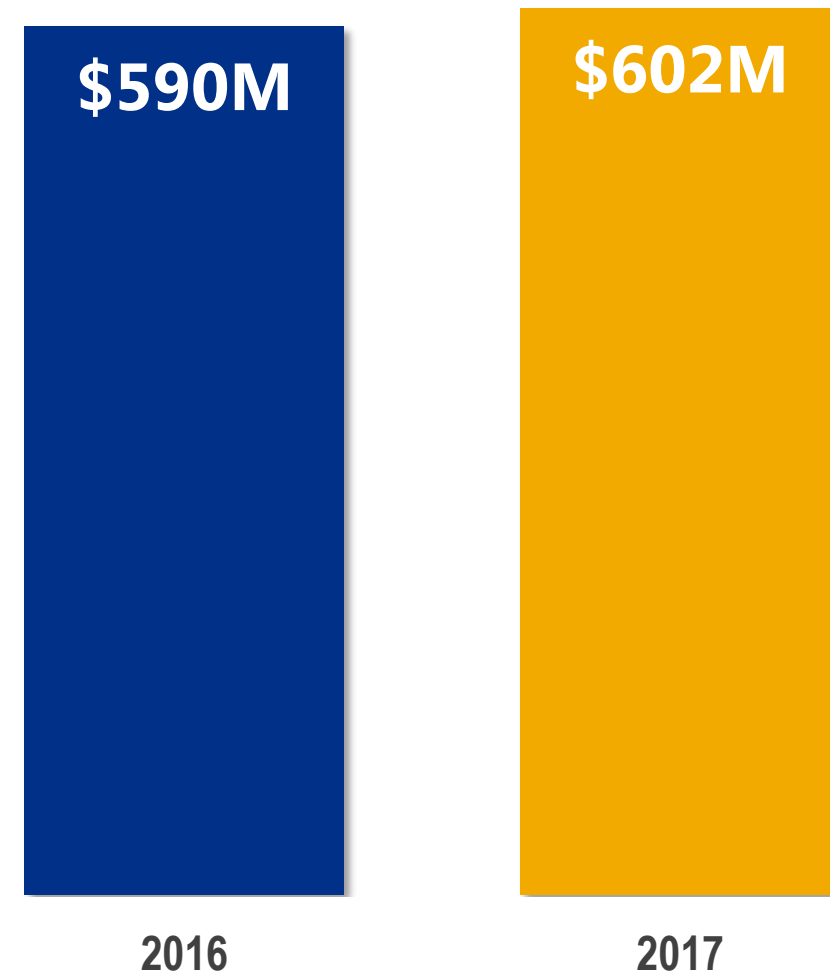


2017 ADJUSTED EARNINGS

ATCO



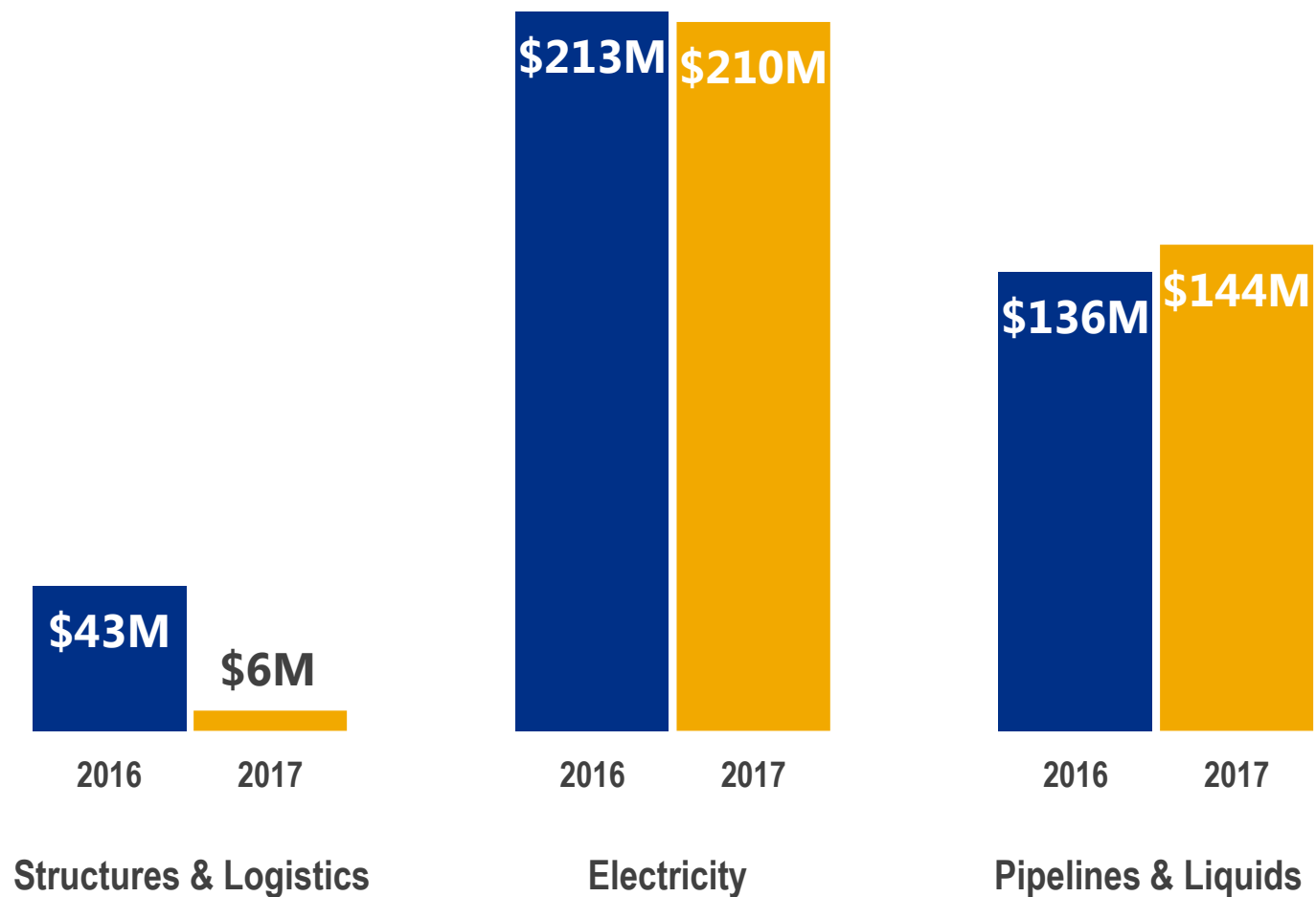
Canadian Utilities



EARNINGS IN 2017

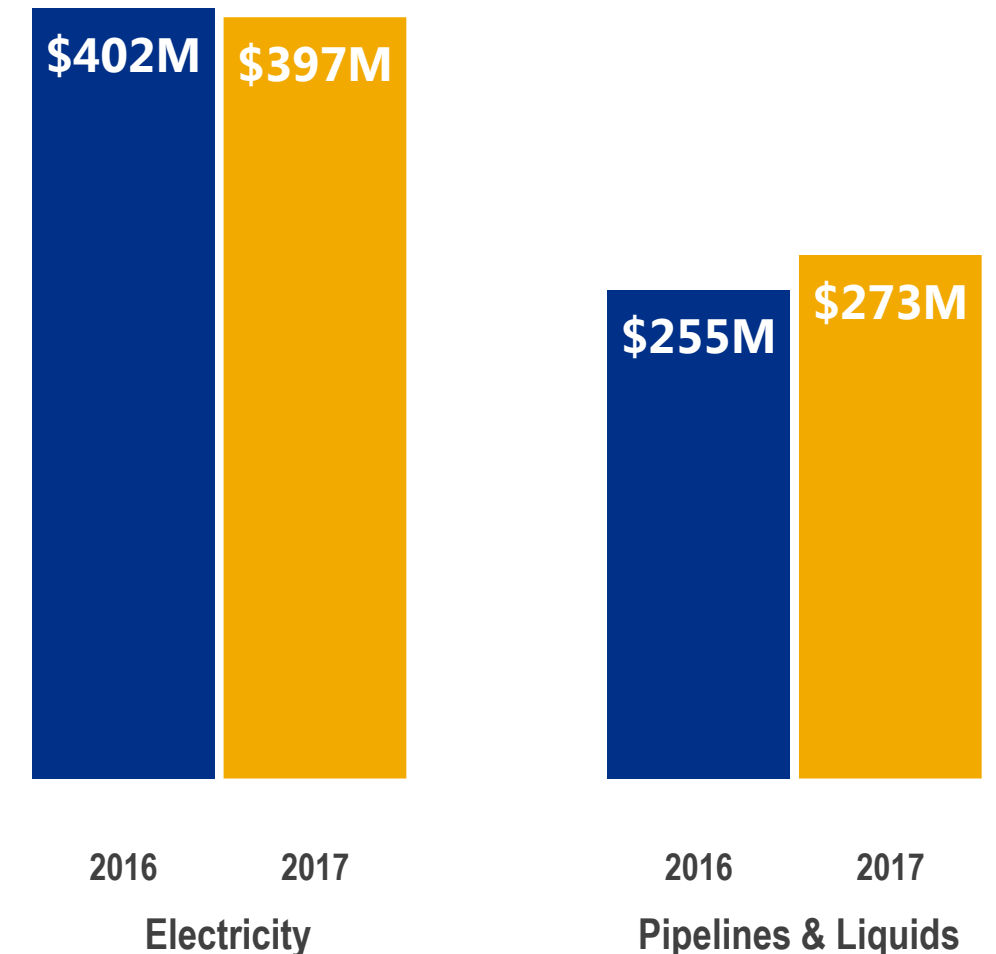
ATCO

Global Business Unit Earnings



Canadian Utilities

Global Business Unit Earnings



FINANCIAL FOCUS FOR THE FUTURE

We are taking a focused and disciplined approach to pursue cost savings and efficiencies in every part of the organization to ensure we deliver the most competitive solution to our customers

FINANCIAL PRIORITIES FOR 2018 AND BEYOND



**OPERATIONAL
EXCELLENCE &
INNOVATION**



**CONTINUED CAPITAL
INVESTMENT**



**FINANCIAL
STRENGTH**

OPERATIONAL EXCELLENCE: STRUCTURES & LOGISTICS



Offering complete infrastructure solutions worldwide

Diversifying the global customer base

Adding projects for workforce housing accommodations and modular buildings

Acquiring assets and expanding geographically

CONTINUED CAPITAL INVESTMENT



ELECTRIC DISTRIBUTION



NATURAL GAS DISTRIBUTION



STRUCTURES & LOGISTICS



WATER INFRASTRUCTURE



ELECTRIC TRANSMISSION



NATURAL GAS TRANSMISSION



ELECTRICITY GENERATION

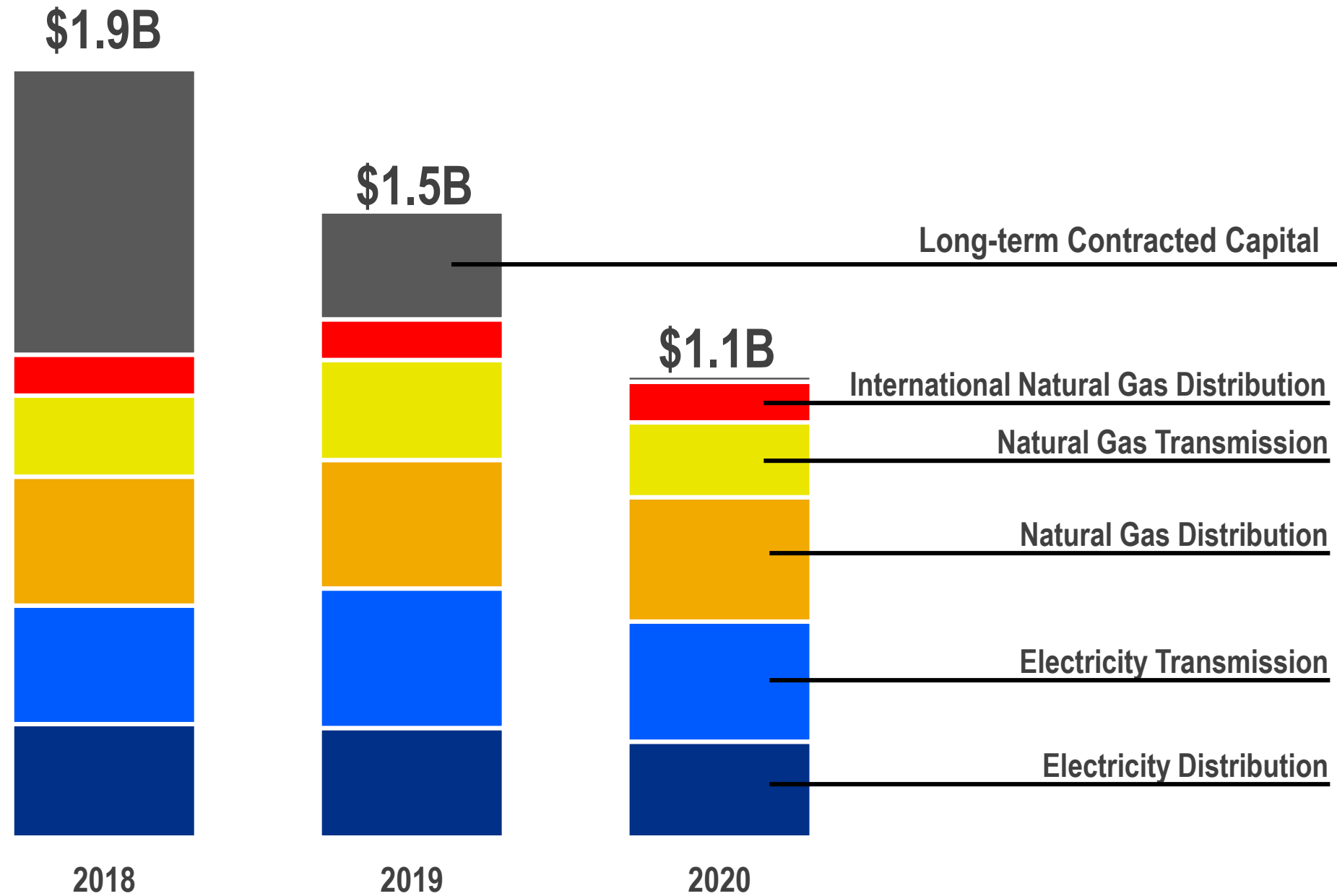


HYDROCARBON STORAGE

REGULATED UTILITY

LONG-TERM CONTRACTS

CONTINUED CAPITAL INVESTMENT



REGULATED UTILITY CAPITAL INVESTMENT



ELECTRIC DISTRIBUTION



ELECTRIC TRANSMISSION



**NATURAL GAS
DISTRIBUTION**

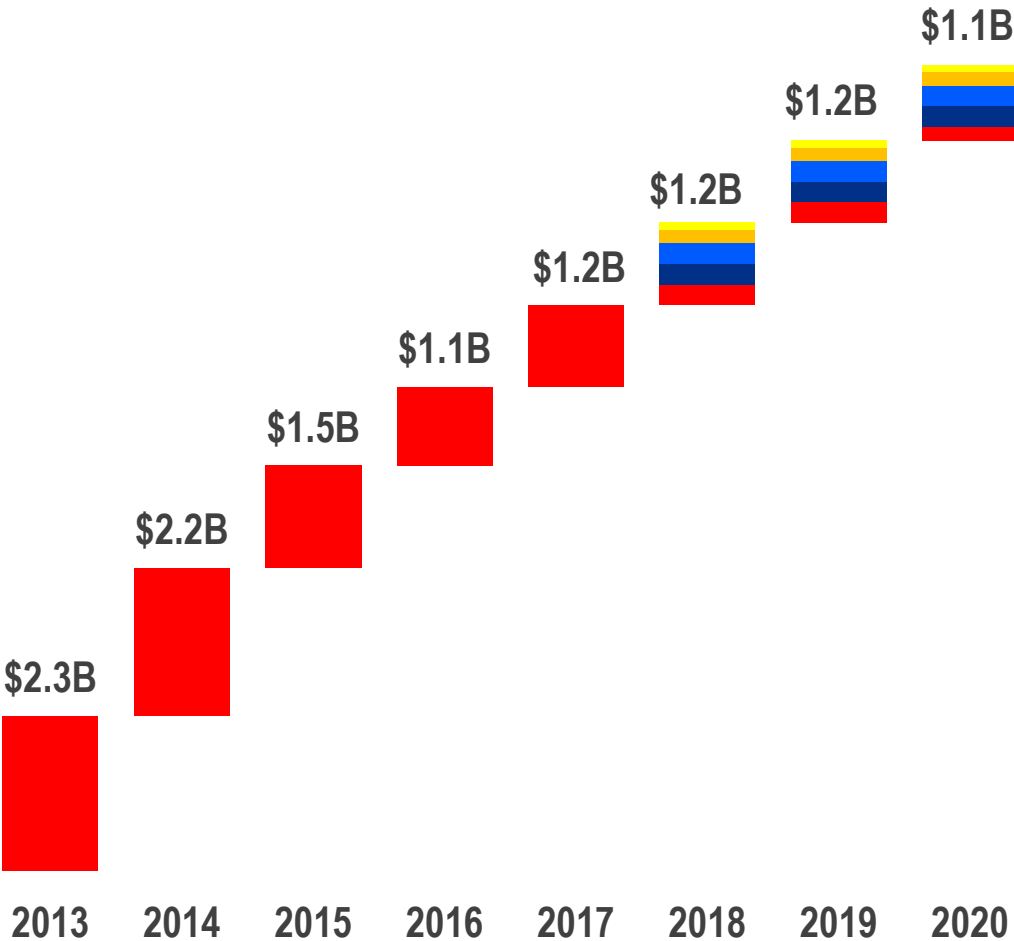


**NATURAL GAS
TRANSMISSION**

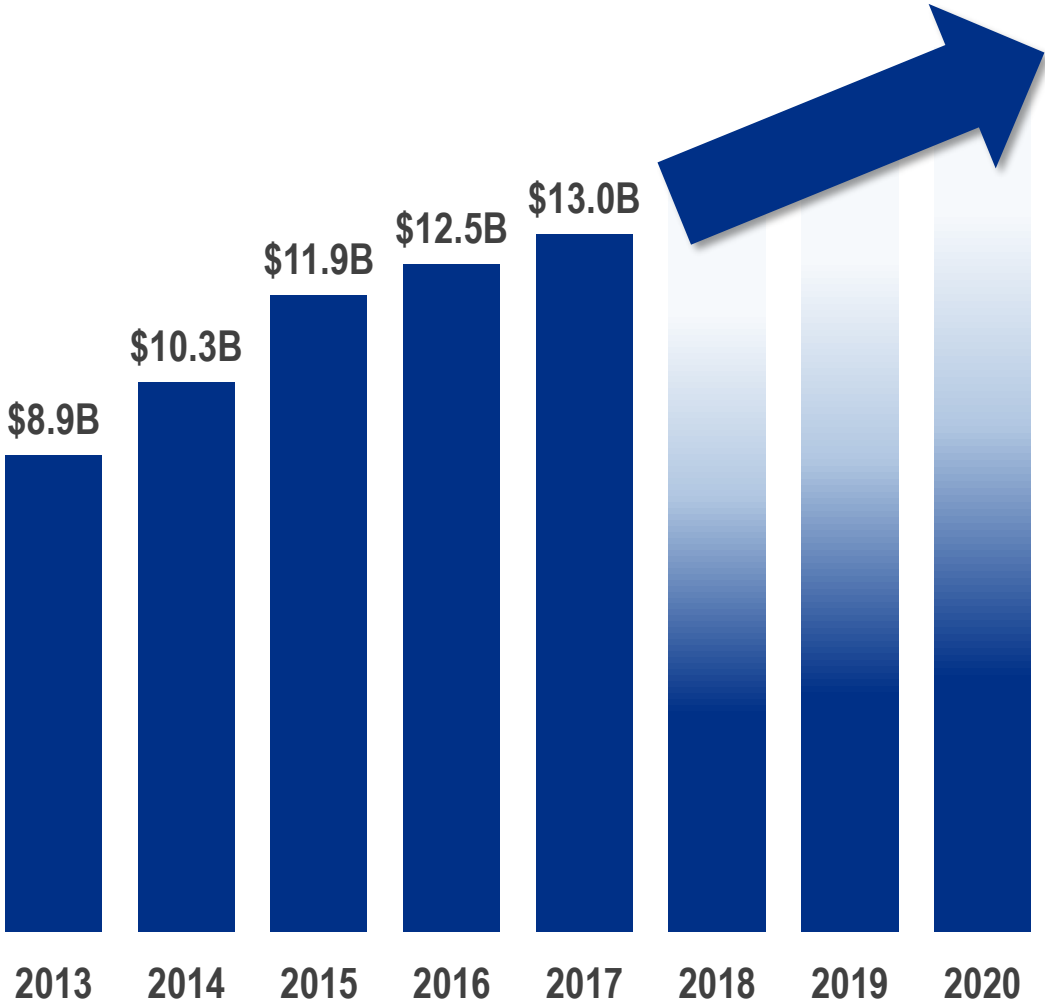
\$3.5 BILLION (2018–2020)

RATE BASE GROWTH

Regulated Capital Investment



Mid-Year Rate Base



LONG-TERM CONTRACTED CAPITAL INVESTMENT



**FORT MCMURRAY WEST
500 KV TRANSMISSION**



HYDROCARBON STORAGE



COGENERATION



**HYDROELECTRIC
GENERATION**

\$1.0 BILLION (2018–2020)

GLOBAL EXPANSION

Mexico Hydro Acquisition and Cogeneration

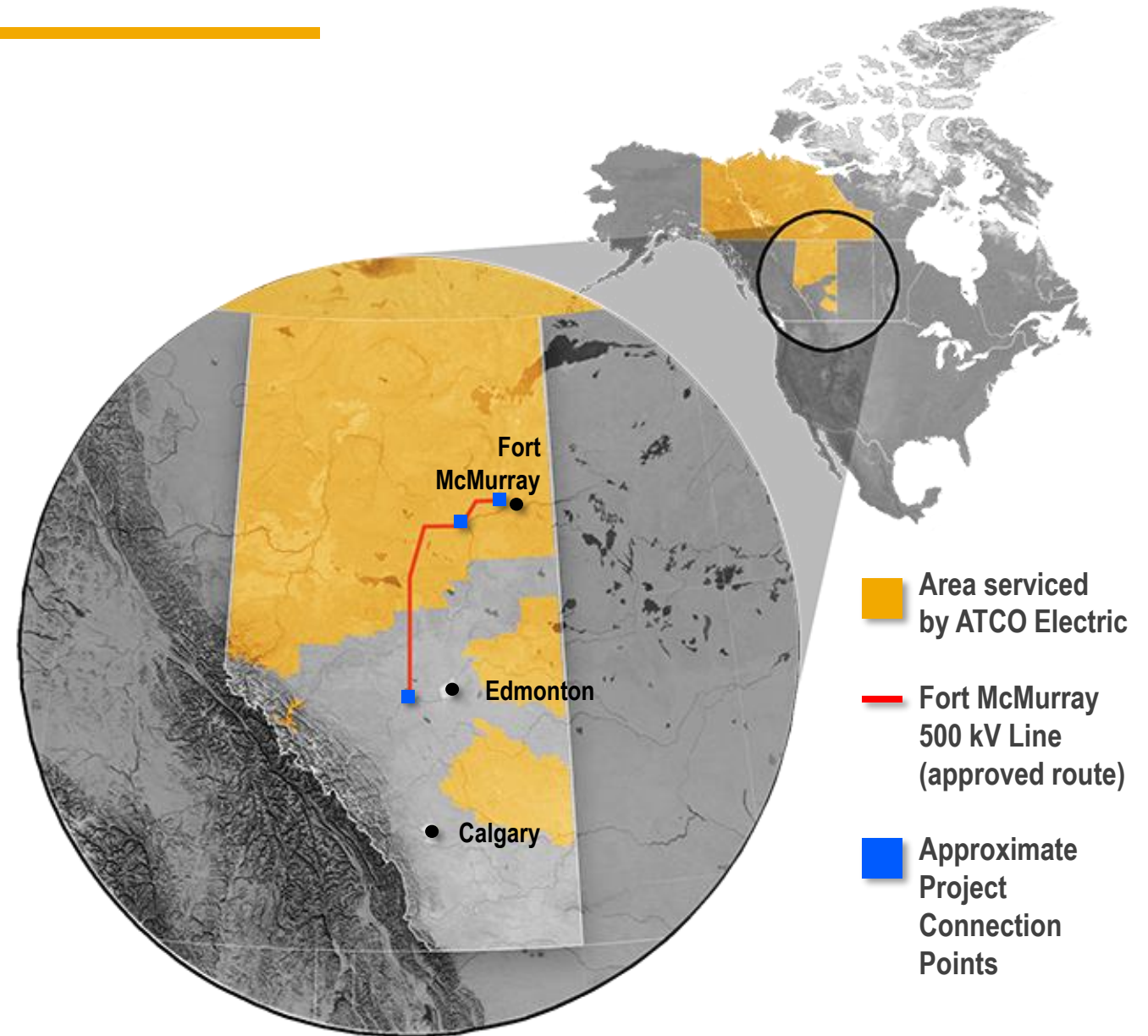
- In December 2017, Canadian Utilities announced the \$114 million acquisition of a long-term contracted, 35 MW hydroelectric power station based in Veracruz, Mexico.
- In March 2018, Canadian Utilities announced we will build a 26 MW electricity cogeneration facility under a long-term contract near Gomez Palacio, Mexico.



ALBERTA POWERLINE

Fort McMurray West 500 kV Transmission Project

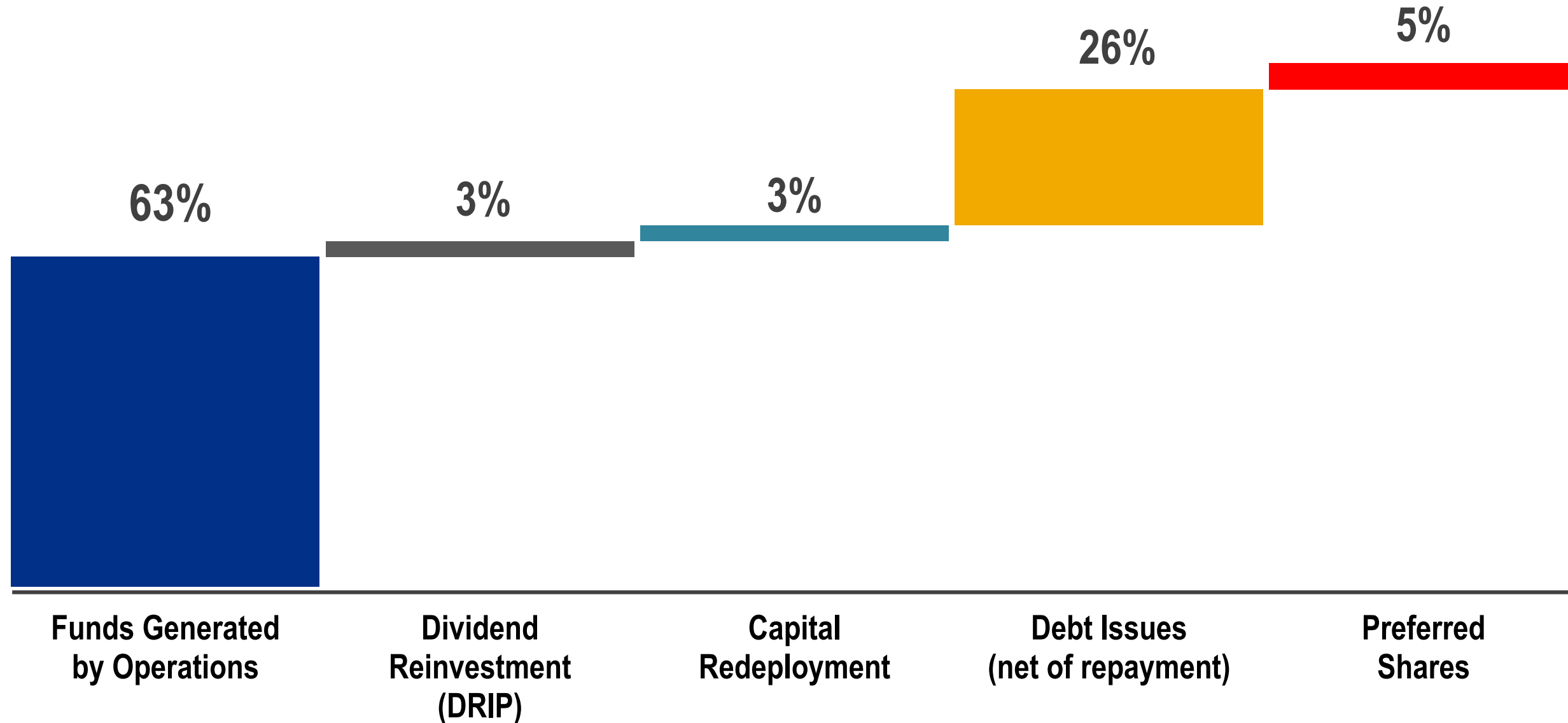
- The design and planning phases have been completed and construction commenced in August, 2017, keeping the target energization of June 2019 on track.
- On October 2, 2017, Alberta PowerLine closed the issuance of an aggregate of \$1.4 billion of bonds with maturities from June, 2032 to March, 2054.



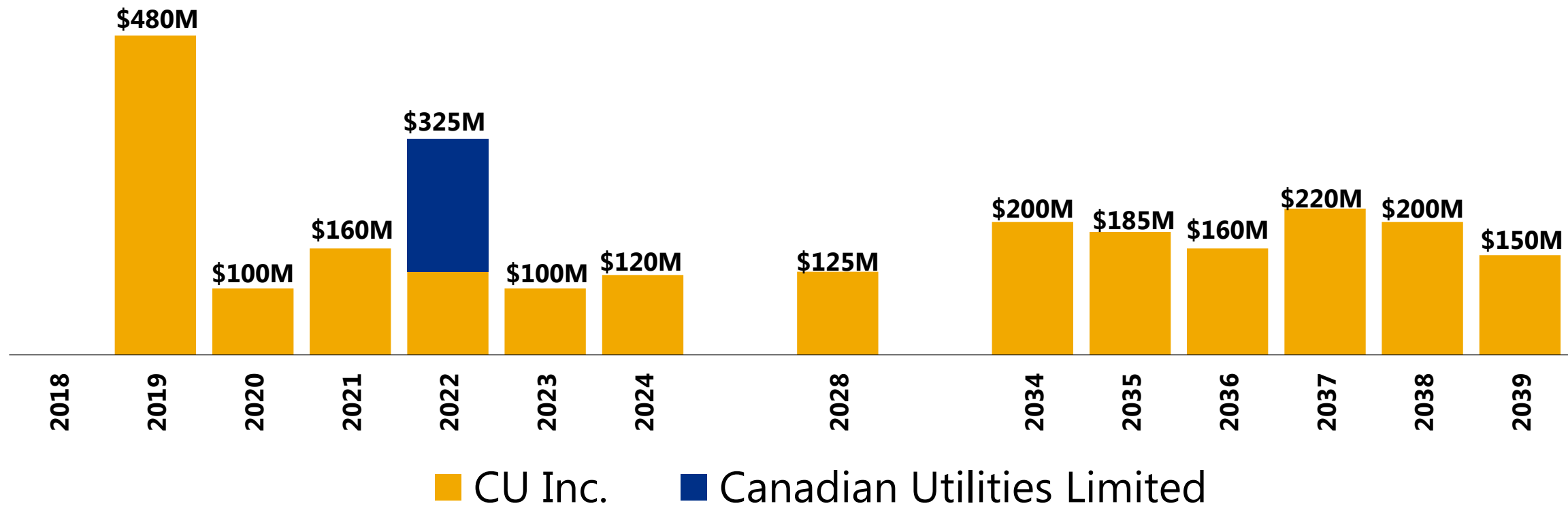
* More information is available at www.albertapowerline.com.

FINANCIAL STRENGTH: FUNDING SOURCES

Canadian Utilities Funding Sources 2013 – 2017

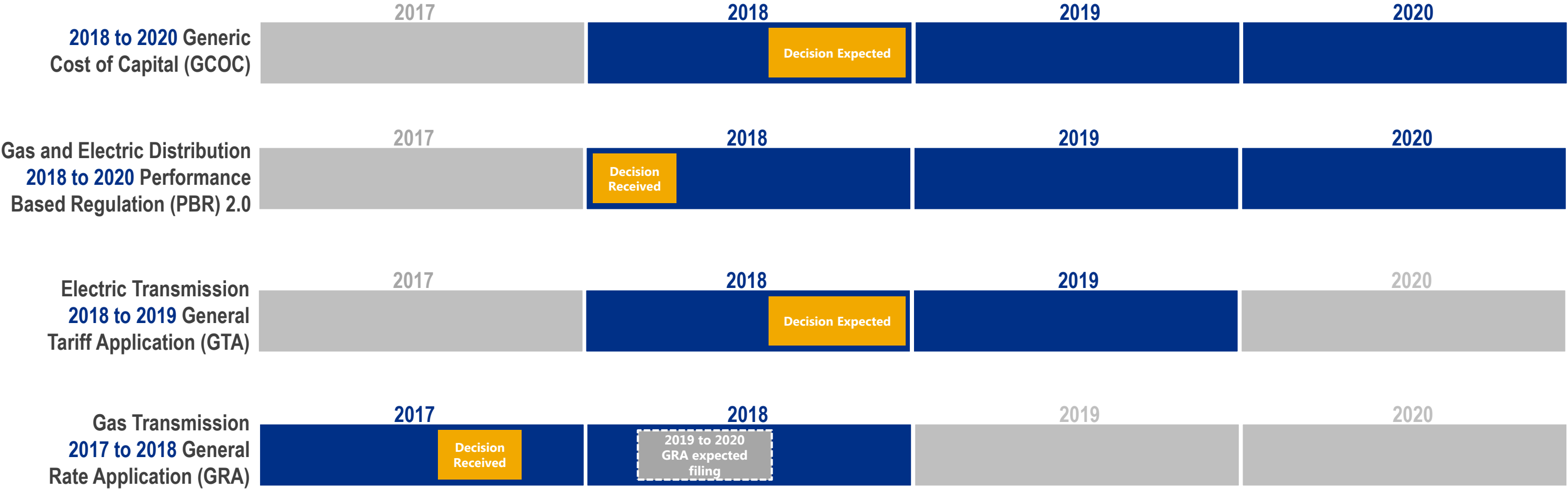


MANAGABLE DEBT MATURITY PROFILE

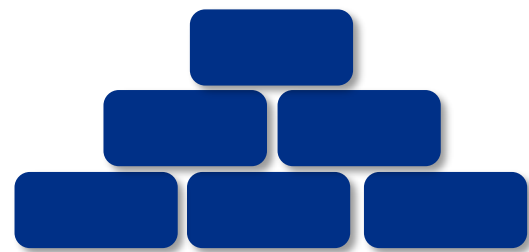


REGULATORY UPDATE

Getting back to prospective rate making



SUMMARY



**GROWING A HIGH
QUALITY EARNINGS
BASE**



**FUTURE CAPITAL
INVESTMENT**



**FINANCIAL
STRENGTH**



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