

A photograph of the Aurora Borealis (Northern Lights) over a snowy landscape. The sky is dark with a vibrant green and blue aurora. The ground is covered in snow, and there are silhouettes of trees in the background.

ATCO | ALWAYS THERE.
ANYWHERE.

Investor Presentation
November 2016

LEGAL DISCLAIMER

Statements made by representatives for ATCO Ltd. 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. disclaims 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.

THE ATCO GROUP OF COMPANIES

With approximately 7,000 employees and assets of \$20 billion, ATCO is a diversified global corporation delivering service excellence and innovative business solutions in:



Structures & Logistics

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



Electricity

- 87,000 kms of electric power lines
- 15 power plants globally
- 3,587 MW power generating capacity



Pipelines & Liquids

- 63,300 kms of pipelines
- 60,000 m³/d water infrastructure capacity
- 52 PJ natural gas storage capacity

OUTLOOK

ATCO is 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 solutions to our customers

CORPORATE PRIORITIES FOR 2016 AND BEYOND



CUSTOMER FOCUSED



INNOVATION



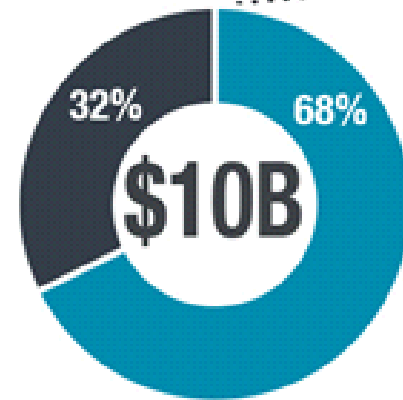
OPERATIONAL
EXCELLENCE



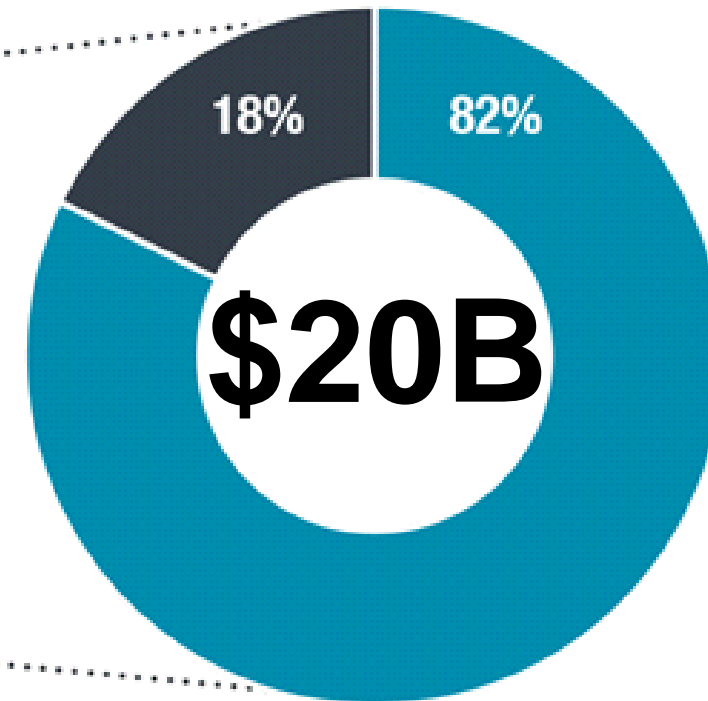
CONTINUED CAPITAL
INVESTMENT

GROWING A HIGH QUALITY EARNINGS BASE

2010 TOTAL ASSETS



2016E TOTAL ASSETS



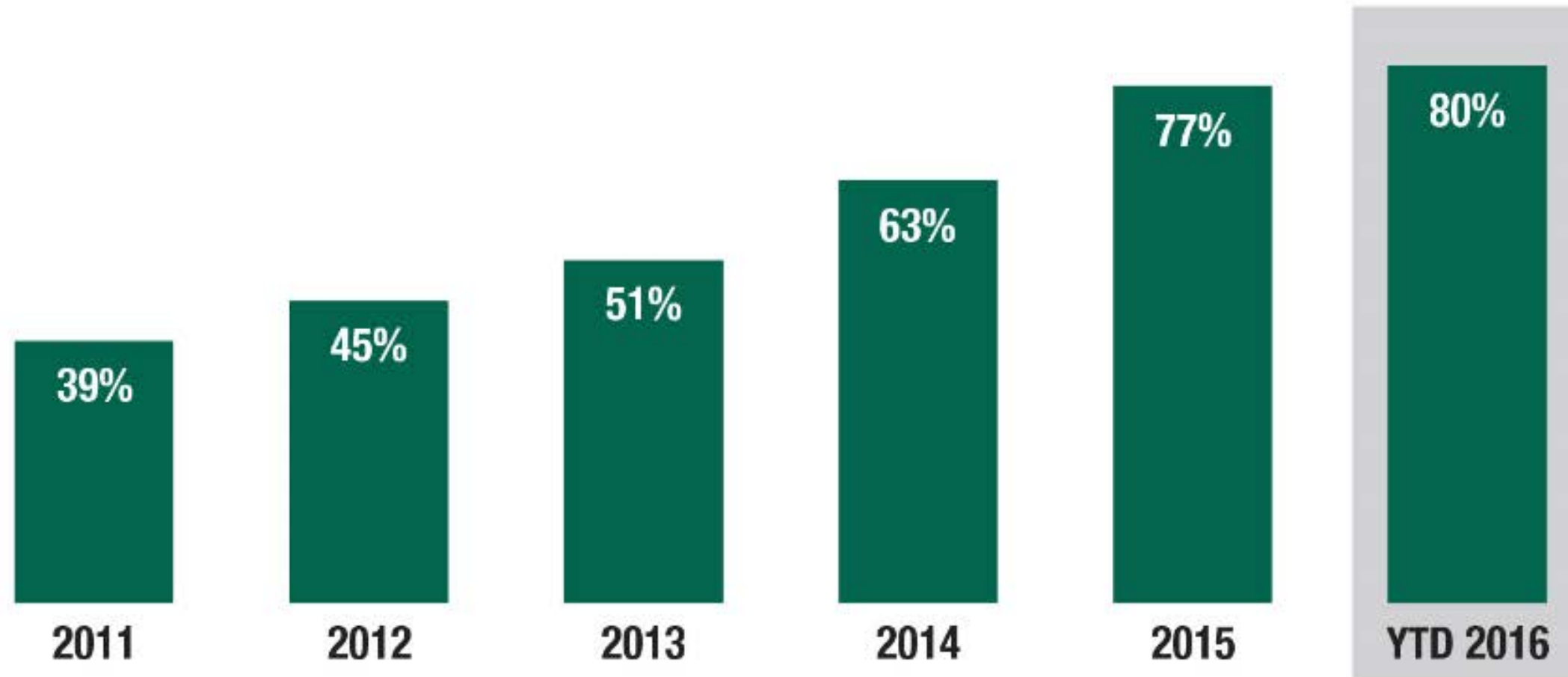
■ Regulated Utility Assets

■ Non-Regulated Assets

- Assets have grown at a remarkable pace driven by **\$10.5 billion** investment in our Regulated Utilities
- We have maintained our financial strength during this period of high Regulated Utility investment

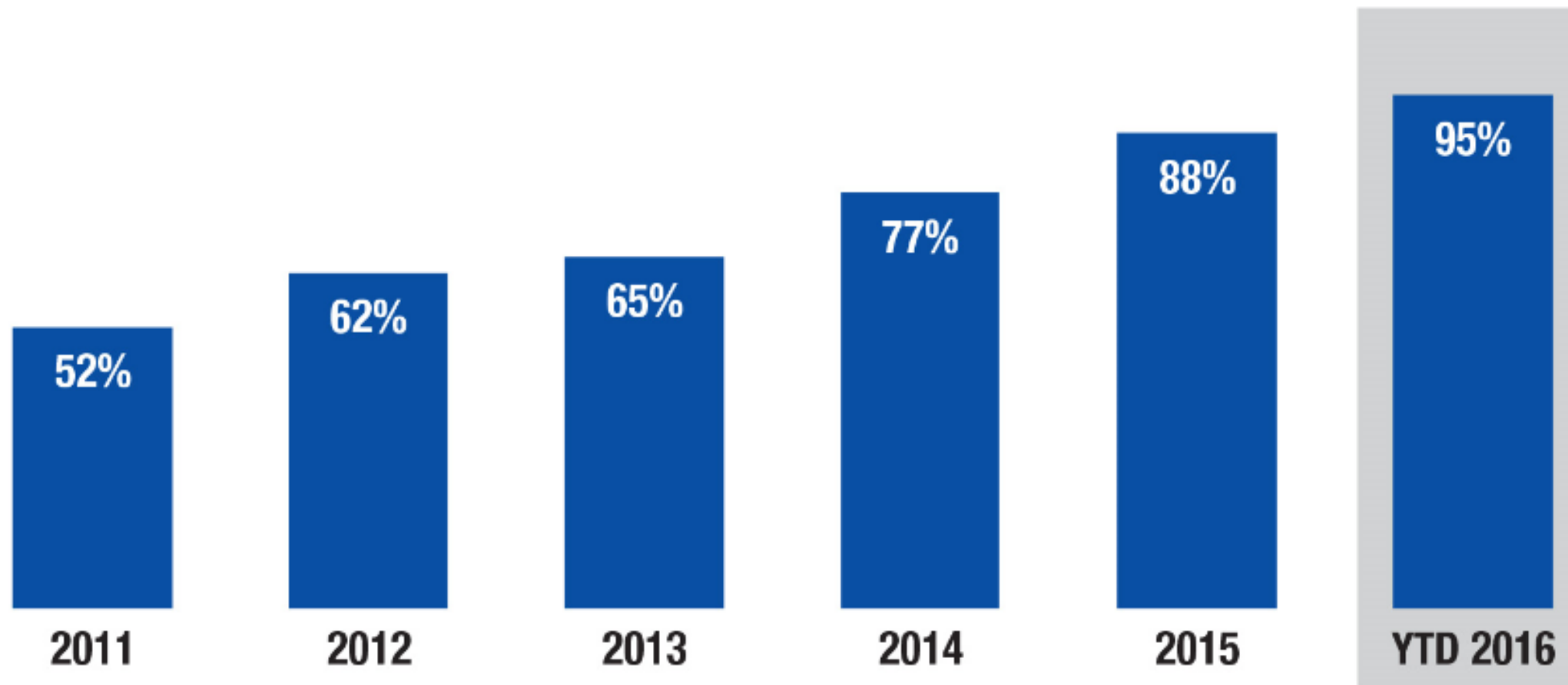
GROWING A HIGH QUALITY EARNINGS BASE

ATCO Regulated Adjusted Earnings

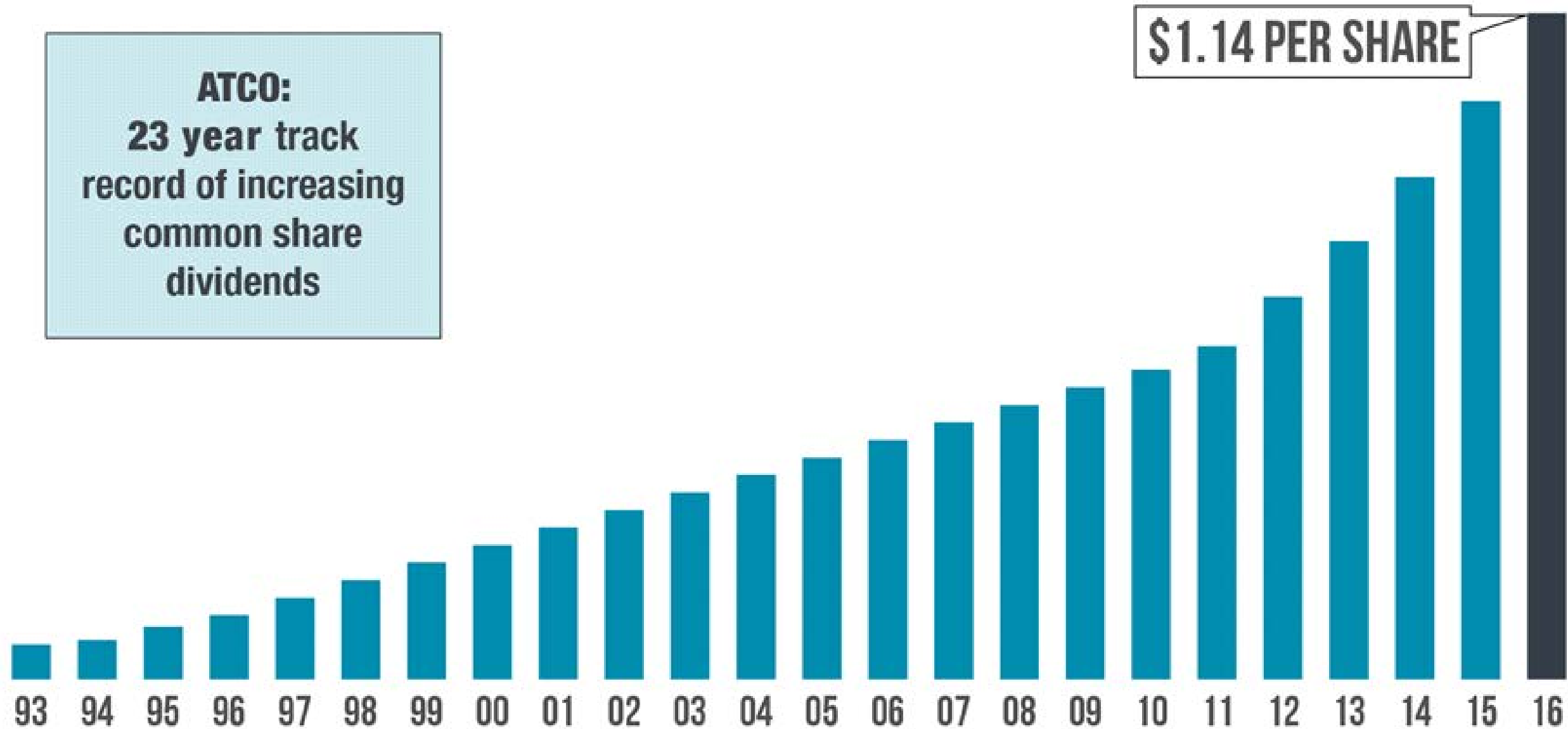


GROWING A HIGH QUALITY EARNINGS BASE

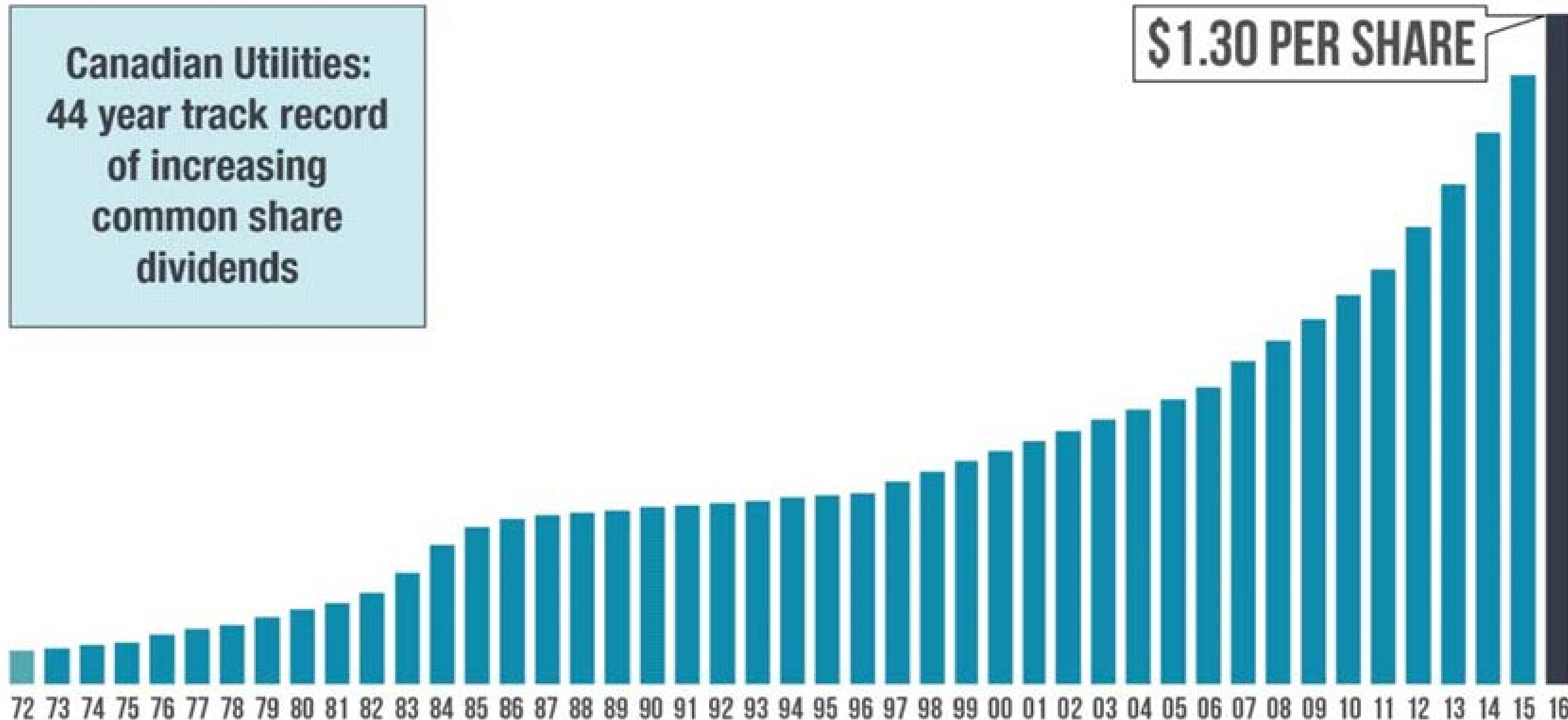
CU Regulated Adjusted Earnings



CONTINUED DIVIDEND GROWTH

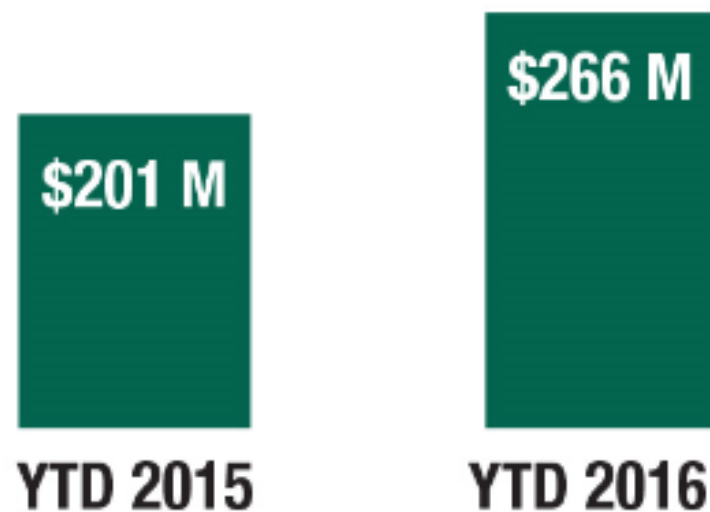


CONTINUED DIVIDEND GROWTH

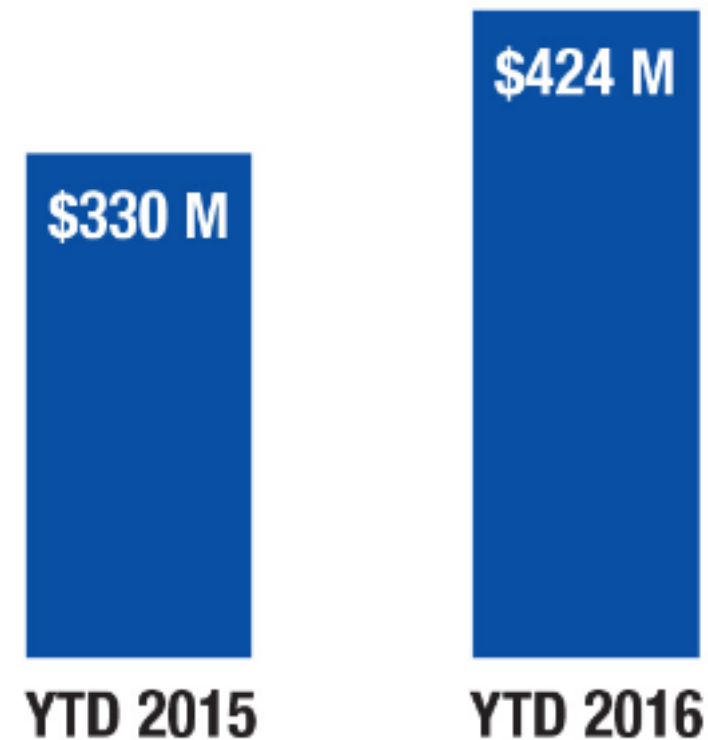


GROWING EARNINGS

ATCO Adjusted Earnings



CU Adjusted Earnings



Realizing Positive Earnings Impacts from the 2015 Restructuring

STRATEGIC GROWTH PLATFORMS

REGULATED
UTILITY
CAPITAL
INVESTMENT



Electric
Distribution



Natural Gas
Transmission



Electric
Transmission



Natural Gas
Distribution



Hydrocarbon
Storage



Structures
& Logistics



Water
Infrastructure



Power
Generation

GROWING
SUSTAINABLE &
DIVERSIFIED
EARNINGS

LONG TERM
CONTRACTS

FUTURE REGULATED CAPITAL INVESTMENTS



Electric Transmission



Electric Distribution



Natural Gas Transmission



Natural Gas Distribution

\$4.1 billion (2016-2018)

FUTURE LONG-TERM CONTRACTED CAPITAL INVESTMENT



**Alberta Powerline
500 kV Transmission**



**Hydrocarbon
Storage**



**Industrial
Water**



**International Natural
Gas Transmission**

\$1.2 billion (2016-2018)

UTILITIES – REGULATORY UPDATE

Regulatory Development	Summary	Timing
GCOC	ROE remains at 8.3% in 2016 and increases to 8.5% in 2017; Equity thickness set at 37% for ATCO Alberta Utilities	AUC decision received in Q3/16
PBR 2 (beginning in 2018)	Main items for decision include: Length of term (currently 5 years), Productivity or X factor determination, Capital Tracker or K factor mechanism, and Rebasing.	AUC decision expected in Q4/16
ATCO Pipelines 2017-2018 General Rate Application	Used for determining the revenue requirement and tariffs	Filed in Q3/16
ATCO Electric Transmission 2015-2017 General Tariff Application	Used for determining the revenue requirement and tariffs	AUC decision received in Q3/16; ATCO Compliance Filing completed in Q4/16

GLOBAL OPERATIONS: STRUCTURES & LOGISTICS

Offering complete infrastructure solutions worldwide

- Adding projects for workforce housing accommodations and modular buildings
- Improving the profitability of our Lodging business
- Acquiring assets and expanding geographically
- Implementing businesswide cost reduction initiatives



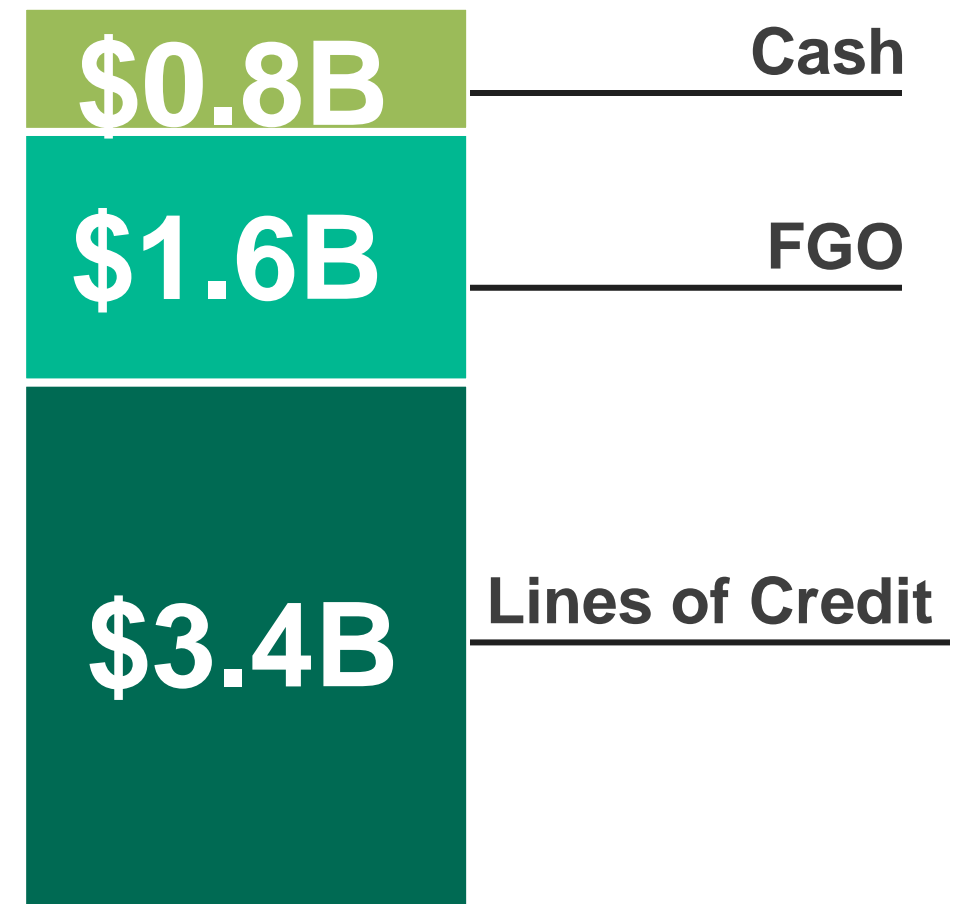
MAINTAINING FINANCIAL STRENGTH: BALANCE SHEET

Credit Rating



**Strong financial position
supports access to capital at
attractive rates**

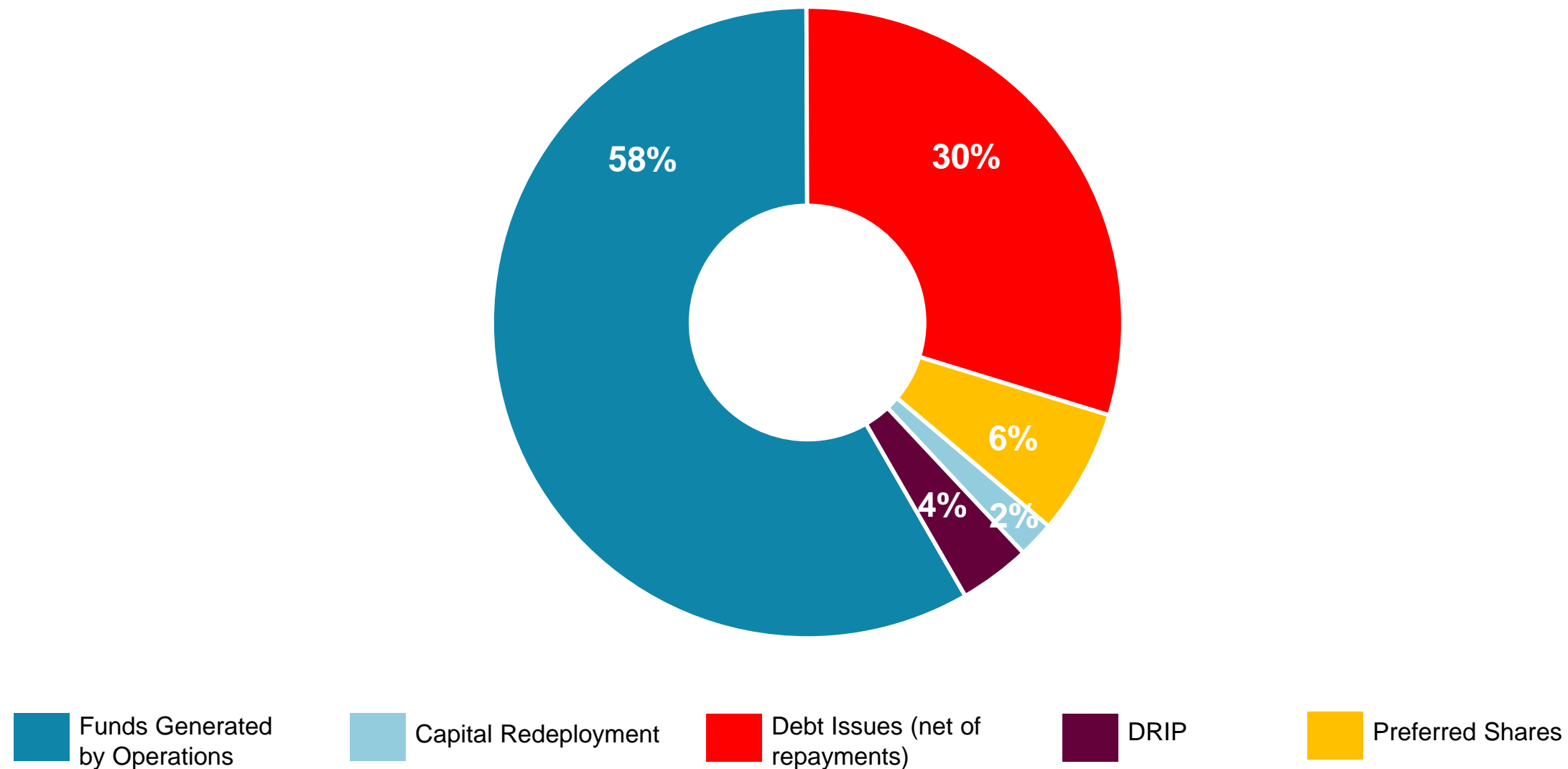
Ample Liquidity



2015

MAINTAINING FINANCIAL STRENGTH: FUNDING SOURCES

Canadian Utilities Funding Sources 2011-2015



SUMMARY



**GROWING HIGH
QUALITY
EARNINGS BASE**



**CONTINUED
DIVIDEND
GROWTH**



**FUTURE CAPITAL
INVESTMENT**

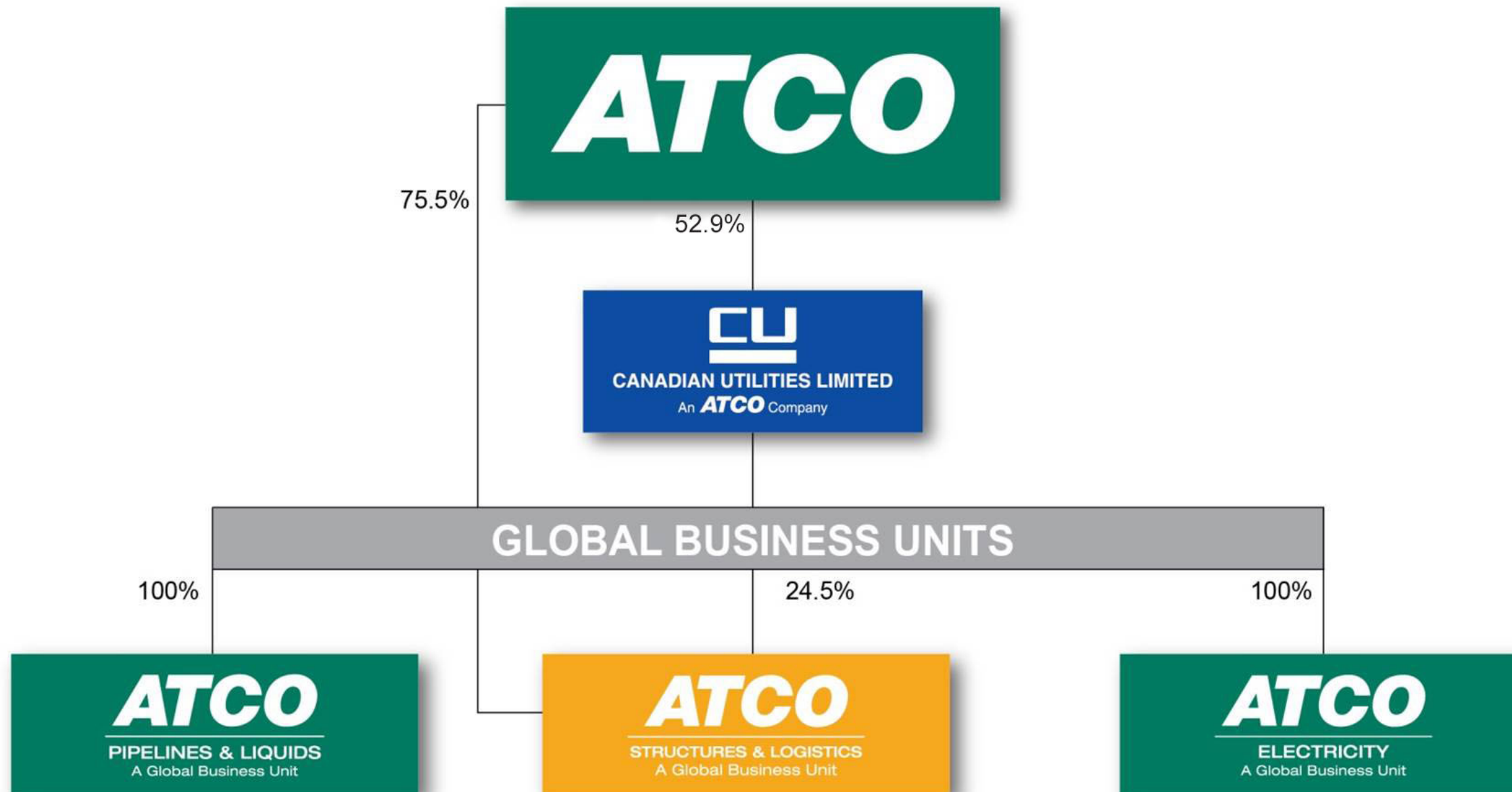


**MAINTAINING
FINANCIAL
STRENGTH**

Appendix



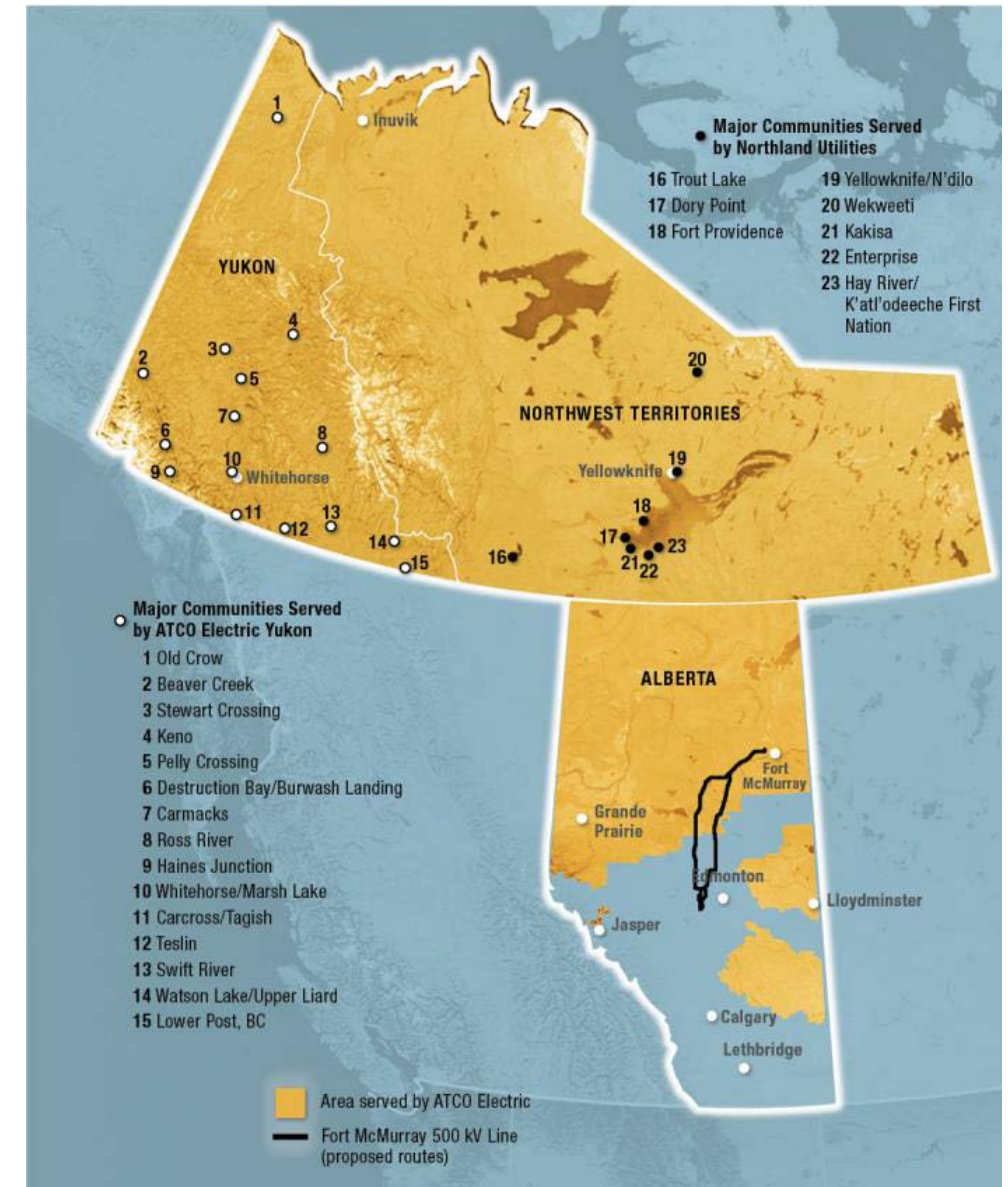
ORGANIZATIONAL STRUCTURE



ATCO ELECTRIC

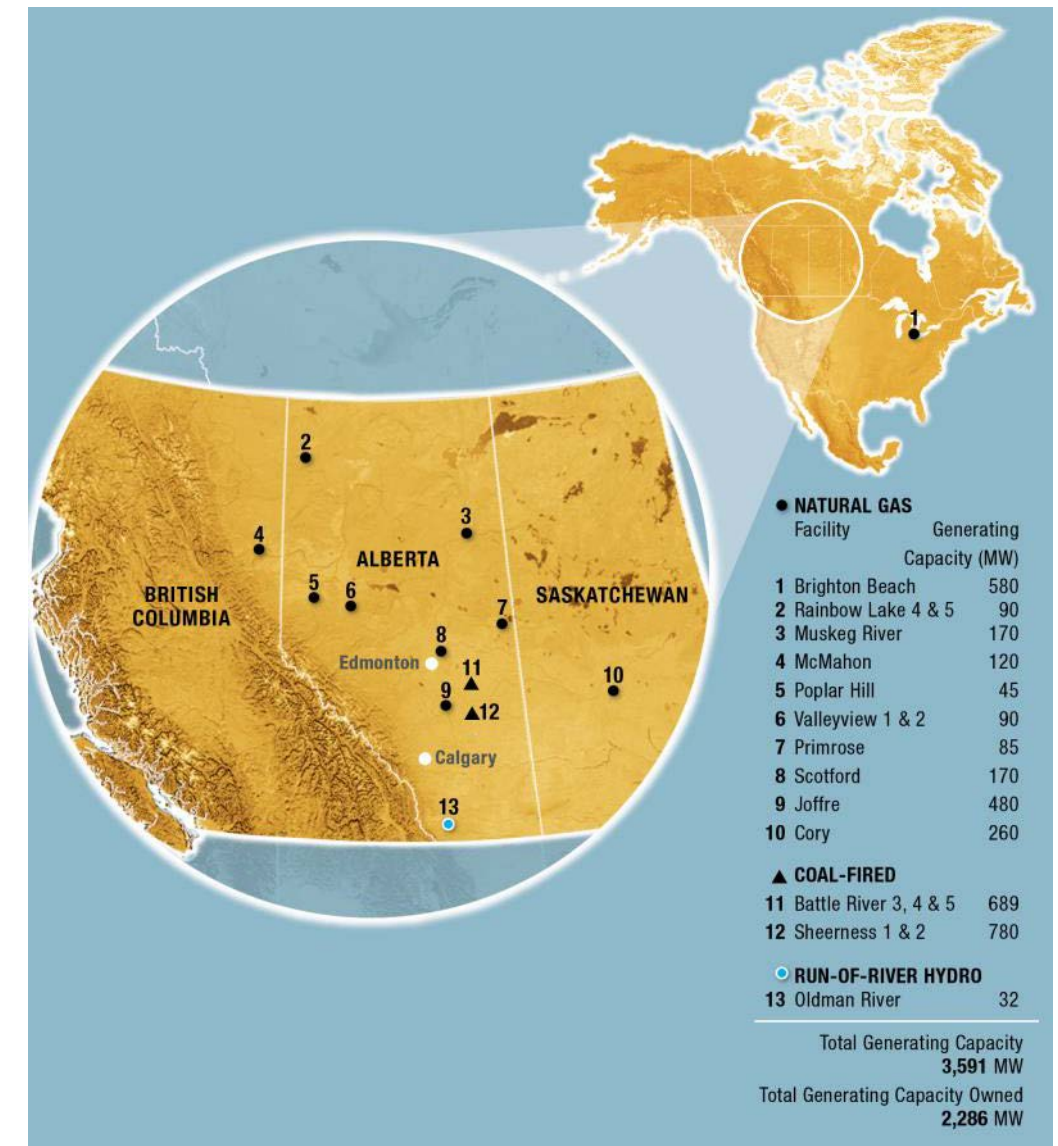
Builds, owns and operates electrical transmission and distribution facilities

- 224,000 farm, business and residential customers in 245 Alberta communities
- Approximately 11,000 km of transmission lines and 76,000 km of distribution lines
- Subsidiaries:
 - ATCO Electric Yukon
 - Northland Utilities



Ownership position in 13 power generation plants in Alberta, British Columbia, Saskatchewan and Ontario

- Electricity Market Exposure Portfolio:
 - 1,552 MW Contract (68%)
 - 734 MW Merchant (32%)



ATCO POWER AUSTRALIA

Operates two power generation facilities with a combined capacity of 266 MW

- Osborne Combined-Cycle Facility Adelaide, South Australia
- Karratha Gas-fired Generating Station Karratha, Western Australia



Builds, owns and operates natural gas distribution facilities in Alberta

- Alberta's largest natural gas distribution company
- Serves more than 1.1 million customers in nearly 300 Alberta communities
- Builds, maintains and operates more than 40,000 km of natural gas distribution pipelines
- Utility rates are among the lowest in Canada



ATCO GAS AUSTRALIA

Provides safe, reliable natural gas service to the Perth metropolitan area and the wider Western Australian community

- Approximately 725,000 customers
- 14,000 km of gas distribution pipelines
- Offers a variety of natural gas powered alternatives for businesses:
 - Air conditioning
 - CNG refueling system
 - Stand-by generators



ATCO PIPELINES

Builds, owns and operates key high-pressure natural gas transmission facilities in Alberta

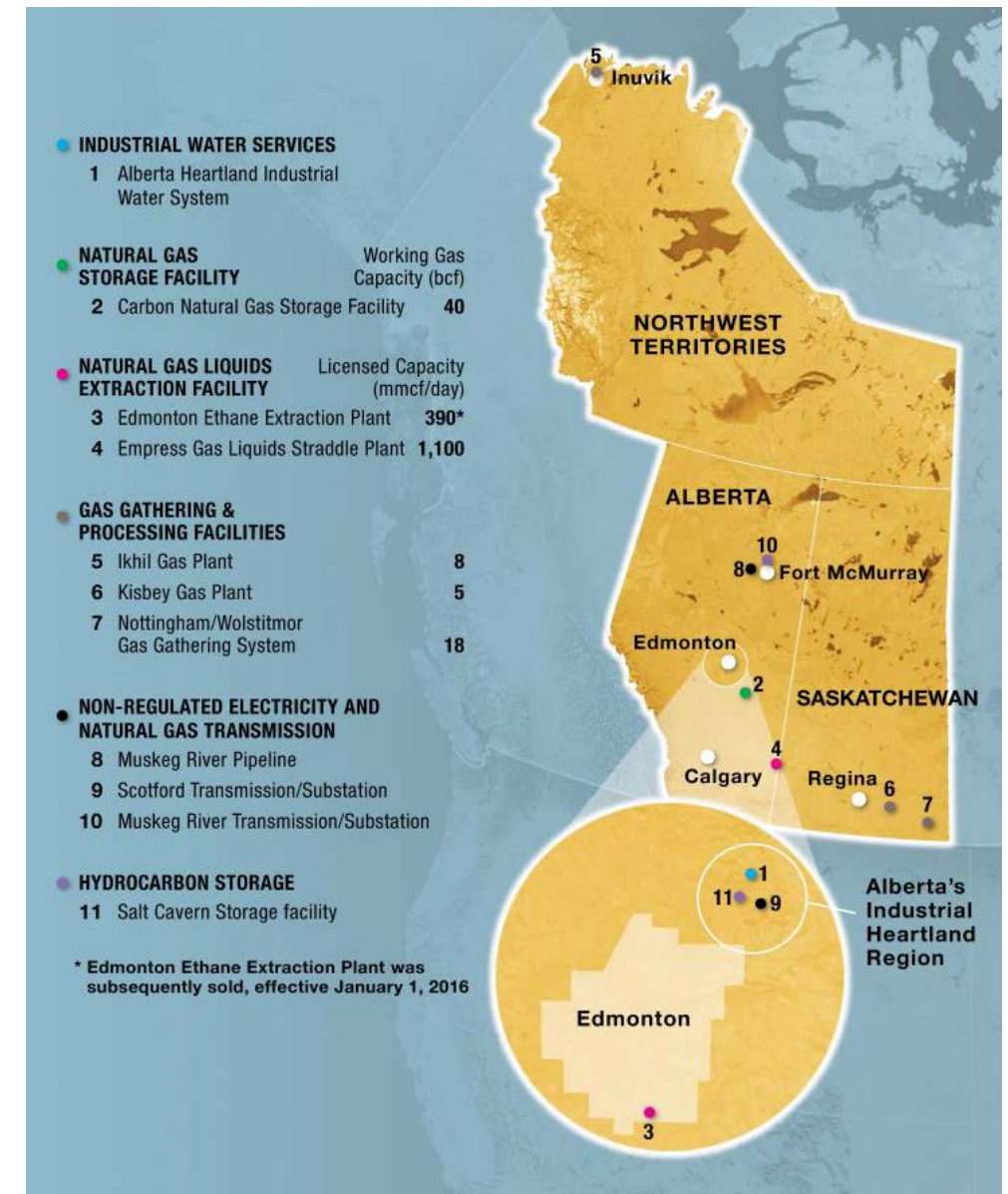
- Transports clean, efficient energy from producers and other pipelines to utilities, power generators and major industries
- Owns and operates ~ 8,500 km of pipeline
- Delivers a peak of 3.8 billion cubic feet of natural gas per day to customers
- ~ 4,000 receipt and delivery points
- Interconnections facilitate access to multiple intra-Alberta and export markets
- 24/7 monitoring of pipelines and facilities via a specialized control centre



ATCO ENERGY SOLUTIONS

Builds, owns and operates non-regulated industrial water, natural gas storage, hydrocarbon storage, and NGL related infrastructure

- 60,000 m³/day water infrastructure capacity
- 52 PJ natural gas storage capacity
- 400,000 m³ hydrocarbon storage capacity
- 1,490 mmcf/day licensed natural gas liquids capacity
- ~ 761 km pipelines and 7 million cubic feet/day natural gas gathering and processing capacity



CLIMATE CHANGE AND THE ENVIRONMENT

Coal Phase-out in Alberta by 2030

- ATCO is actively engaged in determining fair compensation and timeline with the Department of Energy

Acceleration of Renewable Generation

- ATCO is exploring renewable technologies and is well positioned to provide many solutions to the province in the years ahead
- AESO launching first competition for renewable electricity generation in 2017

Carbon Pricing Replacing Specified Gas Emitters Regulations

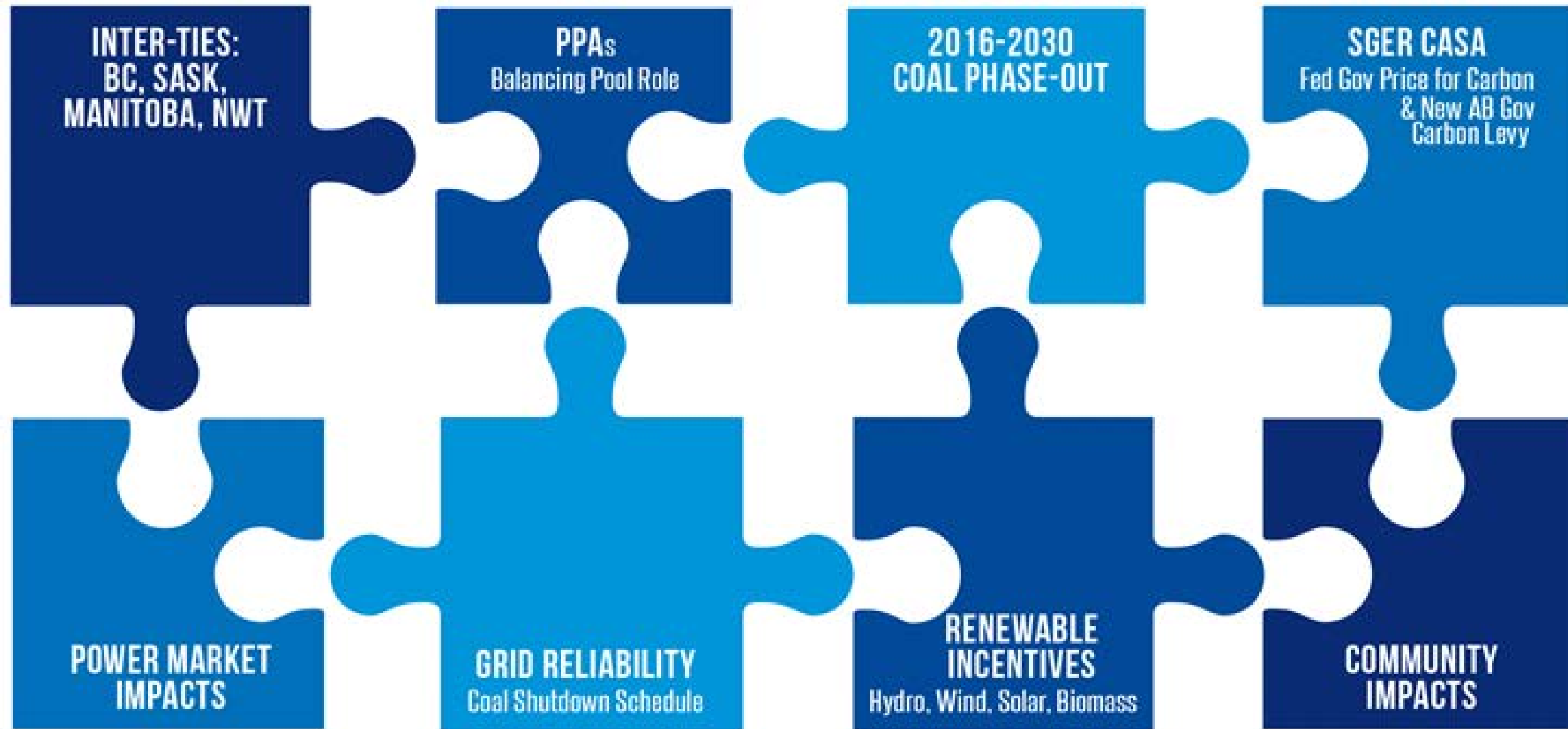
- Expected to recover compliance costs through the PPA
- GHG emission charges for Alberta utilities are expected to be recovered in rates on a go-forward basis

Methane Emissions

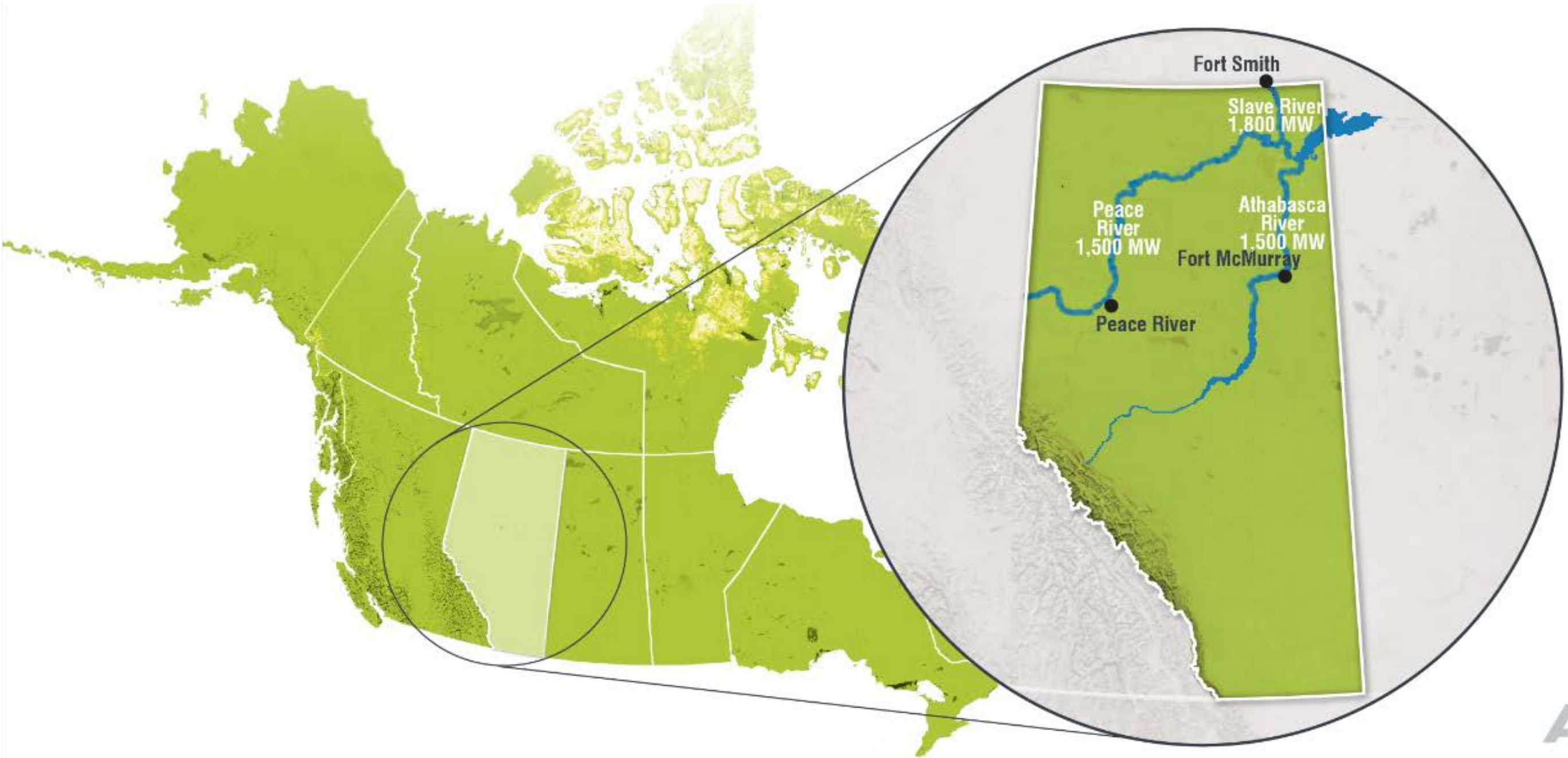
- GHG emission charges for utilities are expected to be recovered in rates on a go-forward basis



CLIMATE LEADERSHIP PLAN



LARGE SCALE HYDROELECTRIC POTENTIAL

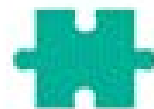


OUR SOLUTIONS TO ENSURE A CLEAN ENERGY FUTURE

**INTER-
PROVINCIAL
GRID STRATEGY**



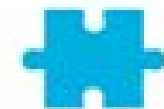
**BALANCED
APPROACH TO
RENEWABLES**



**EXPAND
DISTRIBUTED
GENERATION**



**HYDRO
GENERATION**



A vibrant aurora borealis (Northern Lights) display in shades of green and purple over a snowy, forested landscape at night. The sky is filled with stars and the aurora's light reflects on the snow below.

ATCO | ALWAYS THERE.
ANYWHERE.

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