



ATCO

**BMO INFRASTRUCTURE & UTILITIES
CONFERENCE**

FEBRUARY 7, 2019

WELCOME

INVESTOR PRESENTATION

Katie Patrick

Vice President, Finance & Risk

February 7, 2019

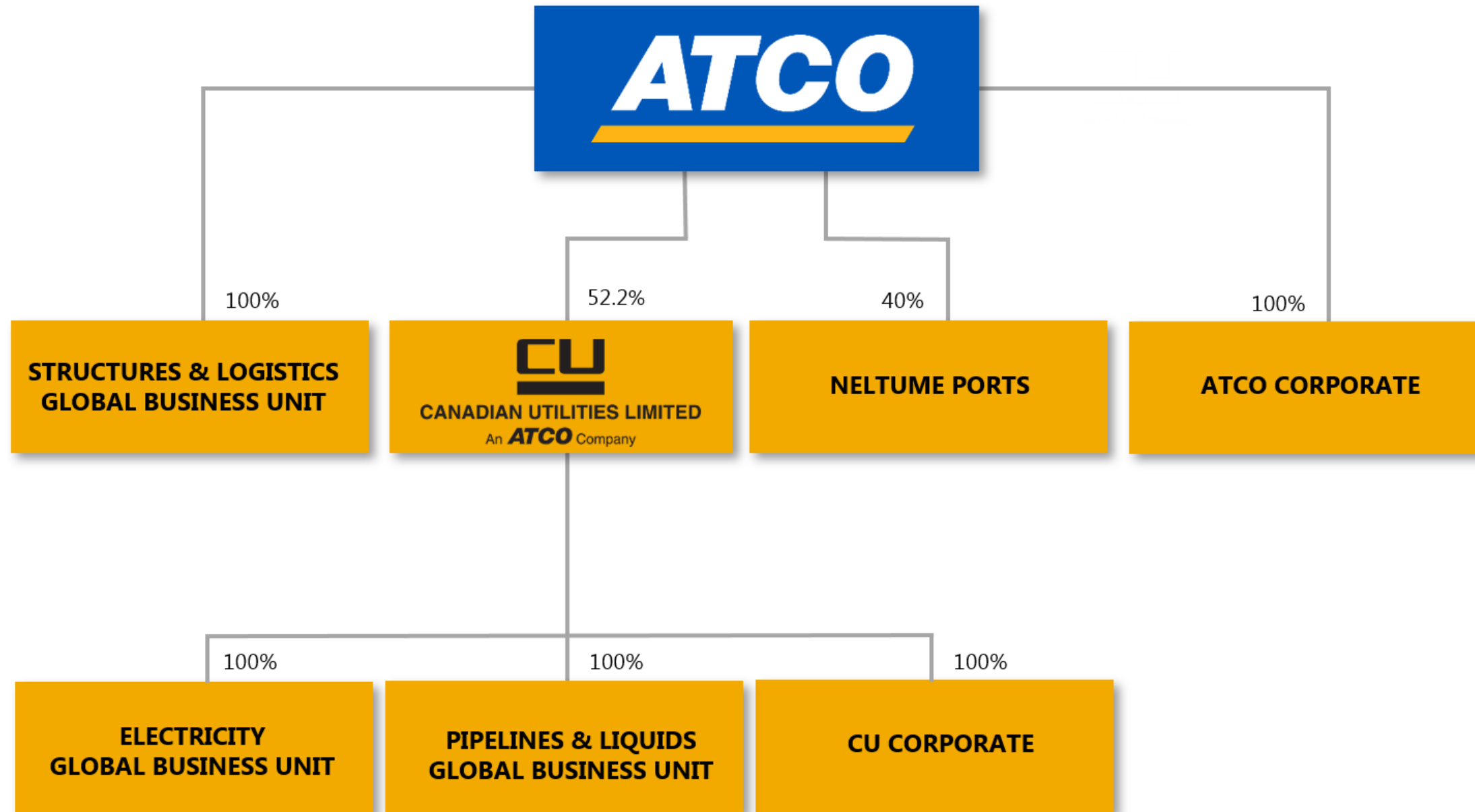
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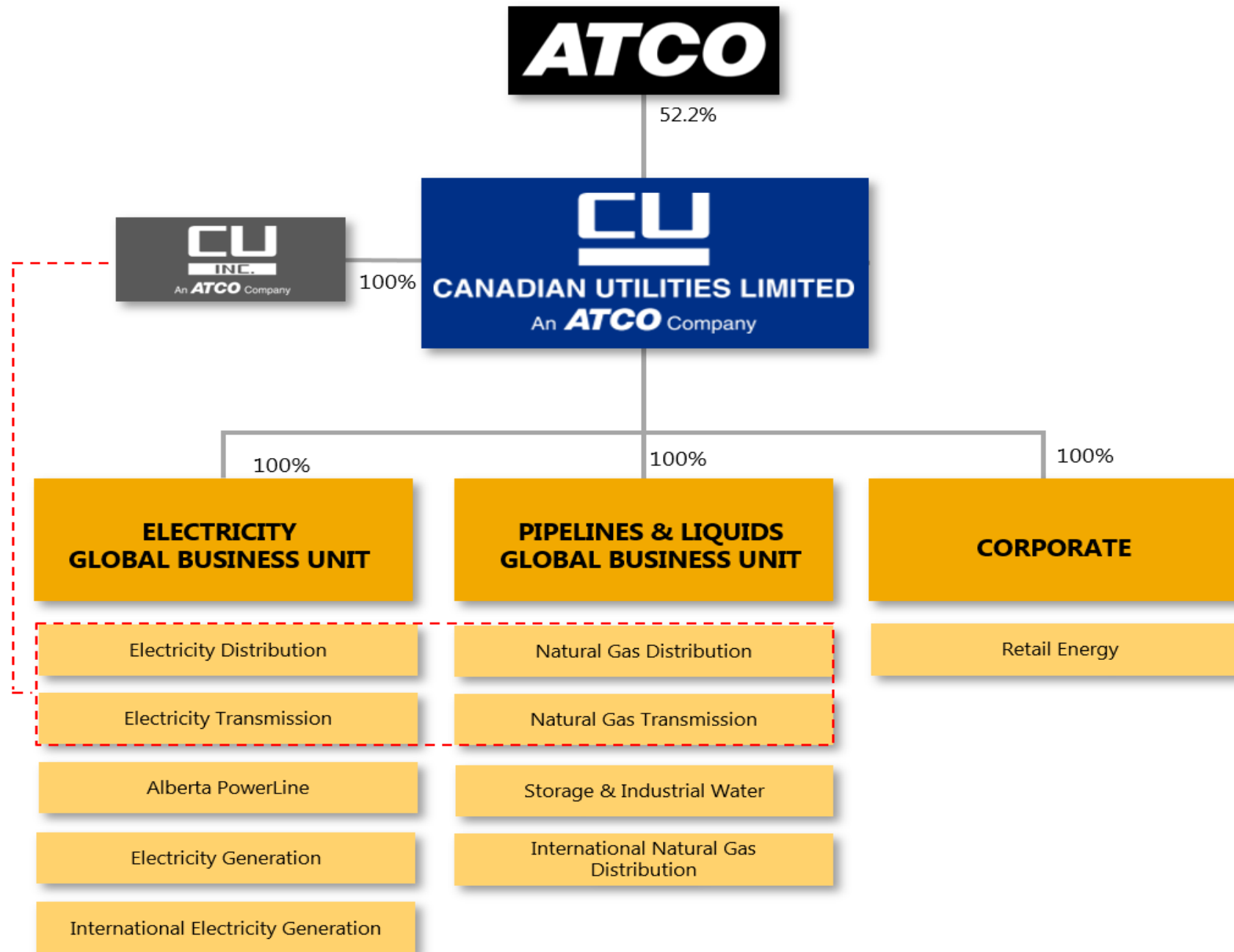
ATCO FOCUS: GLOBAL ESSENTIAL SERVICES



ORGANIZATIONAL STRUCTURE



ORGANIZATIONAL STRUCTURE





ATCO

CANADIAN UTILITIES

ENERGY INFRASTRUCTURE

REGULATED UTILITIES



ELECTRIC TRANSMISSION
\$5,227M Rate Base



ELECTRIC DISTRIBUTION
\$2,476M Rate Base



NATURAL GAS DISTRIBUTION
\$2,537M Rate Base



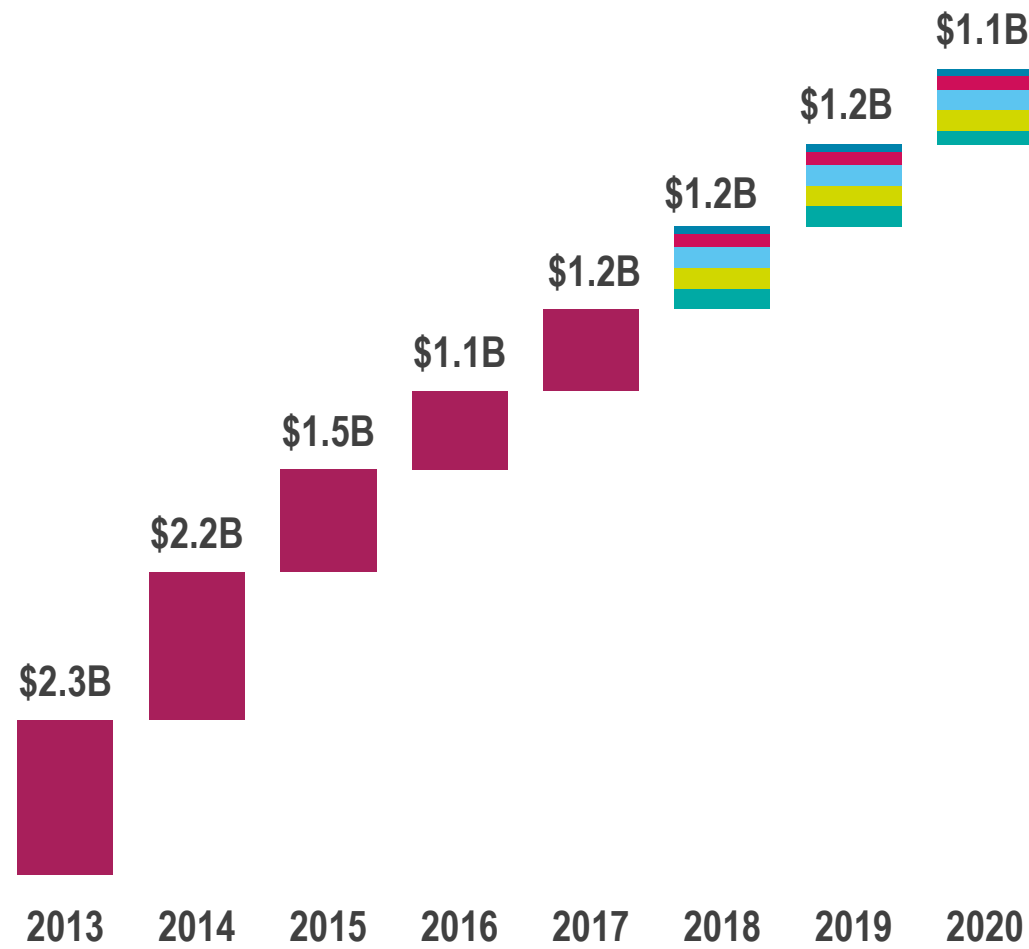
NATURAL GAS TRANSMISSION
\$1,633M Rate Base



INTERNATIONAL NATURAL GAS
DISTRIBUTION
\$1,177M Rate Base

RATE BASE GROWTH

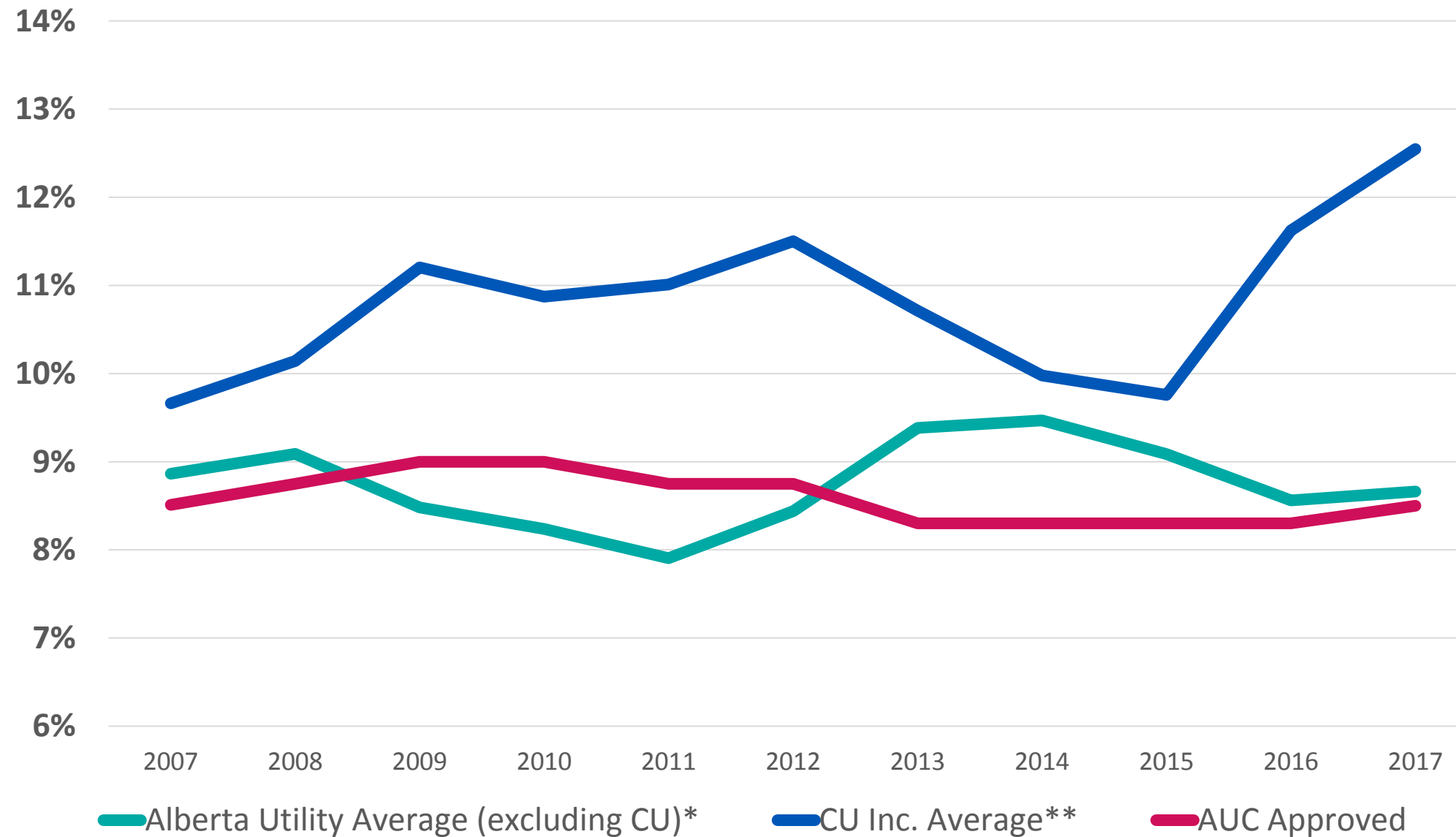
Regulated Capital Investment



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



UTILITIES ACHIEVE TOP TIER RETURNS ON EQUITY

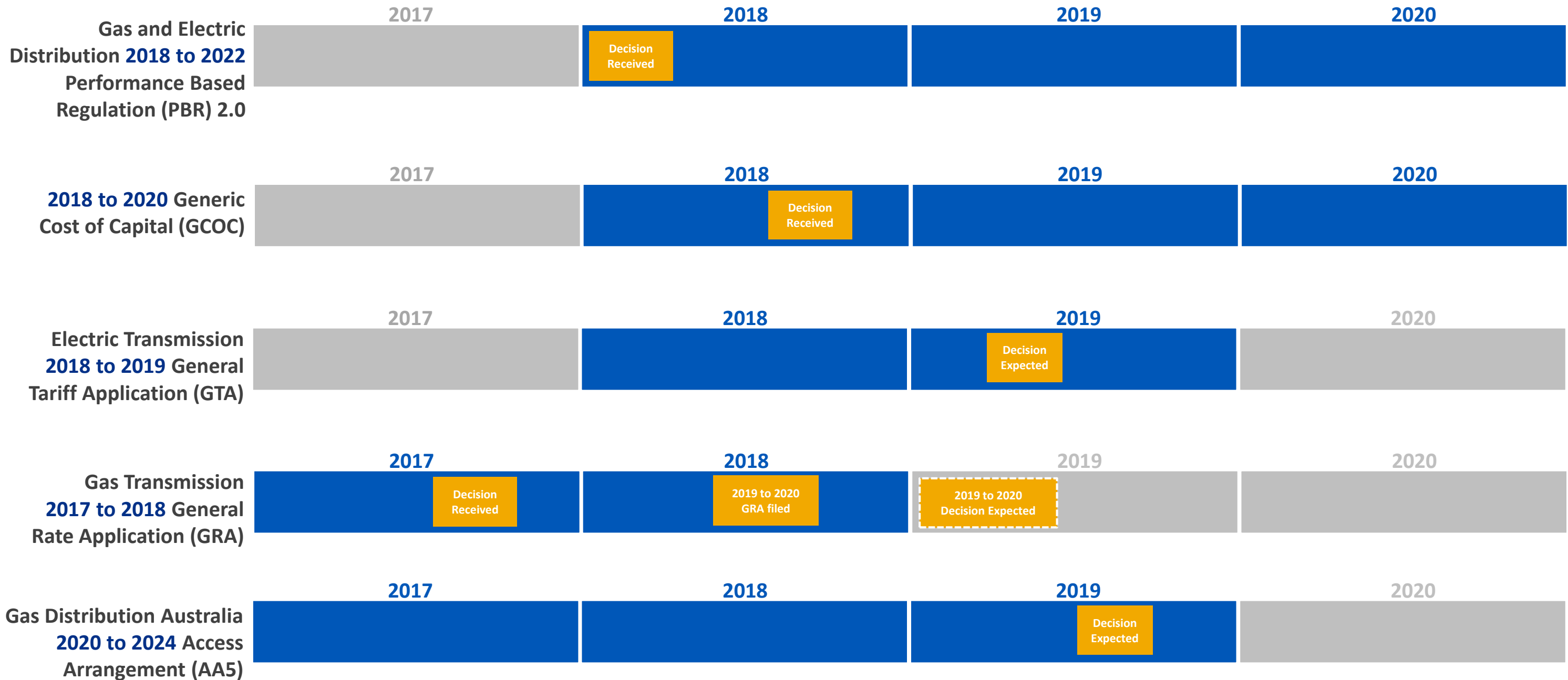


CU Inc. ROE +2.33% on average above AUC approved ROE from 2007-2017

- Alberta Utility average is a simple average and includes: AltaGas, AltaLink, Enmax Distribution, Enmax Transmission, EPCOR Distribution, EPCOR Transmission, and Fortis Alberta.

- ** CU Inc. average is a simple average and includes: Electric Distribution, Electric Transmission, Natural Gas Distribution, and Natural Gas Transmission. Further details on the individual ROEs can be found in this Appendix.

REGULATORY UPDATE



NON-REGULATED BUSINESSES



**ELECTRICITY GENERATION
CANADA
2,300 MW**



**ELECTRICITY GENERATION
AUSTRALIA
176 MW**



**ELECTRICITY GENERATION
MEXICO
46 MW**



**INDUSTRIAL WATER SOLUTIONS
CANADA
85,200 m³/day**



**HYDROCARBON STORAGE
CANADA
400,000 m³**



**NATURAL GAS STORAGE
CANADA
52 PJ**

MEXICO EXPANSION

Mexico Attractiveness

- Energy Reform offers opportunities for energy infrastructure investment
- Attractive GDP growth forecast
- Acquired and built a total of 46 MW of electricity generation, including hydroelectric generation; contracted to build 26 MW of natural gas cogeneration



Facility Type	Generating Capacity Owned (MW)
● Distributed Generation	11 MW
● Hydroelectric Generation	35 MW
● Cogeneration	26 MW

ELECTRICITY GENERATION: COAL TO GAS CONVERSION

Battle River

- Partial conversion (50%) completed on BR4 Mar 2018
- Proceeding with “Dual Fuel” conversion of BR5 with commercial operation date (COD) of Dec 2019
- Proceeding with increasing natural gas interconnection to the site to support the conversion work with COD Nov 2019 with firm gas transport commitment for Nov 2021
- Pursuing further conversion opportunity on BR3 & BR4



Battle River Generating Station

Sheerness

- Proceeding with increasing natural gas interconnection to the site with COD Nov 2019 and firm natural gas transport commitment for Apr 2022
- Pursuing the opportunity of “Dual Fuel” conversion of both units to align with natural gas transport commitment or earlier.



Sheerness Generating Station

STRONG INVESTMENT GRADE CREDIT RATINGS

Canadian Utilities Limited

DBRS Confirmed



S&P Confirmed



CU Inc

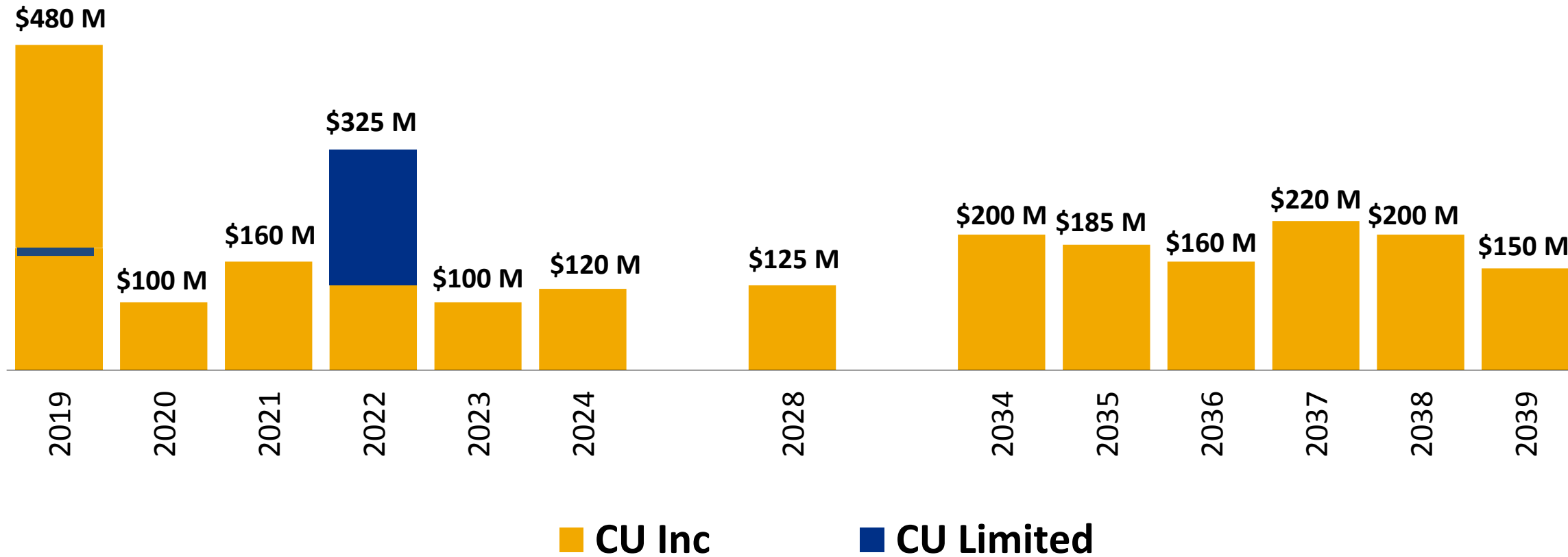
DBRS Confirmed



S&P Confirmed



MANAGABLE DEBT MATURITY PROFILE





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CANADIAN UTILITIES

ENERGY INFRASTRUCTURE