

Canadian Utilities Limited

Investor Presentation



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Legal Notice

Forward-Looking Information

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.

Other Financial Measure Disclosure

This presentation makes reference to Adjusted Earnings, which is a key measure of segment earnings that is used to assess segment performance and allocate resources. Adjusted earnings is defined as earnings attributable to equity owners of the Company after adjusting for the timing of revenues and expenses associated with rate-regulated activities, dividends on equity preferred shares of the Company, and unrealized gains or losses on mark-to-market forward and swap commodity contracts. Adjusted earnings also exclude one-time gains and losses, impairments, and items that are not in the normal course of business or a result of day-to-day operations.

Adjusted earnings present earnings from rate-regulated activities on the same basis as was used prior to adopting IFRS - that basis being the US accounting principles for rate-regulated activities. Additional information on Adjusted earnings is presented in Note 3 of the 2021 Annual Consolidated Financial statements. Adjusted earnings per Class A and Class B share is calculated by dividing adjusted earnings by the weighted average number of shares outstanding for the period.

EXECUTIVE COMMITTEE



Nancy C. Southern

Chair & Chief Executive Officer,
Canadian Utilities Limited



Brian P. Shkrobot

Executive Vice President
& Chief Financial Officer



Melanie L. Bayley

President, ATCO Electric



M. George Constantinescu

Senior Vice President
& Chief Transformation Officer



Bob J. Myles

Executive Vice President,
Corporate Development



Becky A. Penrice

Executive Vice President,
Corporate Services



D. Jason Sharpe

President, ATCO Gas & Pipelines



Sarah J. Shortreed

Executive Vice President
& Chief Technology Officer



Wayne K. Stensby

Executive Vice President,
Puerto Rico



Marshall F. Wilmot

President, Retail
& Chief Digital Officer

Canadian Utilities Limited

LONG-TERM TRACK RECORD OF ADJUSTED EARNINGS GROWTH THROUGH VARIOUS GLOBAL MACRO-ECONOMIC CYCLES

\$586 MILLION OF ADJUSTED EARNINGS IN 2021



*In June 1980 ATCO acquired a majority interest in Canadian Utilities.

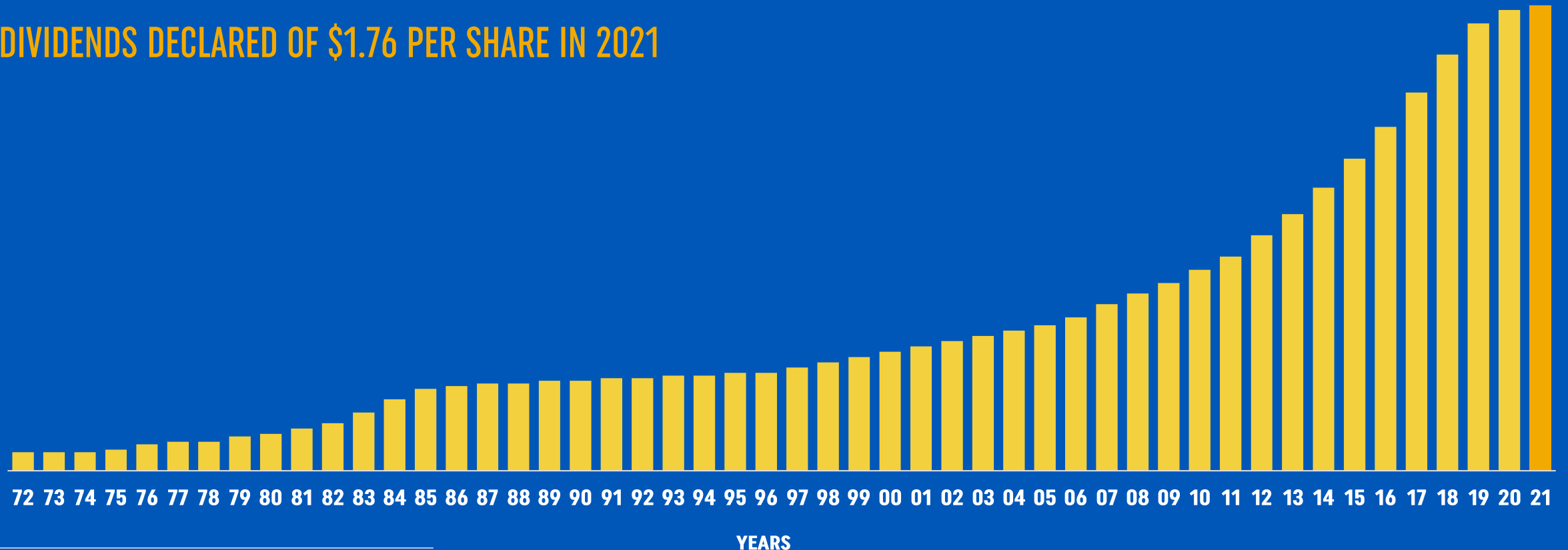
1. National Energy Program.
2. Generic Cost of Capital.

FINANCIAL STRENGTH

Canadian Utilities Limited

LONGEST TRACK RECORD OF ANNUAL DIVIDEND INCREASES OF ANY CANADIAN PUBLICLY TRADED COMPANY
50 YEARS OF ANNUAL DIVIDEND INCREASES*

DIVIDENDS DECLARED OF \$1.76 PER SHARE IN 2021

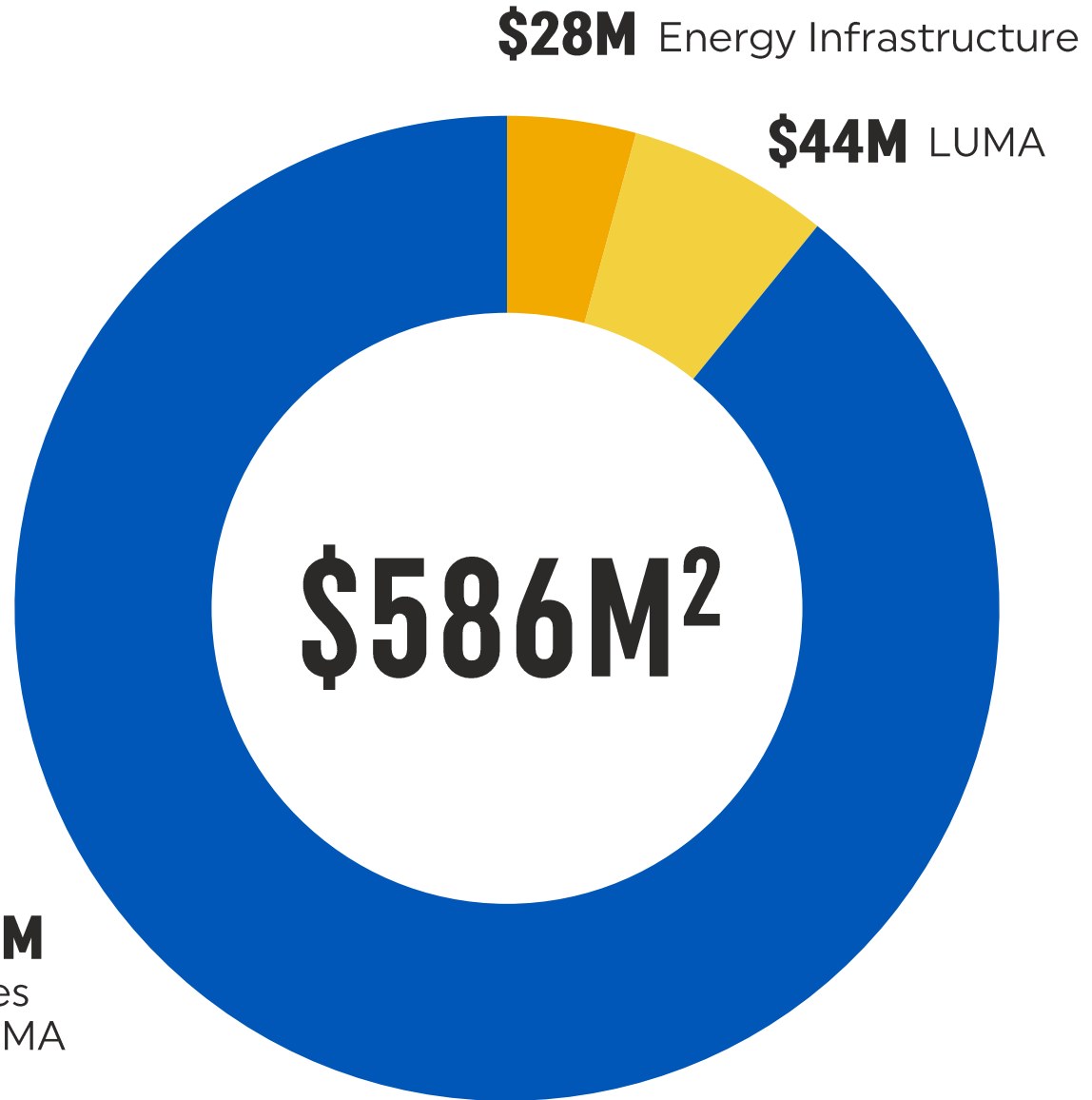


*Canadian Utilities Limited has declared first and second quarter 2022 dividends of \$0.4442 per share, or \$1.78 per share annualized.

Total 2021 Adjusted Earnings¹

Utilities provide strong foundational earnings

\$591M
Utilities
ex. LUMA

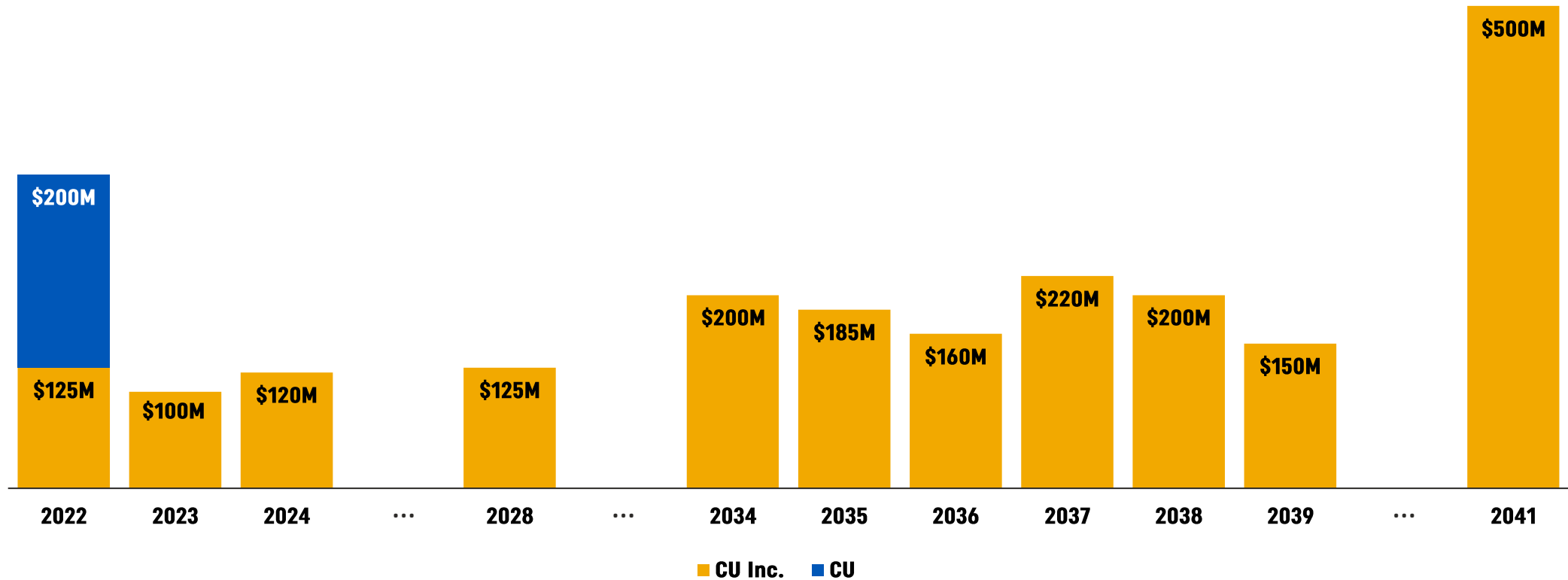


1. Additional information regarding these total of segments measures is provided in the Other Financial and Non-GAAP Measures section of our MD&A.

2. Total includes \$77M in Costs attributable to the Company's Corporate & Other segment; including expenses related to the Company's global shared services, preferred share dividends and corporate offices. Included in this category is also the Company's ATCOenergy, Rumi and Blue Flame Kitchen business lines.

Debt Maturity Profile: 20-Year Outlook

WELL-DISTRIBUTED AND EASILY MANAGEABLE DEBT MATURITY PROFILES



STRONG CREDIT RATINGS



S&P Global
Ratings

FitchRatings



A (high)

A-

A-



A

BBB+

A-



Canadian Utilities Limited Overview

For recent filings and further details please visit: www.canadianutilities.com

Canadian Utilities Limited¹

Canadian Utilities is an ATCO company with approximately 4,800 employees and assets of \$21 billion. We are publicly traded on the Toronto Stock Exchange under the tickers CU (non-voting) and CU.X (voting). As a diversified global energy infrastructure corporation, Canadian Utilities offers comprehensive solutions and operational excellence in Utilities, Energy Infrastructure, and Retail Energy.

Utilities



Energy Infrastructure

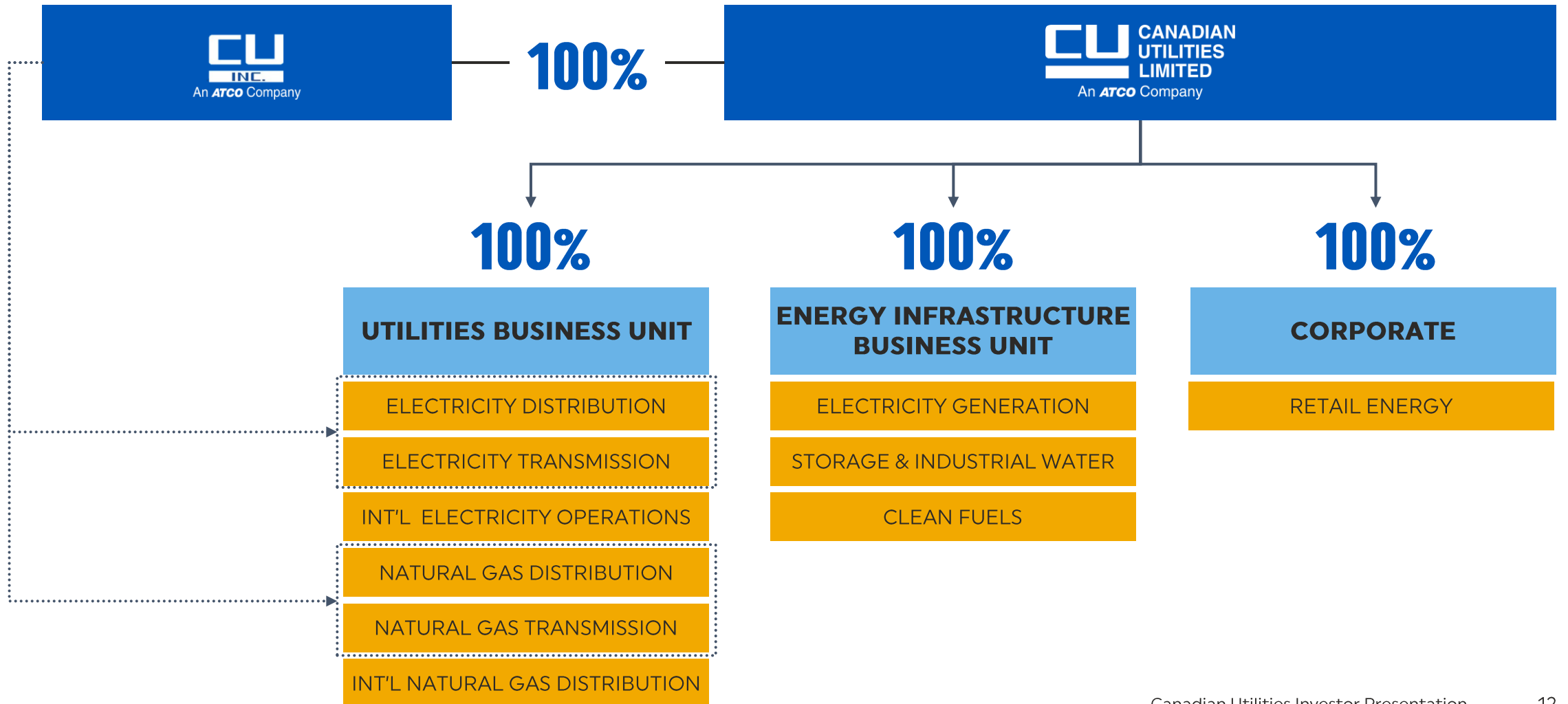


Retail Energy



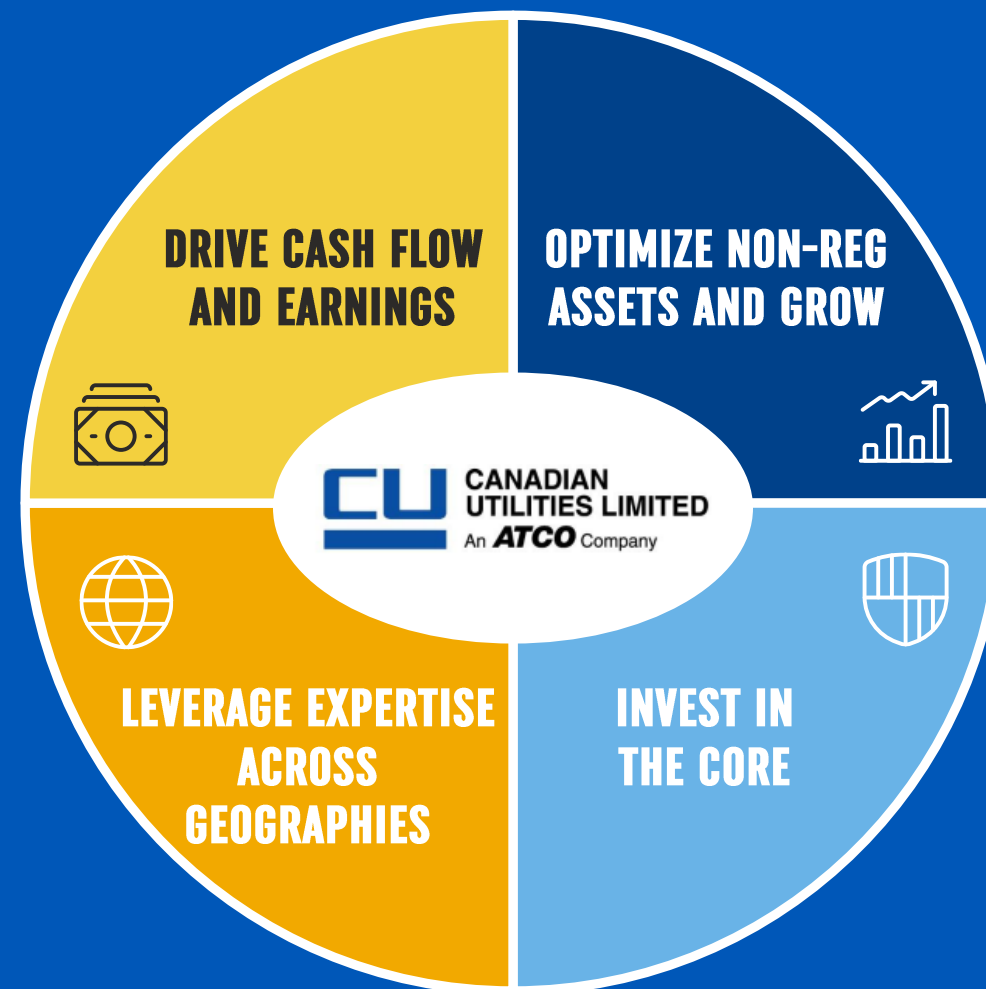
1. As at December 31, 2021.

Organizational Structure



Strategy

- Build on our core utility business and invest in activities aimed at advancing the energy transition and ensuring long-term resiliency
- Optimize our energy infrastructure assets and add new growth platforms
- Leverage our expertise in key markets, including Alberta, North America, Latin America, & Australia to drive growth across geographies
- Drive cash flow and earnings to improve financial strength and growth capacity



Canadian Utilities Commitment to Sustainability

For Canadian Utilities, sustainability is more than an aspiration; it is interwoven into our strategy, our day-to-day operations, the products and services we provide, and the fabric of our people. It manifests across our business units in both how we conduct our day-to-day activities and in the contributions we make to society through both our operations and the community spirit of our people.

Our enduring and holistic commitment is clearly reflected in our efforts to cost-effectively and reliably accelerate the **energy transition; enhance our environmental performance and reduce our greenhouse gas emissions; champion the safety, inclusivity, and equity** of our people, communities, and customers; **foster Indigenous and community partnerships** based on trust, equity and mutual respect; and ensure **uninterrupted, resilient, and reliable access** to energy.

OUR STRATEGIC FOCUS



ENERGY TRANSITION



OPERATIONAL RELIABILITY
& RESILIENCE



CLIMATE CHANGE &
ENVIRONMENT
STEWARDSHIP



INDIGENOUS & COMMUNITY
PARTNERSHIPS



PEOPLE

Leader in ESG & Sustainability

2021 HIGHLIGHTS

15%

DECREASE

Direct GHG Emissions in 2021

96%

REMOVAL

GHG Emissions from our portfolio since 2005

2030 TARGETS

LEADER

HEALTH & SAFETY

Practices and Performance

40%

INCREASING

Net Economic Benefits to Indigenous Partners by 2030

2Mt

DECREASE

Customer GHG Emissions by 2030

30%

DECREASE

GHG to Earnings Intensity by 2030



Meeting Changing Consumer Demands



Shifting Demand



Decentralization



Decarbonization



Digitalization

CANADIAN UTILITIES OVERVIEW

Investing In Our Utilities Future

We are answering the call for climate accountability while ensuring the sustainability, affordability, safety, and reliability of our energy system.

DIGITIZATION OF THE GRID

- Advanced Metering Infrastructure (AMI) for real-time data
- Automated Distribution Management System (ADMS) to orchestrate the movement of electricity to where it is needed

DECARBONIZATION: OFF DIESEL INITIATIVES

- Community solutions to offset the use of diesel and heating oil
- Solar solutions for:
 - Fort Chipewyan – largest off-grid solar & storage project;
 - Vuntut Gwitchin First Nation – most northerly off-grid solar project;
 - The Dene Tha' First Nation – a 92-kW solar project;
 - Sunchild First Nation – a 100-kW school roof-top solar array

DECENTRALIZING THROUGH INTEGRATED SOLUTIONS

- Combined Heat and Power (CHP) offerings
- Micro-generation solutions & support (<5mW)
- EV Charging Infrastructure

Solar Installation, Fort Chipewyan, AB



EV Charging Station, Lethbridge, AB



Energy Transition: Leading The Way

We recognize clean energy as being the future and we're proud to lead the energy transition.

OUR ENERGY TRANSITION STRATEGY IS BROKEN DOWN INTO THREE KEY COMPONENTS:

Renewable Generation



- Investing in Solar Installations throughout Alberta
- Reducing reliance on diesel in remote communities through Solar Generation
- Delivery of hydro electricity in Alberta and Mexico
- Connecting wind energy to the grid

Clean Fuels



- Our hydrogen focused Clean Energy Innovation Hub and Clean Energy Innovation Park projects in Australia
- Hydrogen Blending Projects in Alberta and Australia
- Renewable Natural Gas (RNG) generation utilizing agriculture and municipal waste

Energy Storage



- Expanding and optimizing existing storage assets to ensure reliability of our energy system
- Investing in storage infrastructure as a key enabling factor for decarbonization
- Supporting large industrial and energy customers in achieving their decarbonization goals

Regulated Utilities



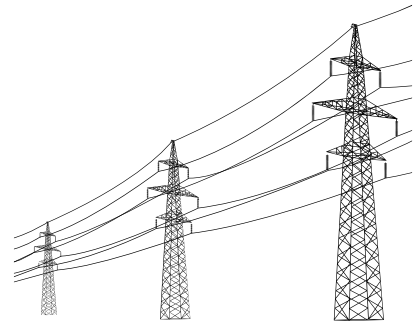
*2021 estimated Mid Year Rate Base included in 2021 Management's Discussion and Analysis.

Operational Excellence

OVER THE PAST SIX YEARS, WE HAVE **REDUCED** OUR OPERATIONS AND MAINTENANCE COSTS:

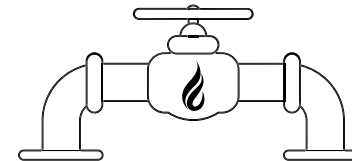
↓ 17% per KM
of Line¹

ELECTRICITY DISTRIBUTION



↓ 19% per
customer¹

NATURAL GAS DISTRIBUTION



OPERATIONAL EXCELLENCE AND LOWER COSTS BENEFIT OUR CUSTOMERS AND SHARE OWNERS

1. Adjusted for inflation.

Regulated Utilities: Returns On Equity

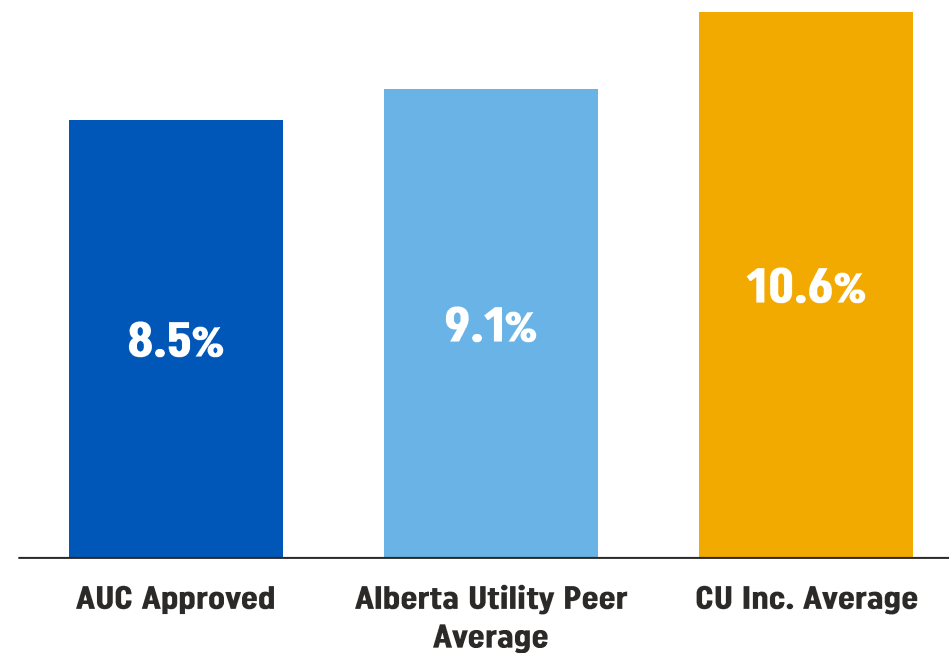
CU INC. IS COMPRISED OF OUR ALBERTA UTILITY COMPANIES AND ACHIEVES TOP-TIER RETURNS ON EQUITY

CU Inc.'s average ROE is 2.1% above average AUC approved over last 10 years.



An **ATCO** Company

10 YEAR AVERAGE (2012-2021)

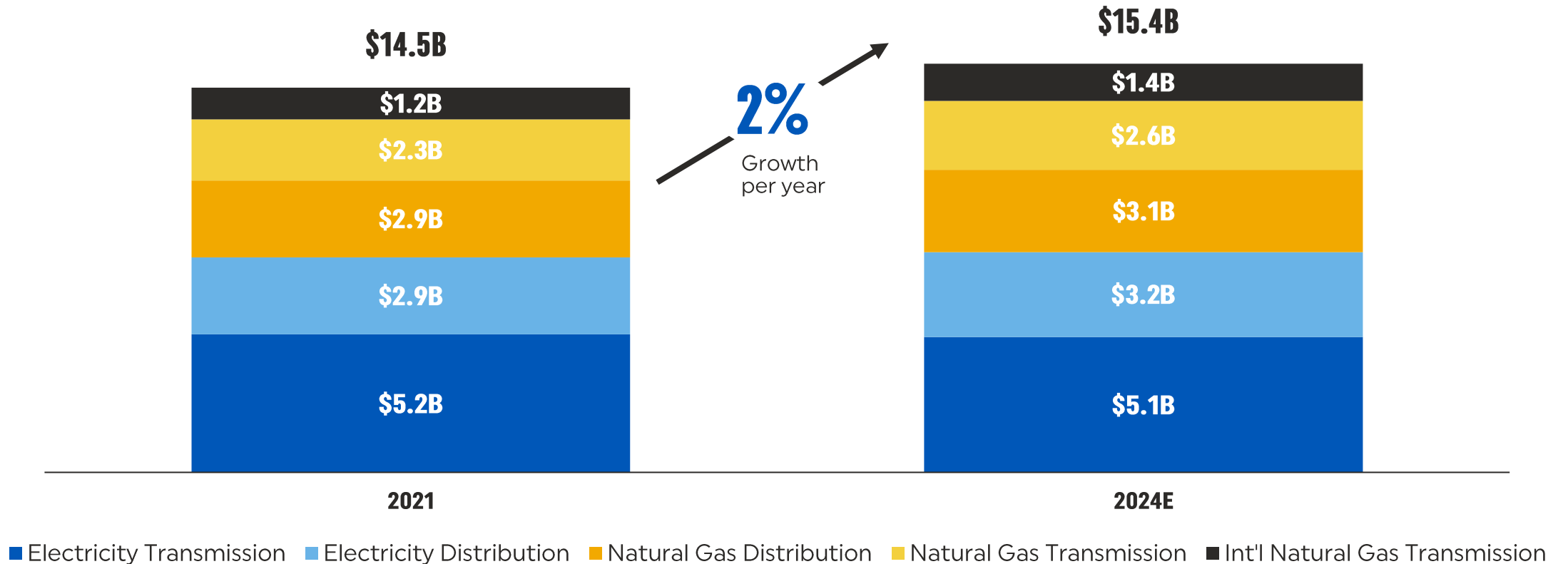


1. Alberta Utility Peer Average (excluding CU Inc.) is a simple average and includes AltaGas, AltaLink, Enmax Distribution, Enmax Transmission, EPCOR Distribution, EPCOR Transmission, and Fortis Alberta.

2. CU Inc. Average is a simple average and includes Electric Distribution, Electric Transmission, Natural Gas Distribution, and Natural Gas Transmission.

3-year Capital Investment Plan

EXPECTED MID-YEAR RATE BASE GROWTH (C\$ BILLIONS)



International (LUMA)

JUNE 22, 2020

Puerto Rico Public-Private Partnerships Authority (P3A) select newly formed joint venture, LUMA Energy, to manage and modernize Puerto Rico's Transmission and Distribution system

1-year Transition Period Begins



JUNE 1, 2021

LUMA Energy completes the upfront transition and commences operations under the terms of the 18-month Supplemental Agreement which precedes the **15-year Contract***



50%



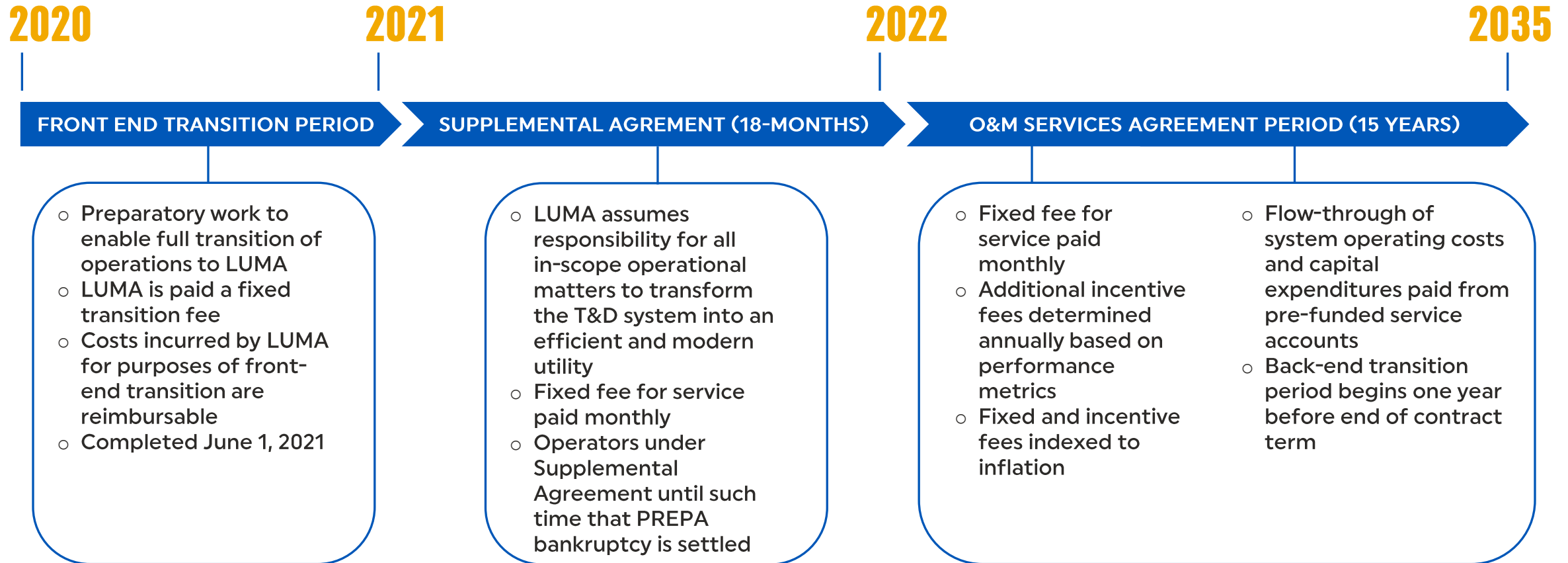
50%



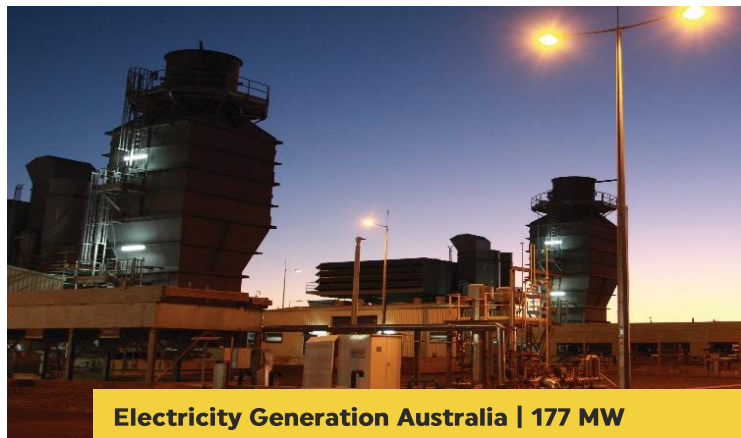
*Operating & Maintenance (O&M) Agreement to replace Supplemental Agreement when PREPA emerge from bankruptcy.

International

Key Contract Terms & Objectives



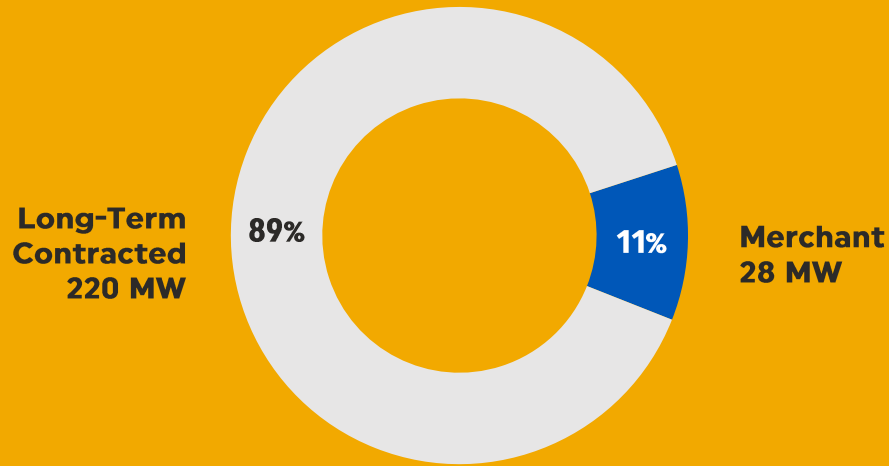
Energy Infrastructure Operating Businesses¹



1. Above figures represent capacity share in noted assets where partnerships exist.

Electricity Generation

HIGHLY-CONTRACTED PORTFOLIO



Why Solar?

We continue to pursue solar opportunities as we grow our renewables portfolio. Solar encapsulates our sustainability commitments and aligns with our business strategies.

CLIMATE CHANGE & ENVIRONMENT STEWARDSHIP

As we look to reduce the carbon intensity of our electricity systems globally, solar and other renewable sources of generation have a key role to play.

INDIGENOUS AND COMMUNITY PARTNERSHIPS

ATCO's business model with Fort Chipewyan and Old Crow enables community ownership and self-sustaining economic development through job creation, investment in infrastructure and revenue from the sale of clean energy.

ENERGY TRANSITION & PEOPLE

Rümi, an ATCO company, offers the community Green Home Improvement services, including 'solar readiness surveys', solar panel financing and professional installation.

WHY SOLAR?



**FREEDOM TO PRODUCE
YOUR OWN CLEAN ENERGY
FROM A RENEWABLE
SOURCE**



**ELIMINATE TONS OF
CARBON PRODUCTION
EVERY YEAR**



**REDUCE YOUR MONTHLY
POWER BILL**



**GET CREDIT FOR EXCESS
ENERGY YOU PRODUCE**

SOLAR PARTNERSHIPS

Sree Vyah (the Old Crow Solar Project)

- Completion of Canada's most northerly off-grid solar project on August 23, 2021.
- First-of-its-kind 25-year Electricity Purchase Agreement with ATCO Electric Yukon is a model for effective collaboration in the utilities sector.
- Vuntut Gwitchin will serve as the Independent Power Producer, owner and operator of the solar facility.
- The solar array and battery energy storage system are sized to satisfy the entire electrical load of the community.

Energy projects like the Old Crow Solar Facility and the Fort Chipewyan Solar Farm in Northern Alberta—the largest off-grid solar project in Canada, completed in partnership with three Indigenous communities—foster community ownership and self-sustaining economic development through job creation, investment in infrastructure and revenue from the sale of renewable energy



REDUCES DIESEL USE BY 189,000 LITRES ANNUALLY



DEMONSTRATES VIABILITY OF SOLAR GENERATION IN THE ARCTIC



CREATES A RELIABLE SOURCE OF REVENUE FOR THE COMMUNITY

SOLAR PROJECT

Empress Solar Project

Empress, Alberta

- Acquired the development rights for a 39 MW photovoltaic solar facility near Empress, Alberta (the "Empress Solar Project").
- Electricity from the Empress Solar Project may be sold through a Power Purchase Agreement with uncontracted electricity sold into the grid.
- Major permits received and engineering underway to support energization in the first half of 2023.



ABOUT 85,000 BIFACIAL SOLAR PANELS



OFFSET 43,000 TONNES OF CARBON/YEAR

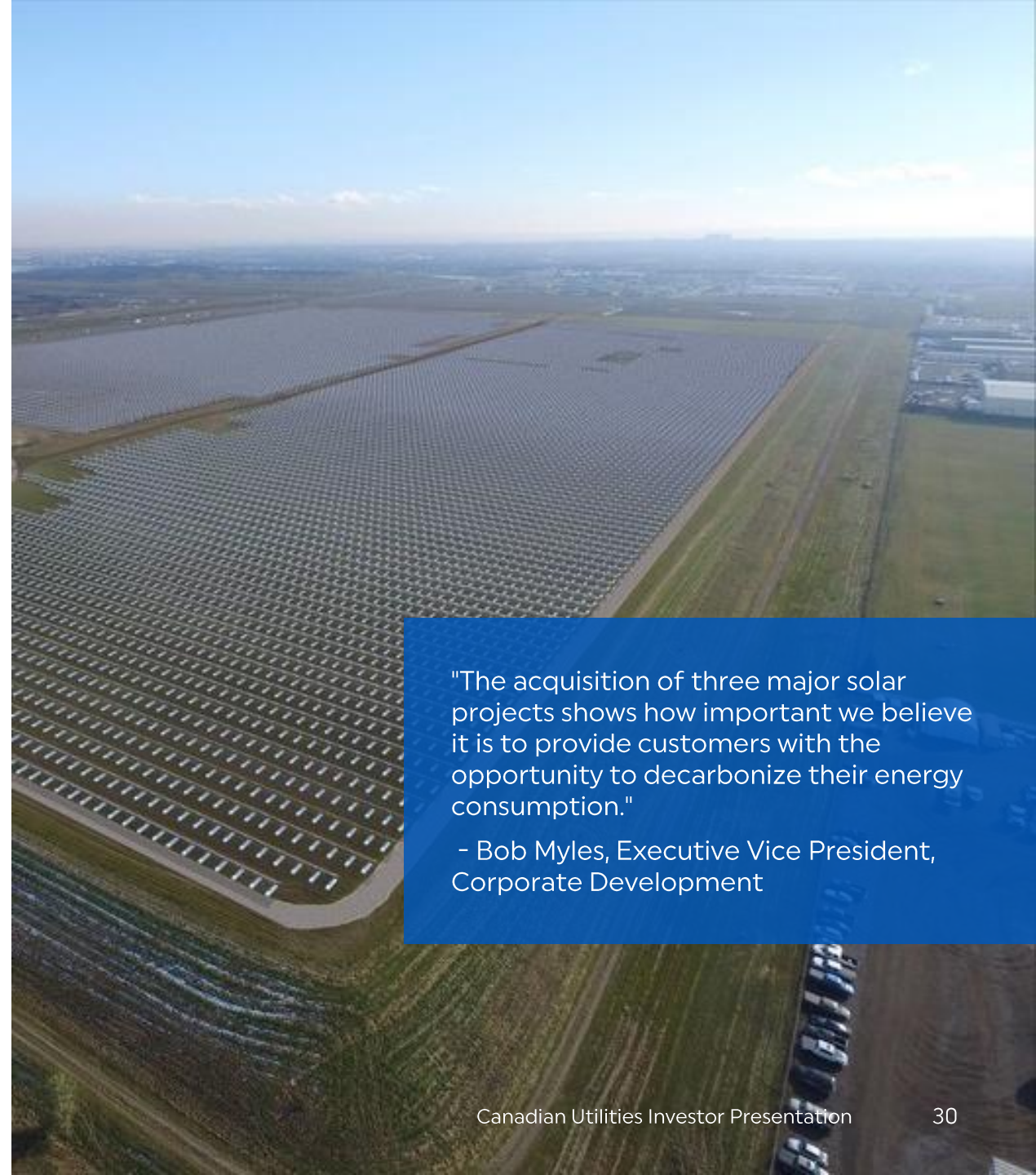


RENEWABLE ELECTRICITY TO POWER 11,000+ HOMES

SOLAR PROJECTS

Barlow & Deerfoot

- Canadian Utilities Limited acquired the rights to build two solar installations in Calgary, from DP Energy, a privately held energy developer.
- Once completed, the **Barlow** (near Barlow Trail and 114 Avenue SE) and **Deerfoot** (114 Avenue and 52 Street SE) solar projects will be the largest solar installation in a major urban centre in Western Canada with a combined capacity of **64-MWs**
- Together, they will cover the equivalent of roughly 170 (Canadian) football fields.
- They will generate renewable electricity to power more than **18,000 homes** and offset **68,000 tonnes of carbon** a year.
- Development activities for both projects are currently underway, with electrification expected by the end of 2022.



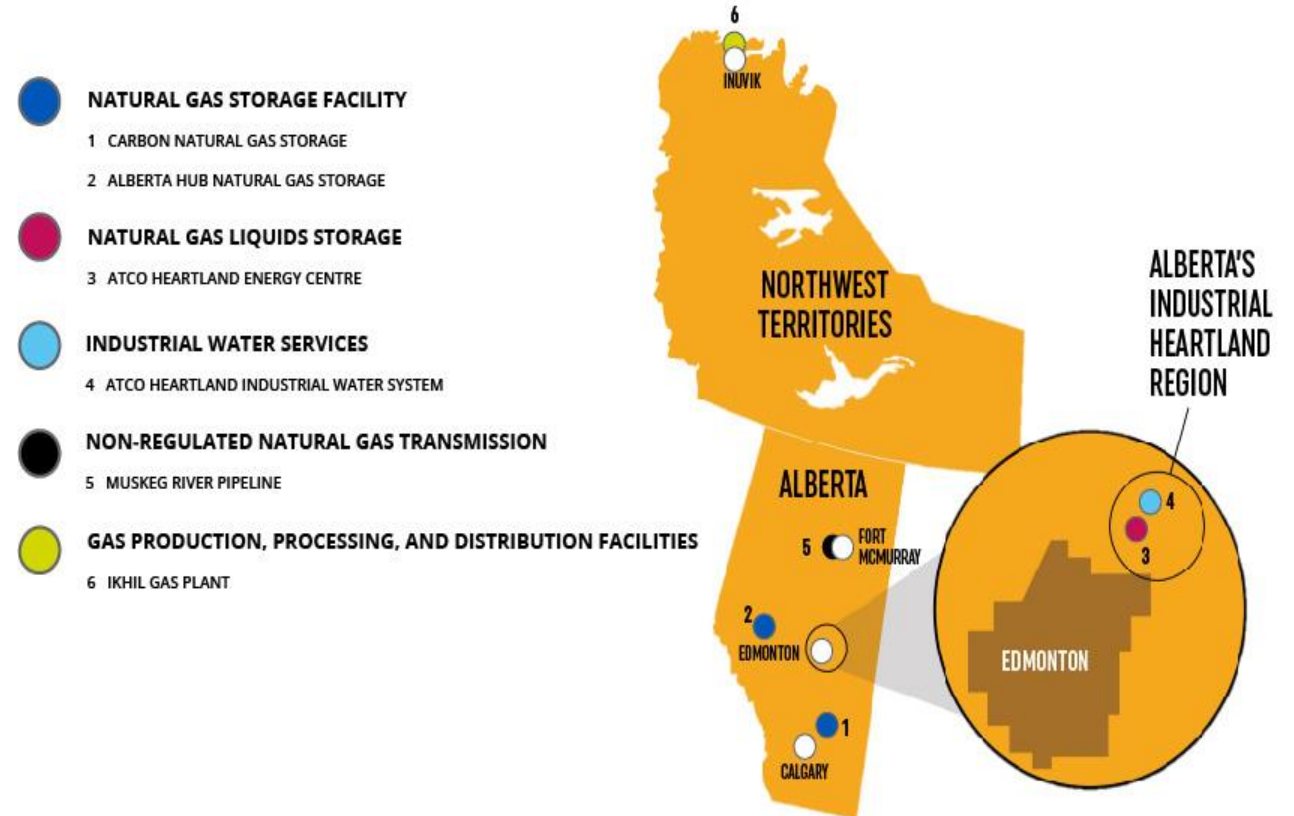
"The acquisition of three major solar projects shows how important we believe it is to provide customers with the opportunity to decarbonize their energy consumption."

- Bob Myles, Executive Vice President,
Corporate Development

Storage & Industrial Water

We build, own, and operate energy infrastructure assets across Alberta and the Northwest Territories

- Integrated water services including pipeline transportation, storage, water treatment, recycling, and disposal to a number of our industrial customers.
- The natural gas storage facilities are natural gas reservoirs with a seasonal storage cycle capacity of 101 petajoules. The facilities are connected to multiple transmission pipeline systems.
- The hydrocarbon storage facility consists of four storage caverns under long-term contract with a storage capacity of 400,000 cubic metres. A fifth storage cavern is under construction with full operation targeted for the second half of 2022.
- The 116-km Muskeg River non-regulated natural gas pipeline provides natural gas transportation service under a long-term commercial agreement to meet the needs of the Muskeg River Mine facilities and other facilities in the Fort McMurray area.



CLEAN FUELS

Hydrogen & Renewable Natural Gas

Clean Energy Innovation Hub - Western Australia



Hydrogen Blending Project - Alberta



Hydrogen Blending Project - Australia



Clean Energy Innovation Park - Western Australia



Why Hydrogen?

- We are committed to promoting a more environmentally-sustainable future by providing clean, reliable and affordable energy.
- It can play a role in affordably decarbonizing the production of heat, particularly in our cold Canadian climate.
- Alberta is already a leader in hydrogen production, has strong carbon capture and storage infrastructure in place, and has large industrial demand.
- Maintains and creates energy jobs in Alberta.
- Our company has midstream capabilities, renewable energy expertise, land holdings in strategic areas, and supporting energy storage assets.



Hydrogen can be blended to fuel industrial, commercial, residential and transportation needs, reducing GHG emissions. When burned, hydrogen produces water vapour and no carbon emissions.

HYDROGEN PROJECT

SUNCOR JOINT VENTURE

Proposed World-Scale Clean Hydrogen JV Project with Suncor – in Alberta

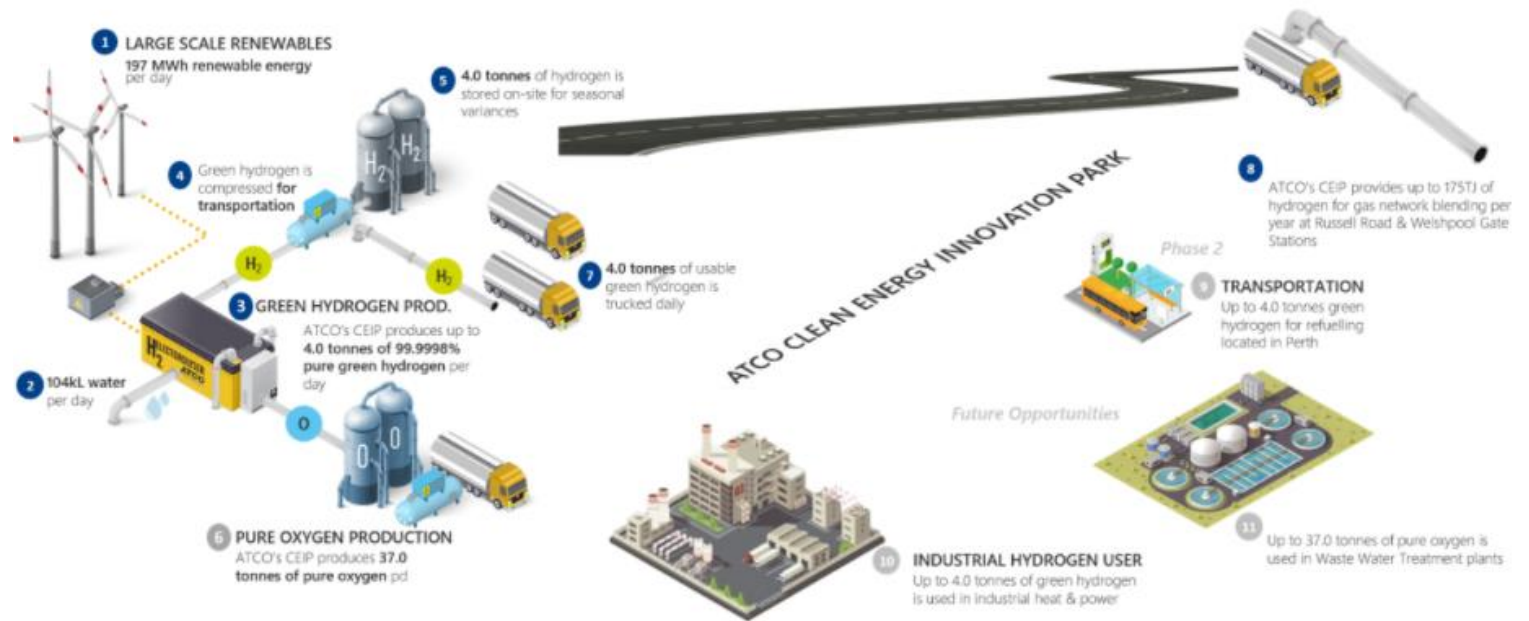
- ATCO/Suncor partnership has received welcome support from Government of Canada and Government of Alberta.
- Collaboration between governments and businesses across sectors is critical to progressing projects of this magnitude **and achieving Canada's net zero 2050 goals.**
- Project would produce more than **300,000** tonnes per year of clean hydrogen and capture **more than 90% of the emissions** generated in the hydrogen production process.
- Approximately **65% of the produced clean energy** would be used in refining processes and cogeneration of steam and electricity at the Suncor Edmonton Refinery, 20% would be used in Alberta's natural gas grid and the remaining 15% would be available for other uses.
- Reduce CO₂ emissions in Alberta by more than **two million tonnes per year**, the equivalent of taking **450,000 cars** per year off the road.
- FID is targeted for **2024** with a planned operation date of **2028**.



HYDROGEN PROJECT

Clean Energy Innovation Park Western Australia

- Australia's first **commercial scale hydrogen production supply chain**.
- Approved for **\$28.7M** in funding from the Australian Renewable Energy Agency.
- Includes a 10-MW electrolyser and plant capable of producing **4.3 tonnes** of hydrogen per day, along with storage and delivery to natural gas network injection points.
- The Park is planned to be co-located with a **180-MW** wind farm, which will provide the renewable energy to power the electrolyser.



RNG PROJECT

Two Hills

- Canadian Utilities Limited, has partnered with Future Fuel Ltd. to build and operate the "Two Hills" RNG facility in Alberta.
- ATCO's first commercial RNG production facility and a strategic investment in the clean fuels leg of our Energy Transition strategy.
- Full commercial operation is expected to be achieved in late 2022.
- Pacific Northern Gas Ltd. announced a long-term offtake agreement on November 10, 2021 to purchase the RNG from this facility.
- RNG projects provide innovative resource recovery solutions and improved waste management opportunities.



RNG IS A RENEWABLE FUEL PRODUCED BY CAPTURING METHANE EMISSIONS.



EMISSIONS REDUCTION ALBERTA HAS COMMITTED \$7.9 MILLION THROUGH ITS NATURAL GAS CHALLENGE.



LOCATED NORTH OF VEGREVILLE, ALBERTA.



PROJECT IS CURRENTLY UNDERGOING DETAILED ENGINEERING AND CONSTRUCTION



THE FACILITY WILL PRODUCE 230,000 GIGAJOULES OF RNG PER YEAR. SUPPORTS THE REDUCTION OF UP TO 20,000 TONNES OF CARBON DIOXIDE EQUIVALENT EMISSIONS PER YEAR.

Retail Energy

RETAIL IS COMPRISED OF THREE SEGMENTS:



ATCO
ENERGY

Home Energy
Business Energy
Large Commercial Energy



Blue Flame
KITCHEN™

Cooking Classes & Programs
Events & Catering
BFK Café



Rūmi™
POWERED BY ATCO

Home Products
Repair & Maintenance Services
Home Management Advice

ATCOenergy, the third largest competitive energy retailer in Alberta, offers flexible electricity and natural gas plans, flexible payment options, and local support to residential and business customers.



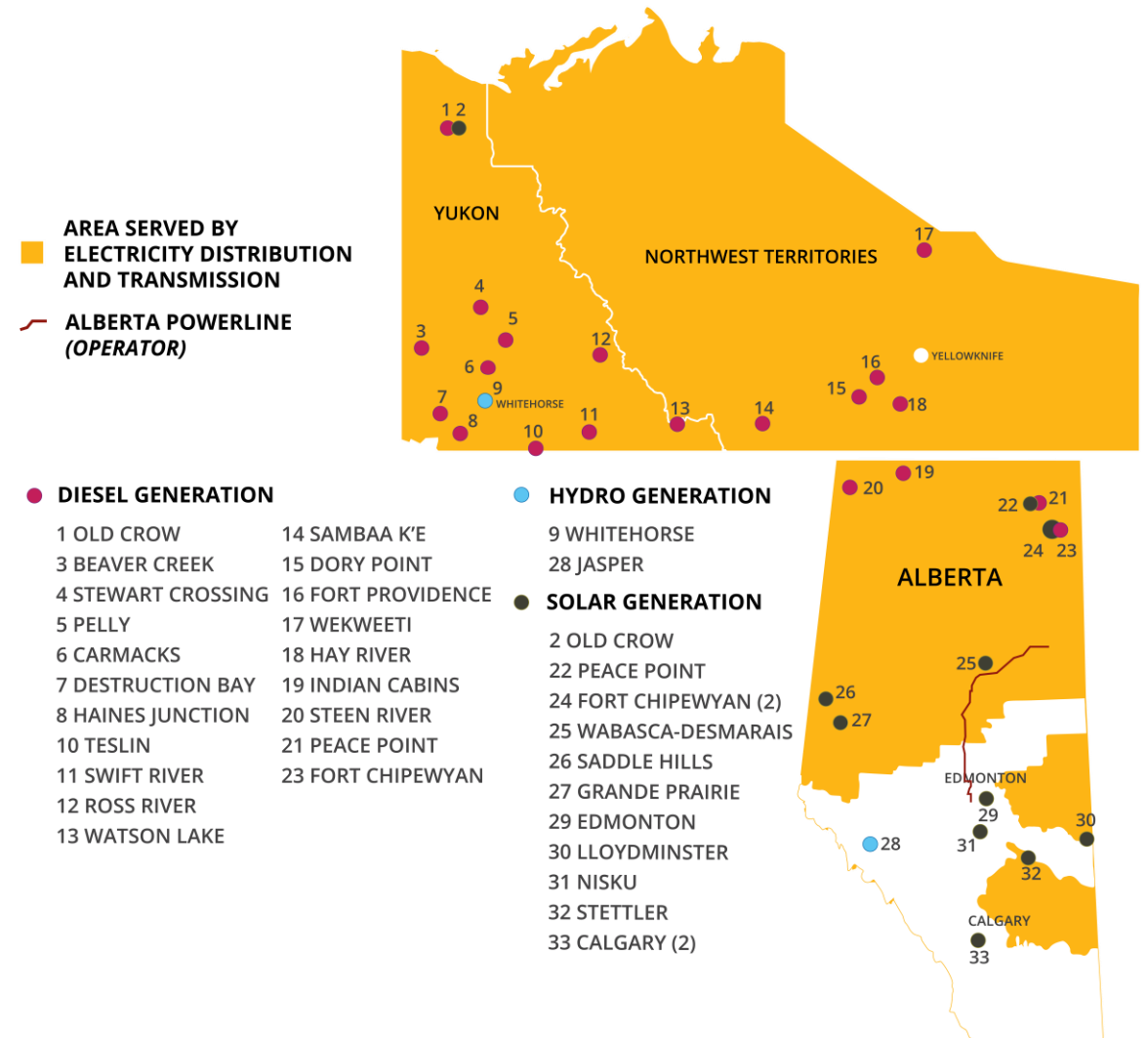
Appendix

Utilities

Electricity Distribution & Transmission

We build, own and operate electrical distribution and transmission facilities

- Approximately 11,000 km of transmission lines, in addition to delivering power to, and operating, 3,500 km of distribution lines owned by Rural Electrification Associations, and 60,000 km of distribution lines
- Owns or operates 33 hydro, diesel, and solar electric generating sites with 48-MW of capacity
- Subsidiaries:
 - ATCO Electric Yukon
 - Northland Utilities



Utilities

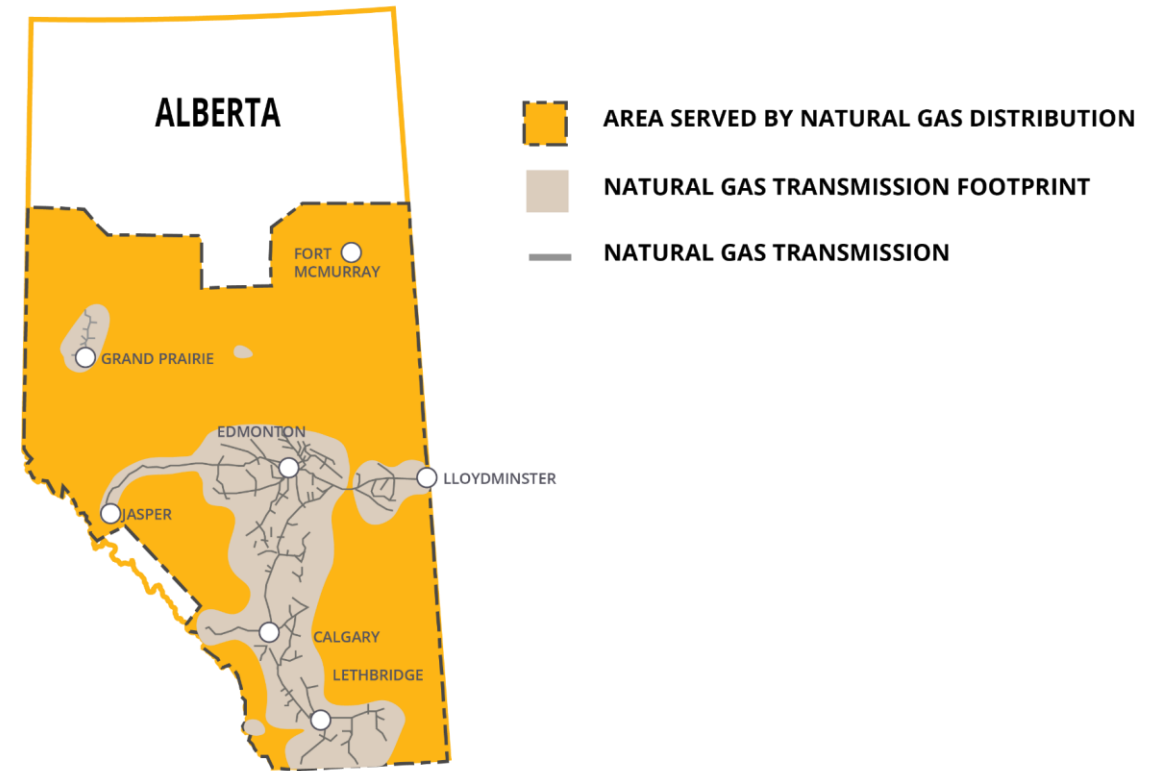
Natural Gas Distribution & Transmission

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

- Alberta's largest natural gas distribution company
- Serves approximately 1.3 million customers in nearly 300 Alberta communities
- We own and operate 41,000 km of natural gas distribution pipelines

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

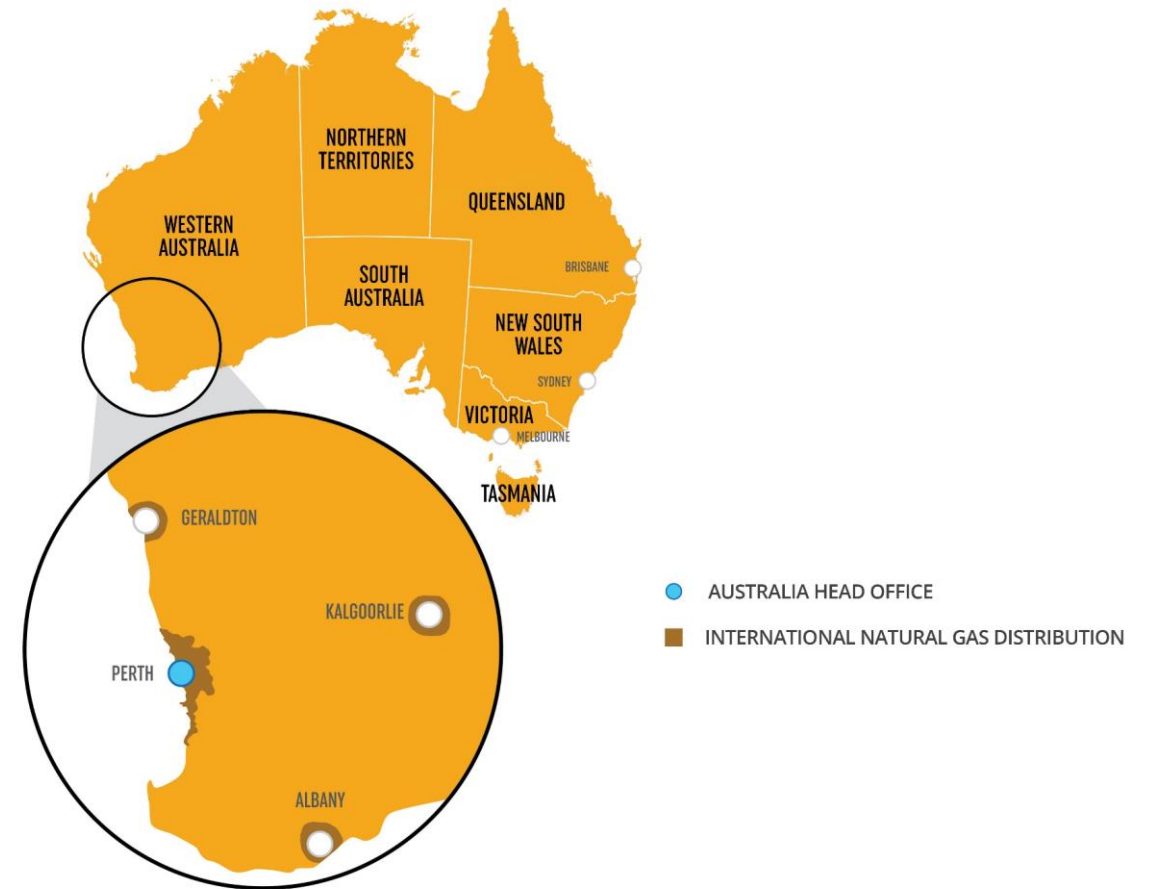
- Transports clean, efficient energy from producers and other pipelines to utilities, power generators and major industries
- Owns and operates 9,200 km of pipeline
- Delivers a peak of 4B cubic ft/day of natural gas to customers
- Approximately 3,700 receipt and delivery points
- Interconnections facilitate access to multiple intra-Alberta and export markets



Australia Utility

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

- 14,000 km of natural gas distribution pipelines and associated infrastructure
- Serves 18 communities and approximately 786,000 customers





CANADIAN
UTILITIES LIMITED

An **ATCO** Company

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