



# CANADIAN UTILITIES LIMITED

## INVESTOR PRESENTATION

SEPTEMBER 17, 2019

## **LEGAL DISCLAIMER**

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**Statements made by representatives for 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 differ materially from those currently anticipated. 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.**



**SIEGFRIED KIEFER**  
**PRESIDENT & CHIEF EXECUTIVE OFFICER**  
**CANADIAN UTILITIES LIMITED**

# INTRODUCTION: CANADIAN UTILITIES EXECUTIVE TEAM



**WAYNE STENSBY**  
EXECUTIVE VICE PRESIDENT,  
CORPORATE DEVELOPMENT



**DENNIS DECHAMPLAIN**  
EXECUTIVE VICE PRESIDENT &  
CHIEF FINANCIAL OFFICER



**SIEGFRIED KIEFER**  
PRESIDENT &  
CHIEF EXECUTIVE OFFICER



**GEORGE LIDGETT**  
EXECUTIVE VICE PRESIDENT &  
GENERAL MANAGER, UTILITIES



**PAT CREAGHAN**  
MANAGING DIRECTOR &  
CHIEF OPERATING OFFICER,  
ATCO AUSTRALIA



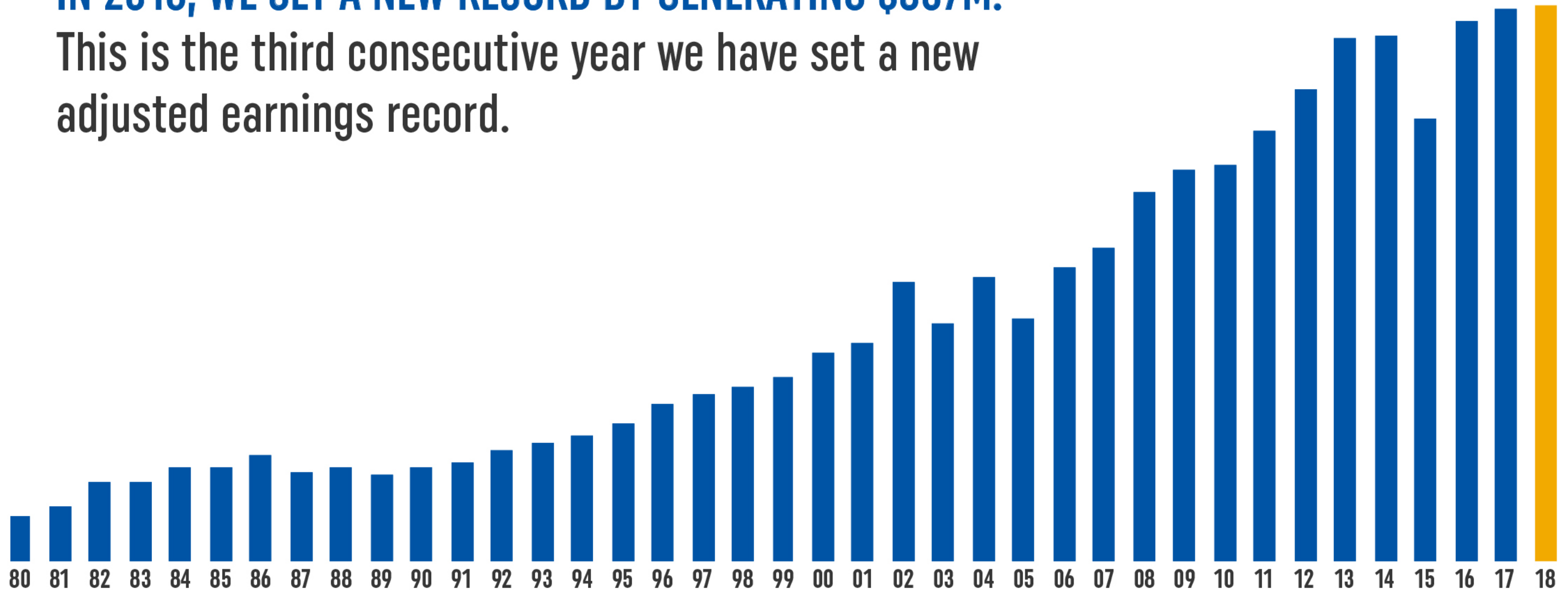
# **DENNIS DECHAMPLAIN**

## **EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER**

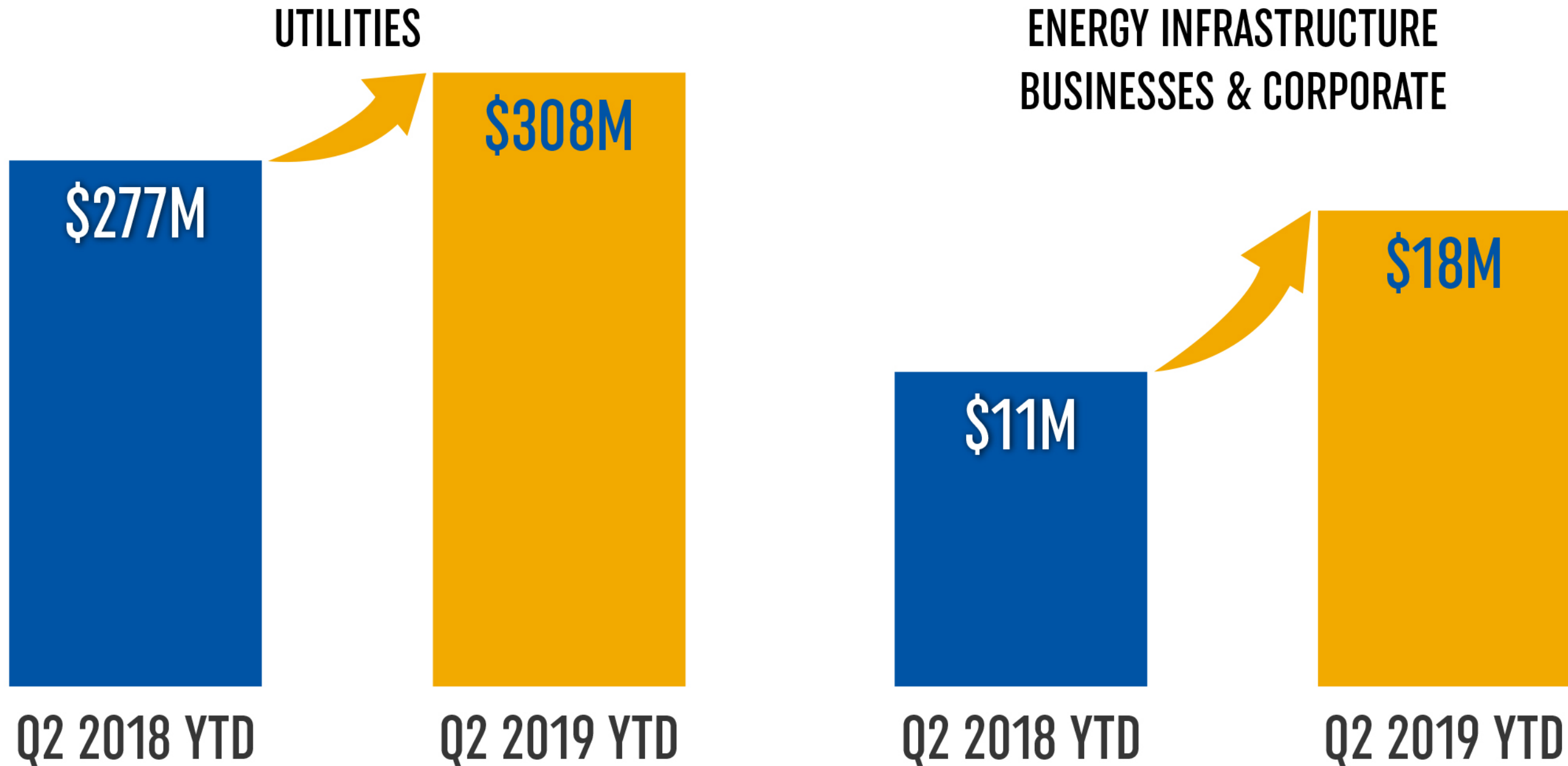
# TRACK RECORD OF SUCCESS: EARNINGS GROWTH

**IN 2018, WE SET A NEW RECORD BY GENERATING \$607M.**

This is the third consecutive year we have set a new adjusted earnings record.



# GROWTH: FIRST HALF 2019 ADJUSTED EARNINGS



# CONTINUED DIVIDEND GROWTH

## CANADIAN UTILITIES: 47 YEARS OF ANNUAL DIVIDEND INCREASES

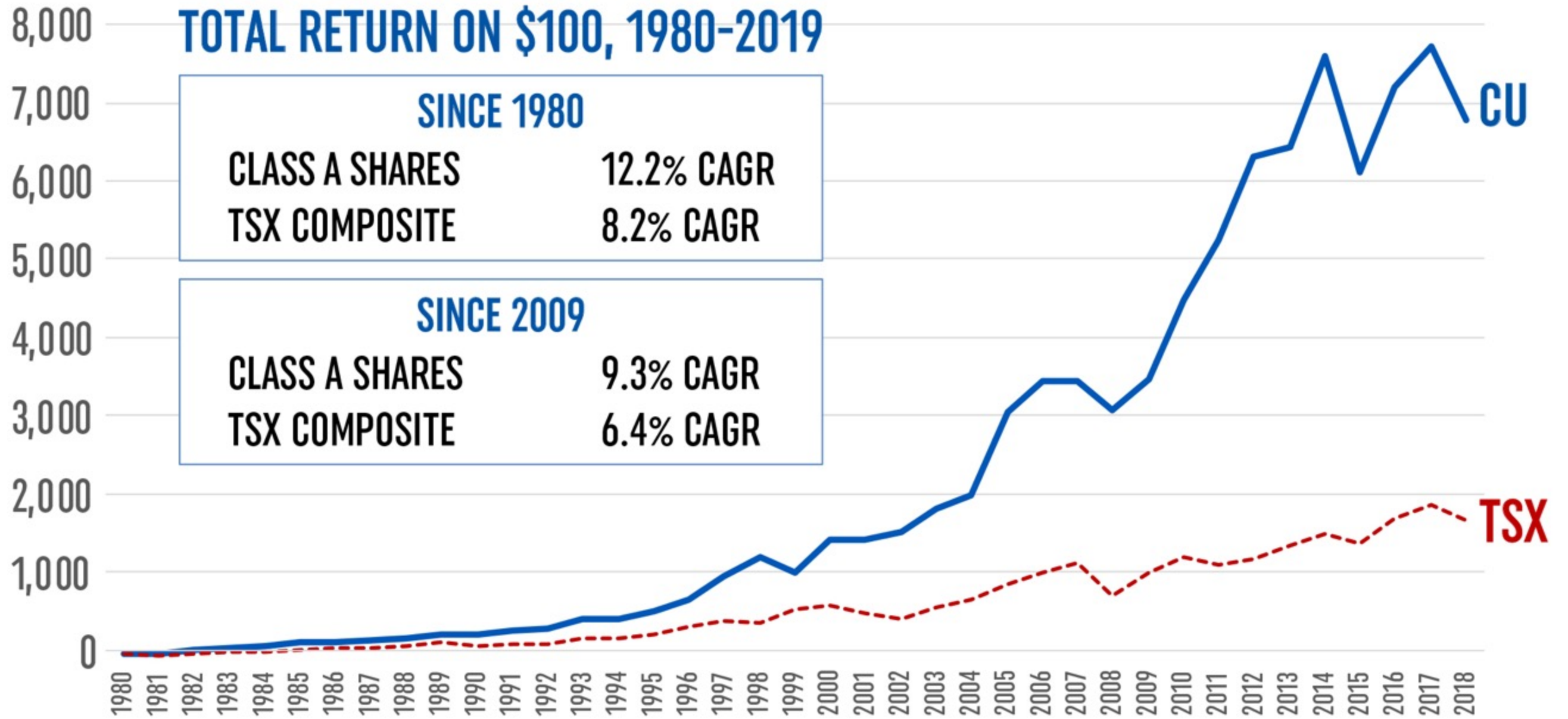
The longest track record of annual dividend increases of any Canadian publicly traded company\*



\*On July 9, 2019, Canadian Utilities declared a third quarter dividend of \$0.4227 per share, or \$1.69 per share annualized.



# TRACK RECORD OF SUCCESS: CANADIAN UTILITIES TOTAL SHAREHOLDER RETURN



# FINANCIAL STRENGTH: BALANCE SHEET

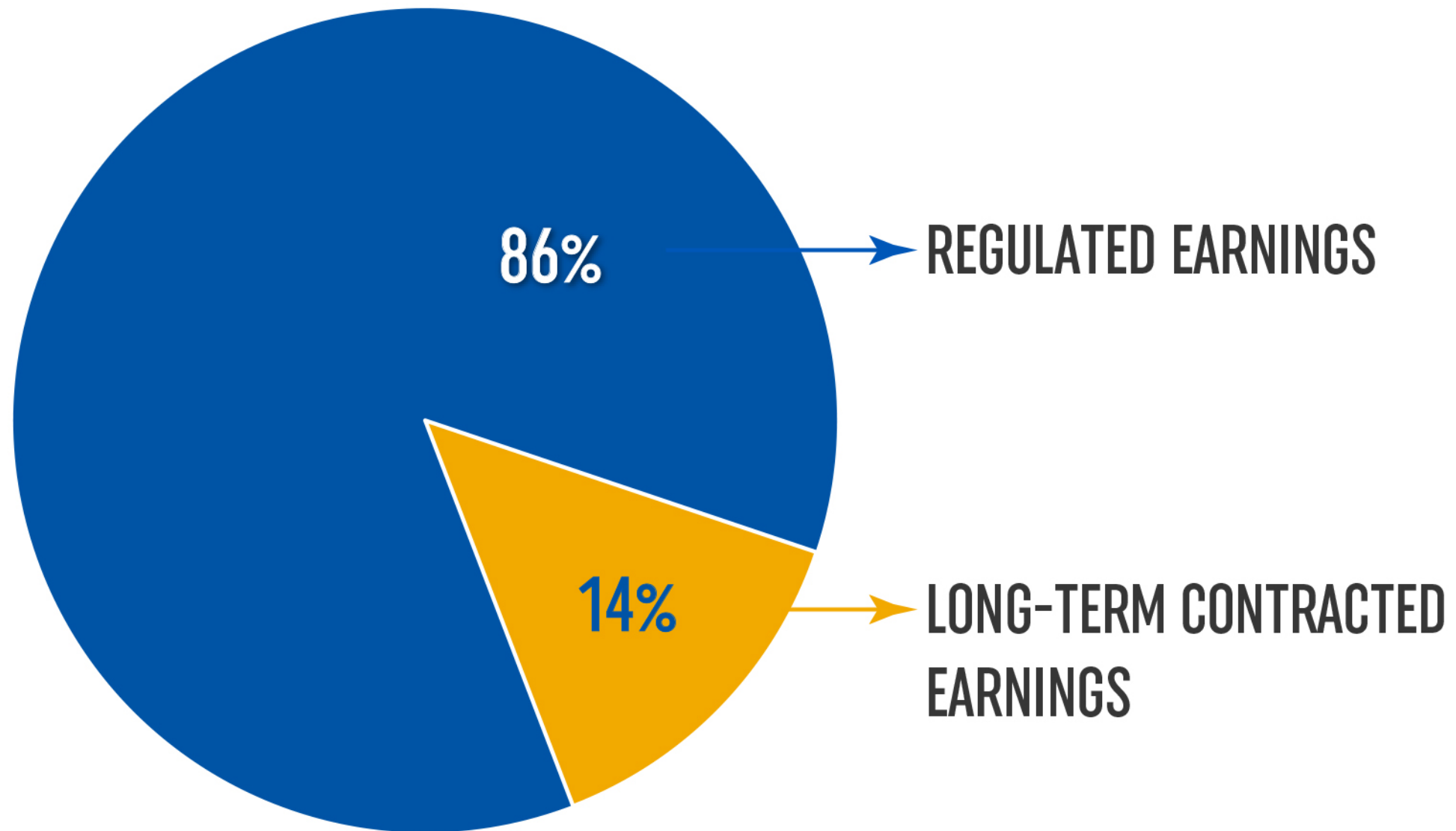


**DBRS**



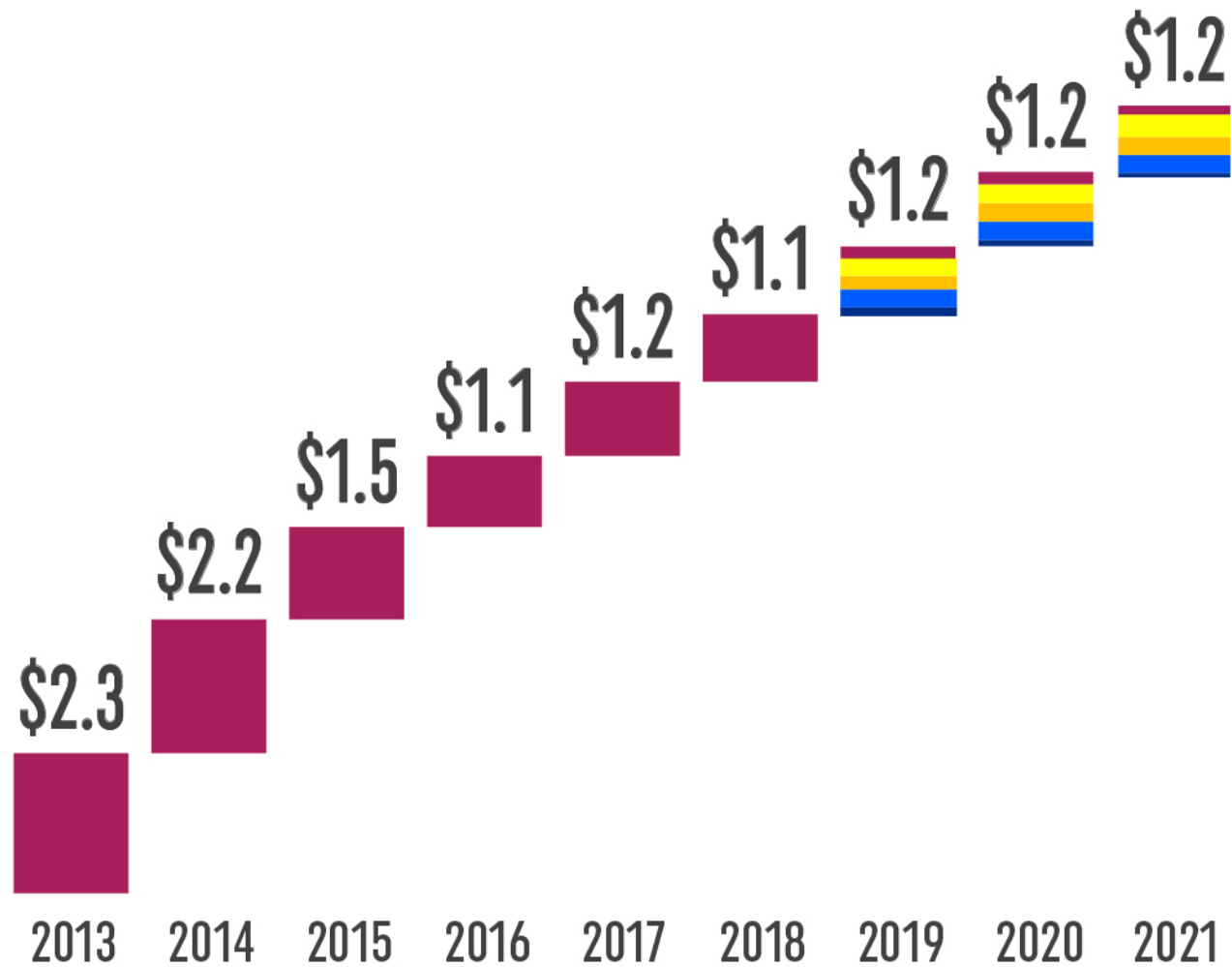
**S&P**

## HIGH QUALITY EARNINGS: 2018 ADJUSTED EARNINGS



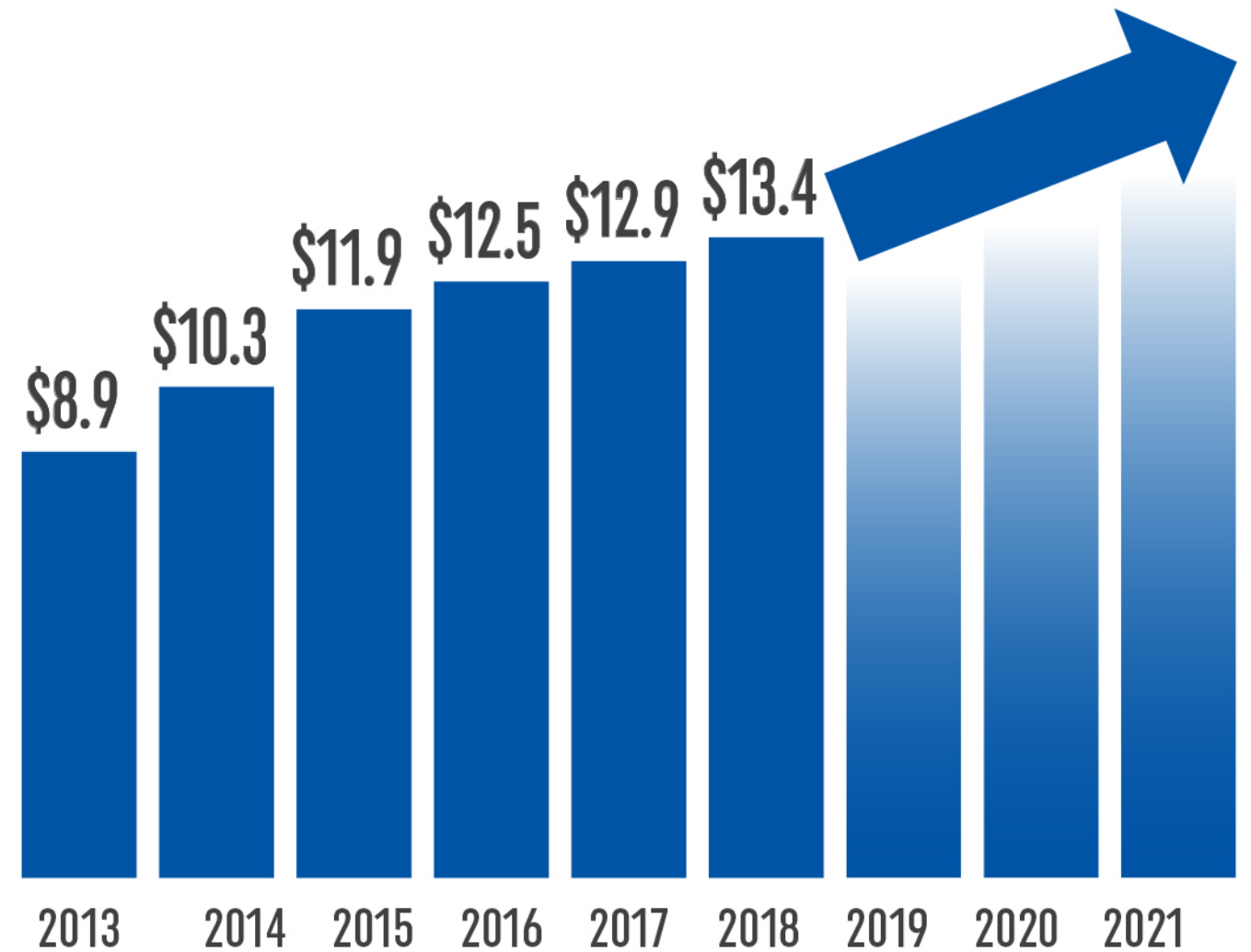
# RATE BASE GROWTH

## REGULATED CAPITAL INVESTMENT (\$B)



## MID-YEAR RATE BASE (\$B)

EXPECTED TO GROW 4% PER YEAR





**SIEGFRIED KIEFER**  
**PRESIDENT & CHIEF EXECUTIVE OFFICER**  
**CANADIAN UTILITIES LIMITED**



# CANADIAN UTILITIES STRATEGY

# 5 STRATEGIC PRIORITIES: KEY TO CANADIAN UTILITIES' SUCCESS

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**INNOVATION**



**GROWTH**



**FINANCIAL  
STRENGTH**



**OPERATIONAL  
EXCELLENCE**



**COMMUNITY  
INVOLVEMENT**

# REGULATED UTILITIES



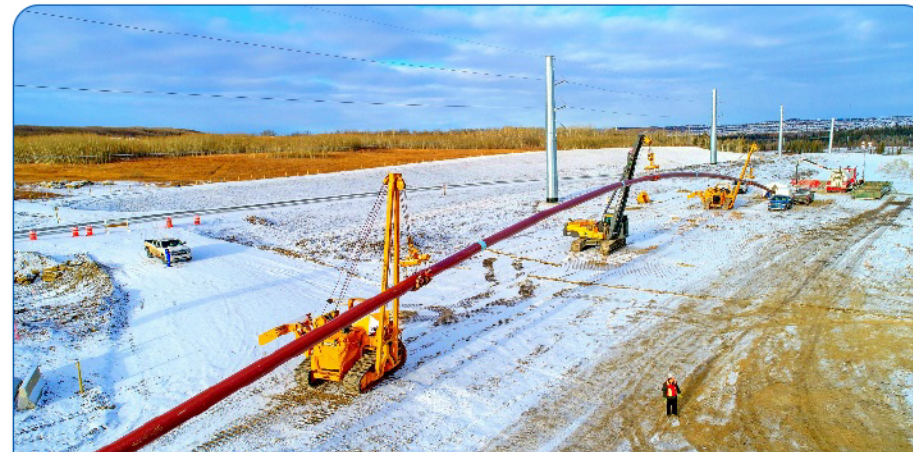
**ELECTRIC TRANSMISSION**  
\$5,095M Rate Base



**ELECTRIC DISTRIBUTION**  
\$2,585M Rate Base



**NATURAL GAS DISTRIBUTION**  
\$2,717M Rate Base



**NATURAL GAS TRANSMISSION**  
\$1,802M Rate Base



**INT'L NATURAL GAS DISTRIBUTION**  
\$1,211M Rate Base

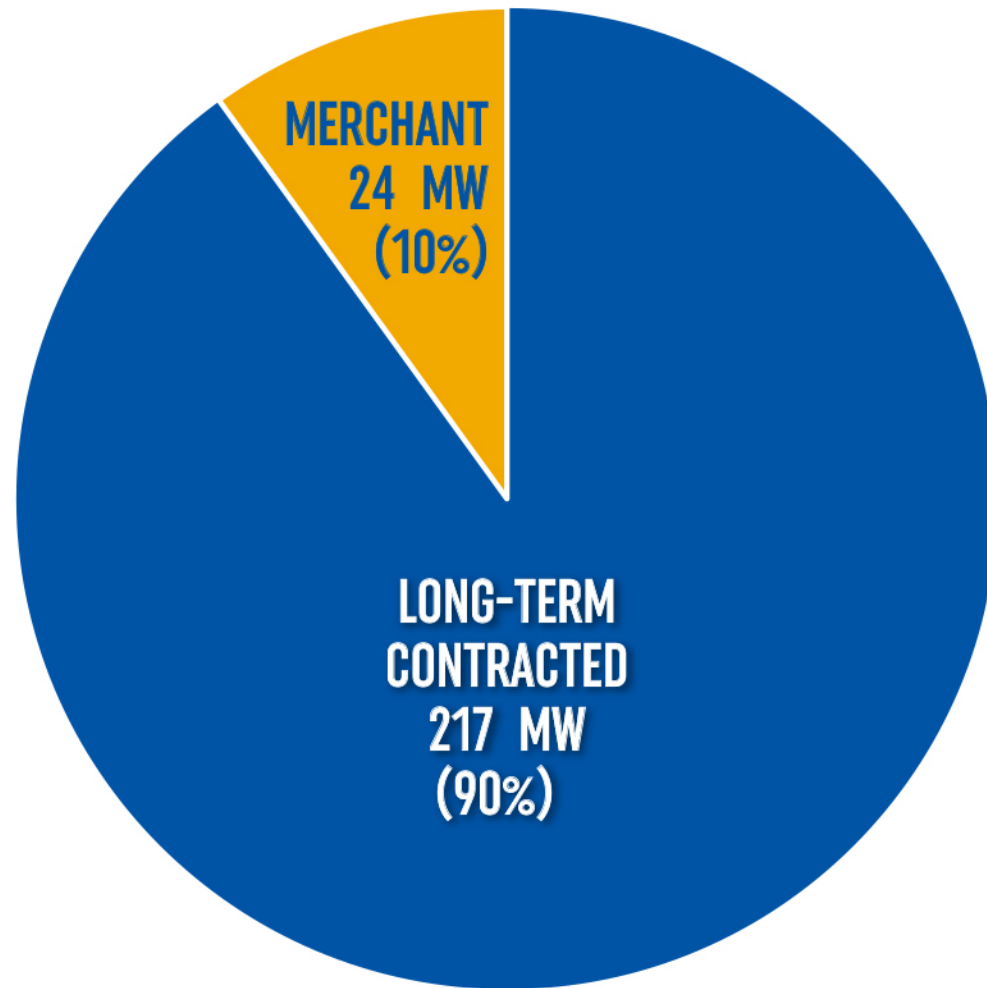


# CAPITAL RECYCLING: CANADIAN ELECTRICITY GENERATION SALE

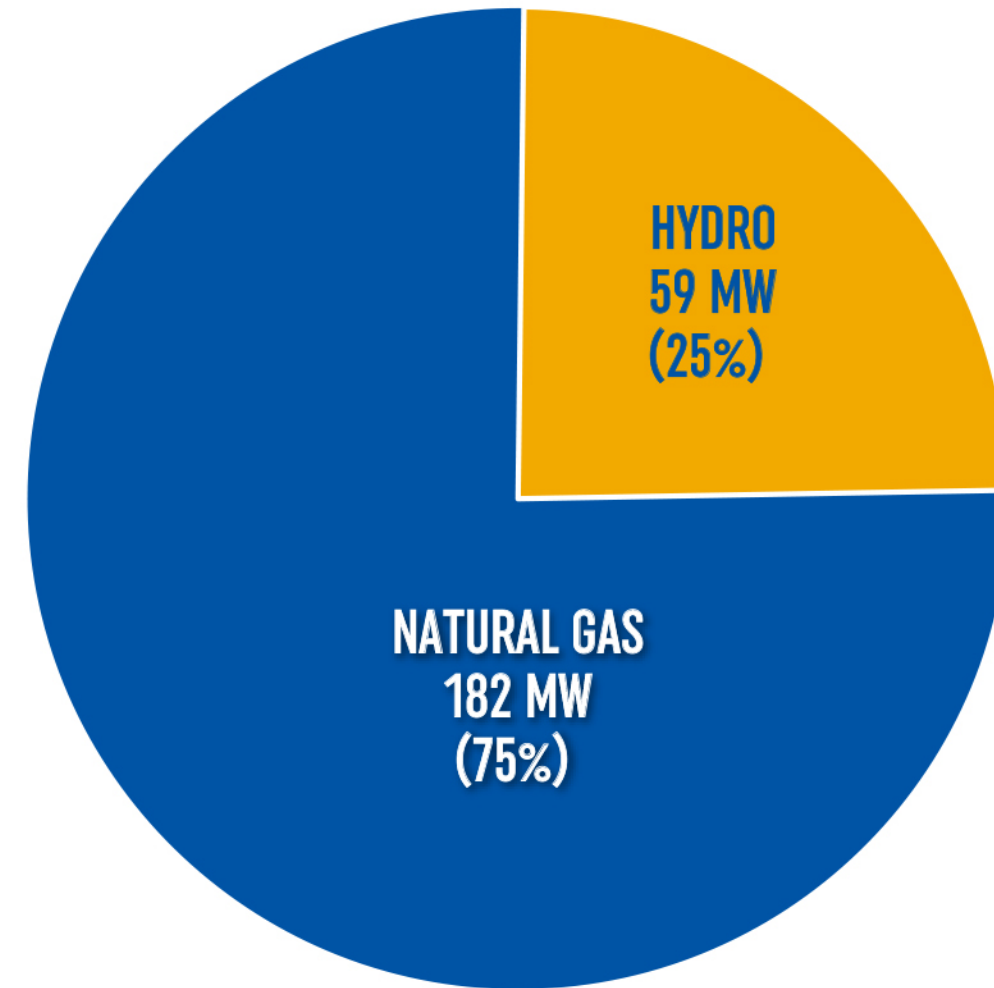
- Selling entire Canadian fossil fuel-based power generation portfolio for \$835 million
- 12 coal-fired and natural gas-fired electricity generation assets located in Alberta, British Columbia, Saskatchewan and Ontario, with generating capacity of 2,276 MW
- Sale expected to close in 2019

# ELECTRICITY GENERATION POST SALE

## HIGHLY CONTRACTED PORTFOLIO

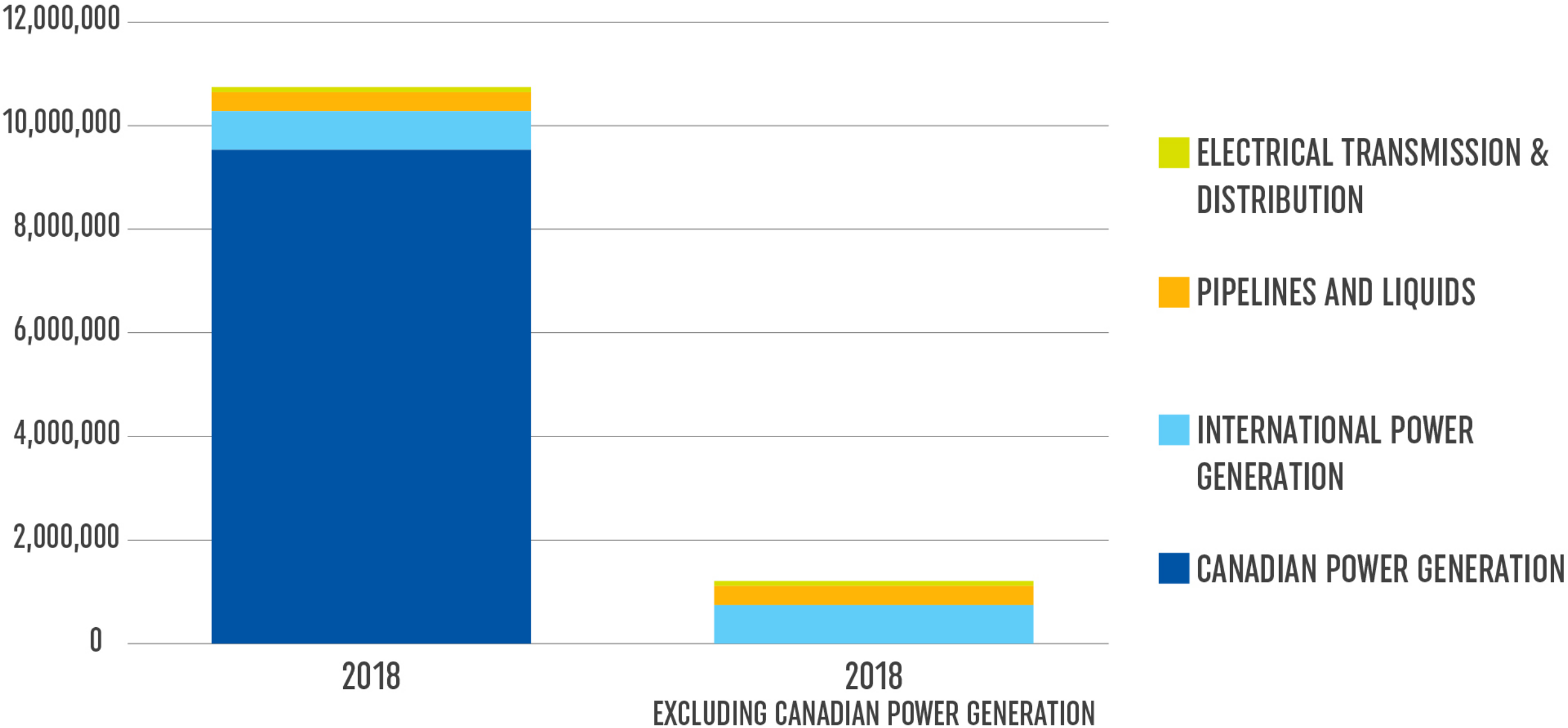


## EXPANDING RENEWABLE GENERATION CAPABILITIES

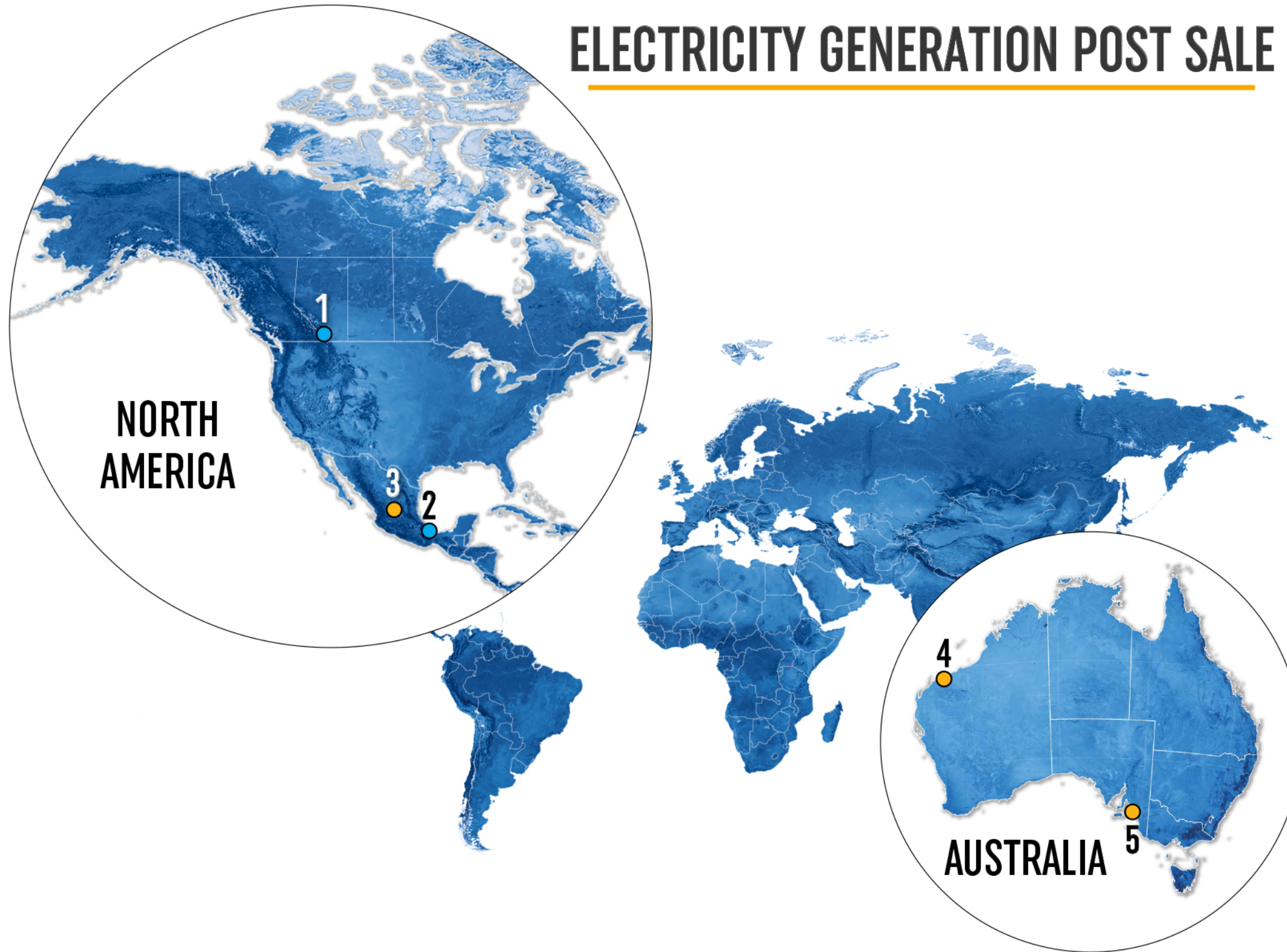


# CANADIAN UTILITIES DIRECT GREENHOUSE GAS EMISSIONS

## DIRECT GHG EMISSIONS (TONNES)



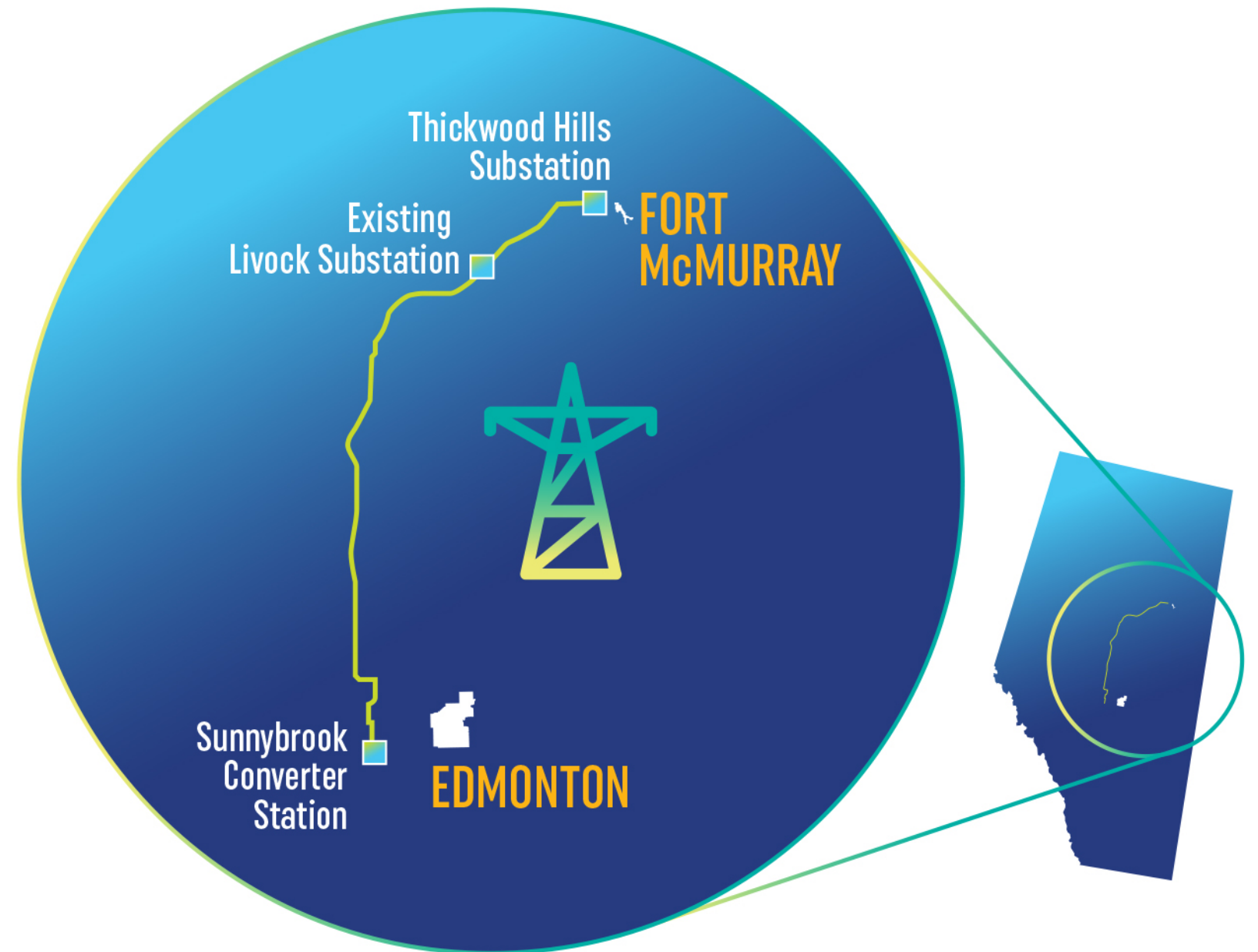
# ELECTRICITY GENERATION POST SALE



	CAPACITY SHARE (MW)
<b>● RUN-OF-RIVER HYDRO</b>	
1 OLDMAN RIVER	24
2 VERACRUZ	35
<b>● NATURAL GAS</b>	
3 SAN LUIS POTOSI	6
4 KARRATHA	86
5 OSBORNE	90
<b>TOTAL</b>	<b>241</b>

# CAPITAL RECYCLING: ALBERTA POWERLINE SALE

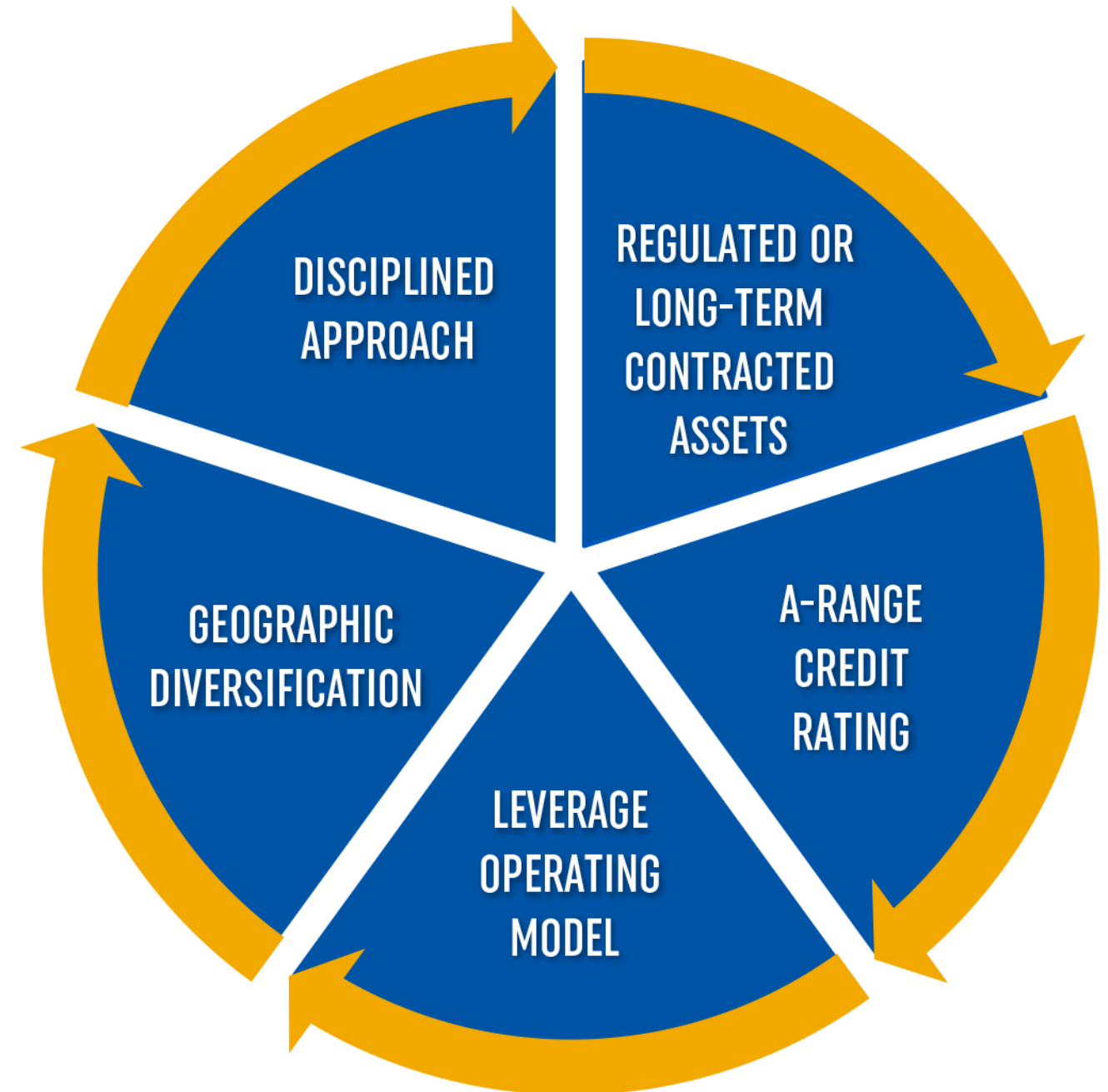
- Sold Alberta PowerLine Limited Partnership (APL) for total proceeds of approximately \$300 million, and the assumption of approximately \$1.4 billion of APL debt
- Indigenous communities have an opportunity to obtain up to a 40 per cent equity interest in APL
- Canadian Utilities will remain the operator of APL over its 35-year contract with the Alberta Electric System Operator
- The sale is expected to close in the fourth quarter of 2019



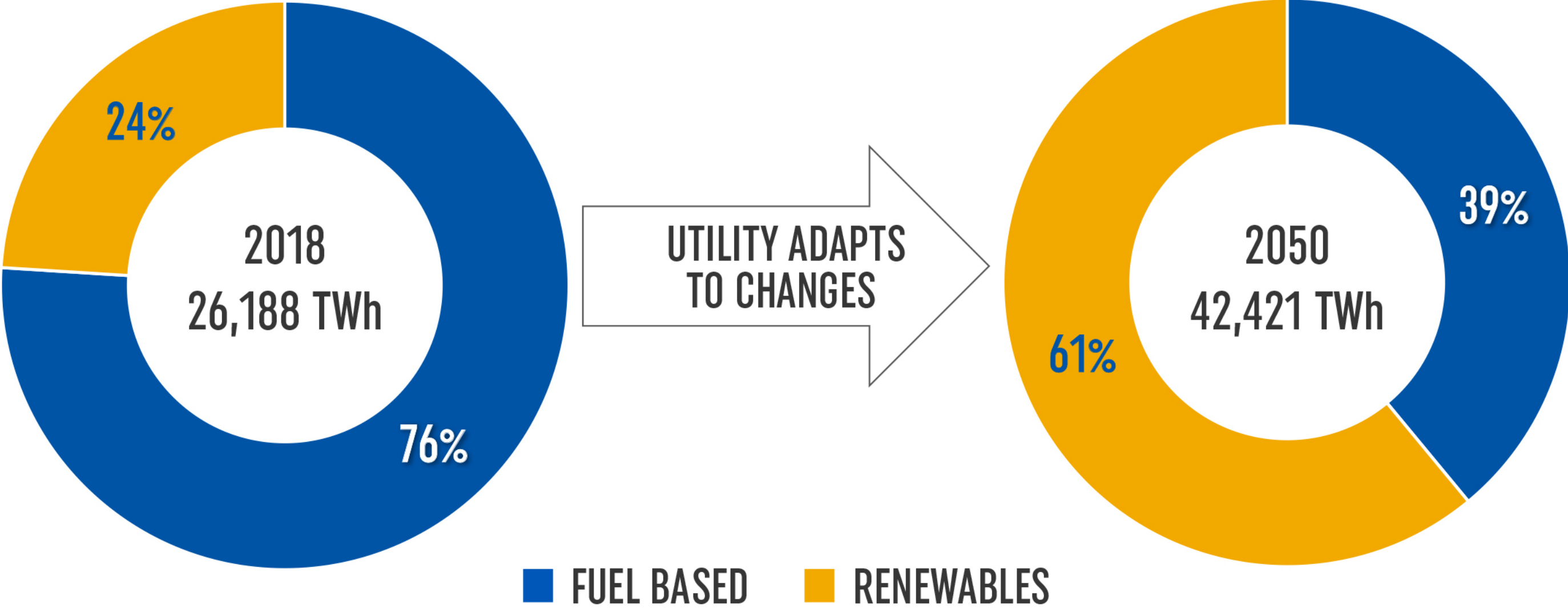
\* More information is available at [www.albertapowerline.com](http://www.albertapowerline.com)

# CAPITAL INVESTMENT APPROACH

- Disciplined and prudent approach
- Utility and utility-like assets: regulated or long-term contracted
- A-range credit rating focus
- The ability to leverage our operating model
- Geographic diversification: Outside Alberta, North America, Latin America, & Australia

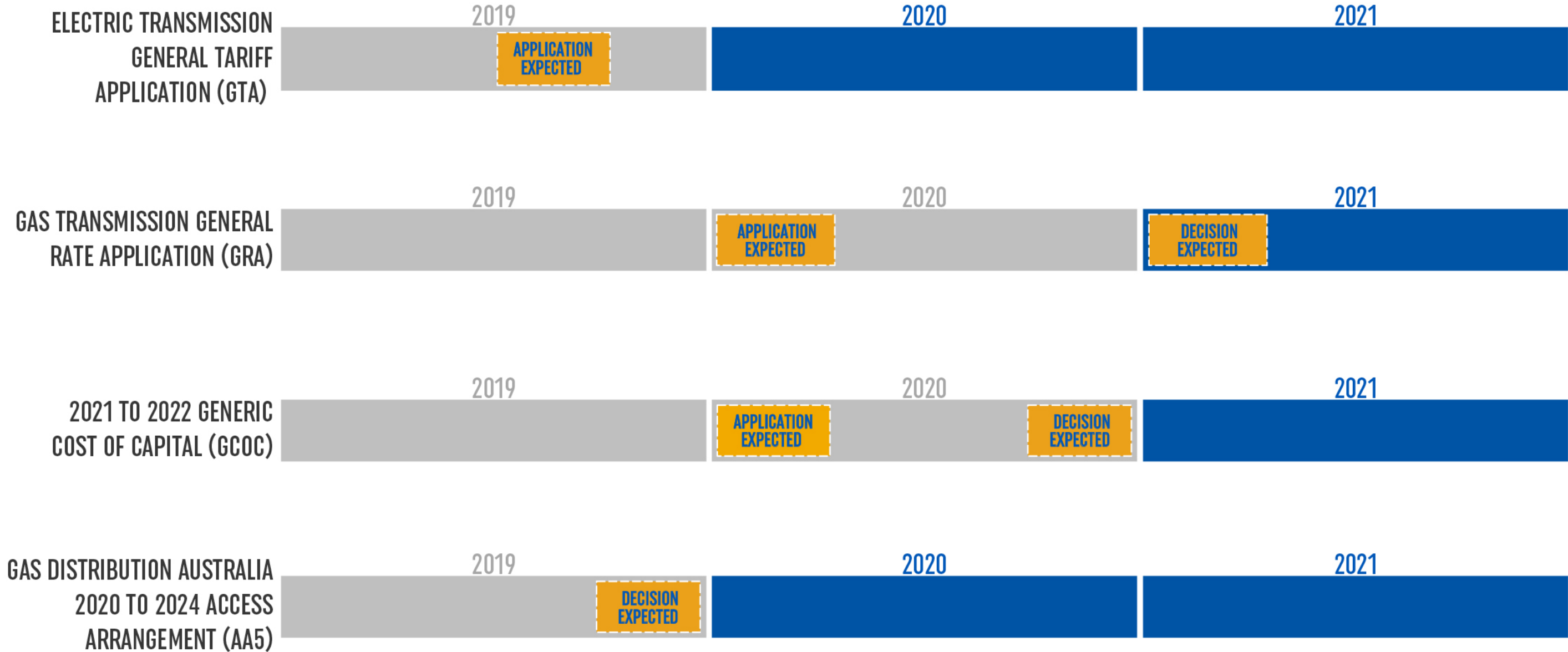


# GLOBAL TRENDS: GLOBAL ELECTRICITY GENERATION<sup>(1)</sup>



(1) Bloomberg New Energy Outlook 2019

# REGULATORY UPDATE







# COMMITMENT TO INNOVATION

# COMMITMENT TO INNOVATION: CHARGING CORRIDOR



EDMONTON



CALGARY



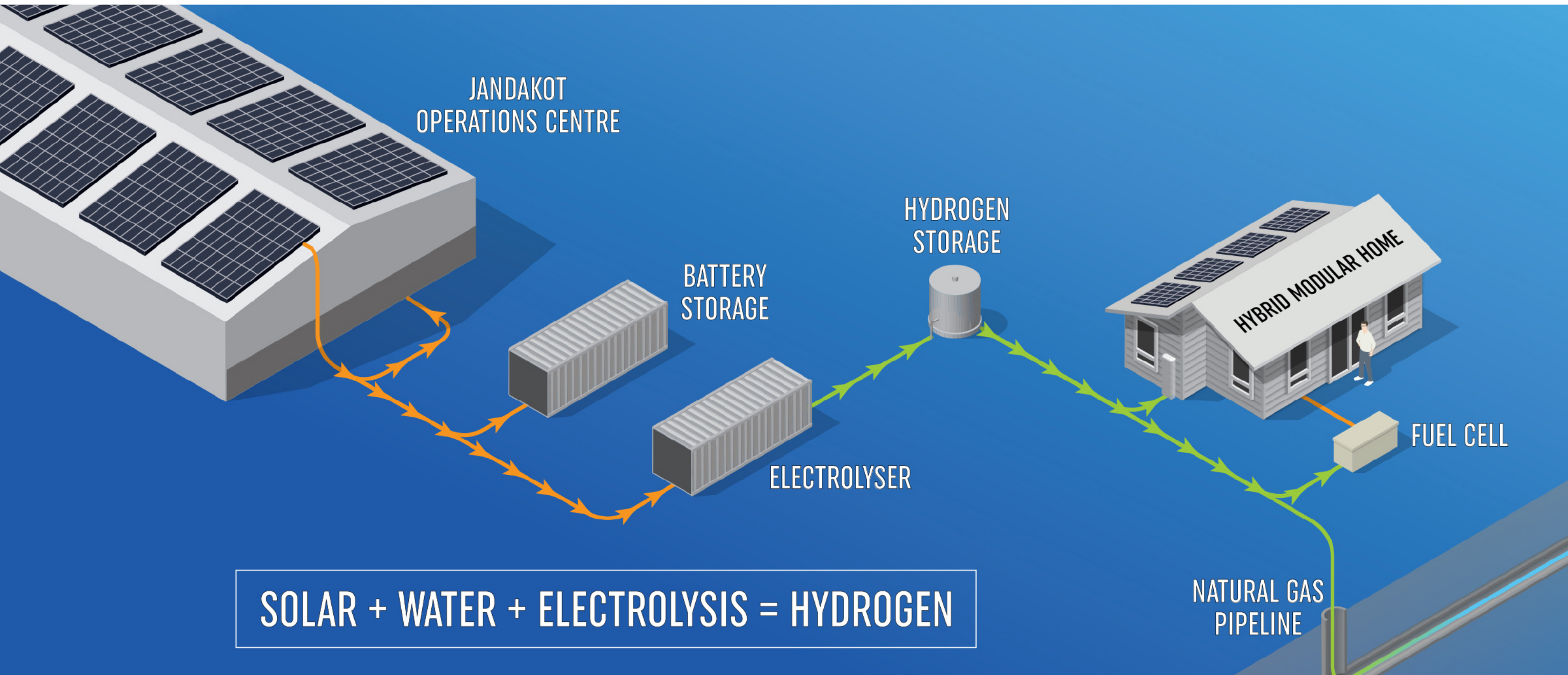
RED DEER

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NEW FAST CHARGERS  
IN SOUTHERN ALBERTA  
THIS YEAR



# COMMITMENT TO INNOVATION: CLEAN ENERGY INNOVATION HUB

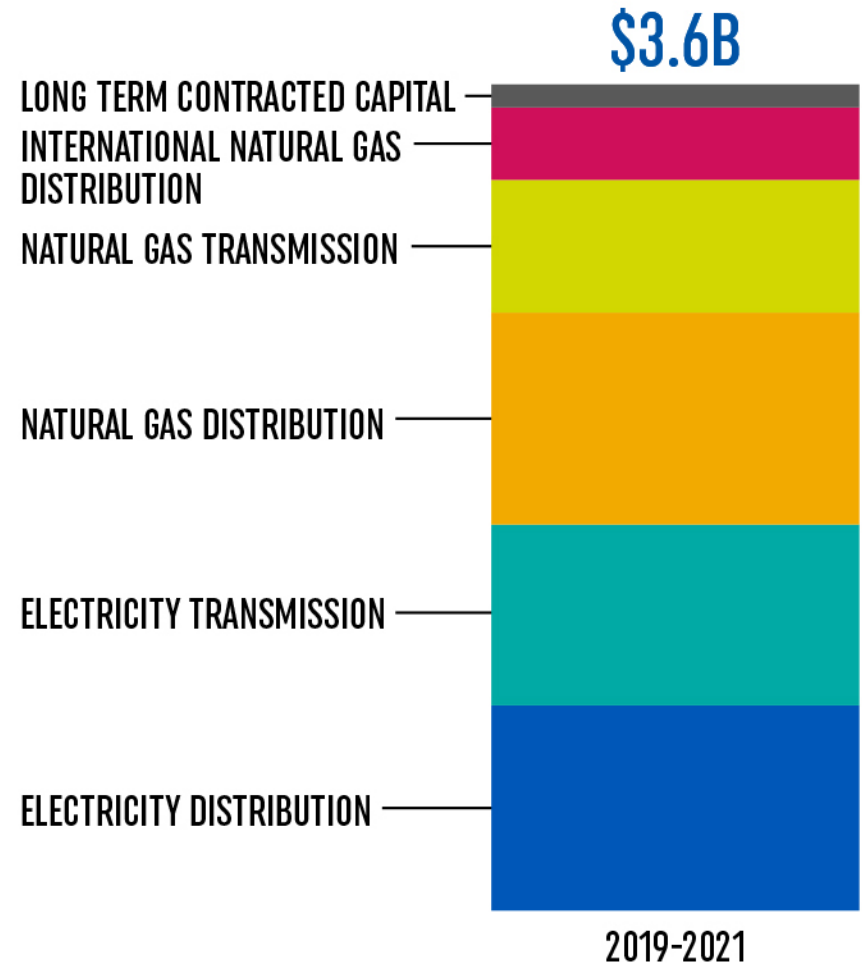


# COMMITMENT TO INNOVATION: HEARTLAND WATER



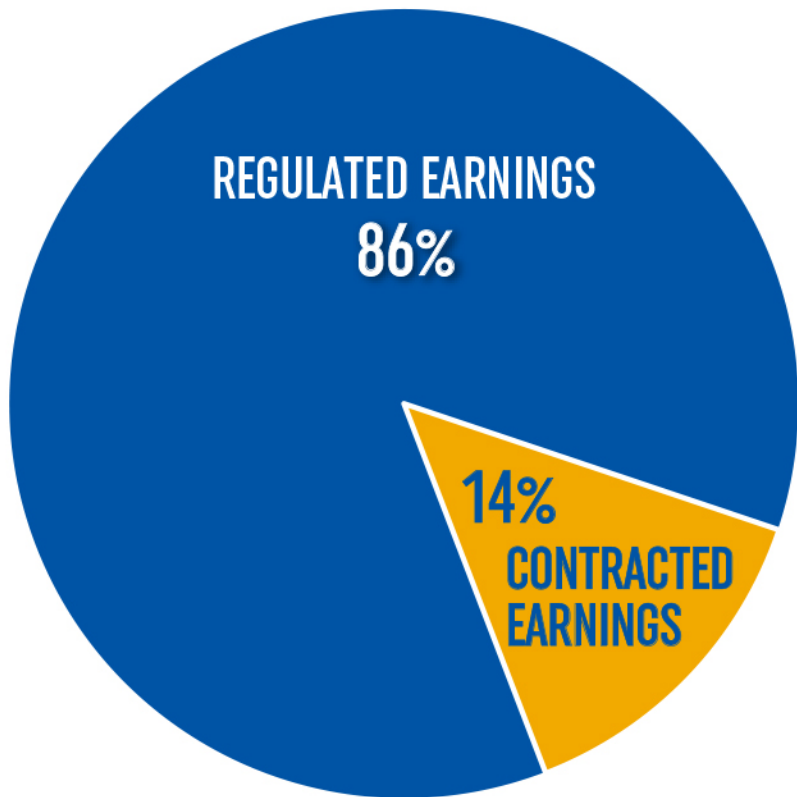
HEARTLAND PUMP STATION  
ALBERTA, CANADA

# CANADIAN UTILITIES SUMMARY

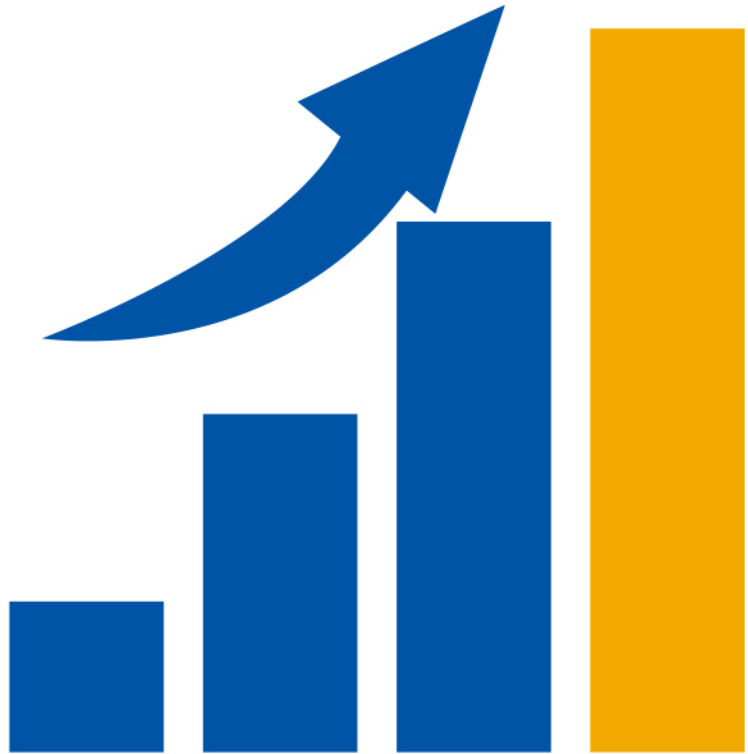


**ONGOING CAPITAL INVESTMENT  
DRIVING UTILITY ASSET GROWTH**

## 2018 ADJUSTED EARNINGS



**HIGH QUALITY  
EARNINGS**



**TRACK RECORD OF  
DIVIDEND GROWTH**



# CANADIAN UTILITIES LIMITED

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SEPTEMBER 17, 2019

# ATCO

[www.ATCO.com](http://www.ATCO.com)

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