

CANADIAN UTILITIES REPORTS 2015 THIRD QUARTER EARNINGS

CALGARY, Alberta – Canadian Utilities Limited (TSX: CU, CU.X)

Canadian Utilities Limited today announced third quarter 2015 adjusted earnings of \$99 million compared to \$122 million in 2014.

Lower earnings compared to the third quarter of 2014 were mainly the result of a regulatory decision recorded in the third quarter of 2014. Lower comparable results were also due to the impact of the GCOC regulatory decision received earlier in 2015, forgone earnings as a result of the sale of the Company's information technology and services business in the third quarter of 2014 and lower profit margins and project activity in ATCO Structures & Logistics.

The Company invested \$329 million in the third quarter and \$946 million for the year to date in the Alberta Utilities. This investment was for projects to replace aging infrastructure as well as new infrastructure to meet Alberta's long-term natural gas and electricity demand, and improve reliability for customers.

On October 16, 2015, Canadian Utilities declared a fourth quarter dividend for 2015 of 29.50 cents per Class A non-voting and Class B common share. This represents a 10 per cent increase on the dividends declared in the same period in 2014.

Canadian Utilities' annual dividend per share has increased for 43 consecutive years.

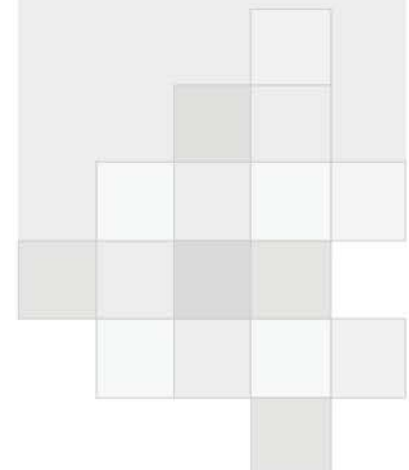
RECENT DEVELOPMENTS

- In the third quarter of 2015, ATCO Energy Solutions completed construction on the industrial water supply projects for the North West Redwater Partnership and Air Products Canada Ltd. Both projects are expected to be in operation and contributing to earnings in the fourth quarter of 2015.
- On August 7, 2015, Canadian Utilities Limited issued \$125 million of 5.25% Cumulative Redeemable Second Preferred Shares Series EE under its base shelf prospectus. On September 24, 2015, the Company issued \$250 million of 4.50% Cumulative Redeemable Second Preferred Shares Series FF under its base shelf prospectus. The proceeds of both issuances were used for capital expenditures, to repay indebtedness, and for other general corporate purposes.

October 23, 2015

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FINANCIAL SUMMARY AND RECONCILIATION OF ADJUSTED EARNINGS

A financial summary and reconciliation of adjusted earnings to earnings attributable to equity owners is provided below:

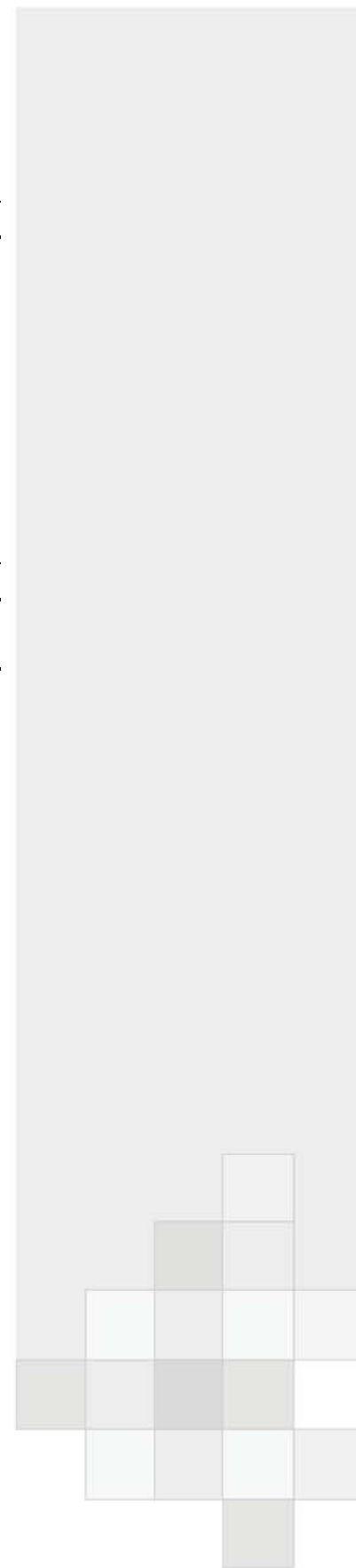
(\$ Millions except share data)	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Adjusted earnings ⁽¹⁾	99	122	330	393
Restructuring costs ⁽²⁾	(5)	-	(9)	-
Gain on sale of information technology services ⁽²⁾	-	138	-	138
Impairments ⁽²⁾	-	-	(4)	(11)
Rate-regulated activities:				
Change in income taxes ⁽²⁾	(1)	-	(64)	-
Other ⁽²⁾	(18)	(48)	14	3
Dividends on equity preferred shares	14	12	39	37
Earnings attributable to equity owners	89	224	306	560
Weighted average shares outstanding (millions of shares)	265.0	262.4	264.3	261.7

(1) Adjusted earnings are earnings attributable to equity owners after adjusting for the timing of revenues and expenses associated with rate-regulated activities and dividends on equity preferred shares of Canadian Utilities. Adjusted earnings also exclude one-time gains and losses, significant impairments and items that are not in the normal course of business or a result of day-to-day operations. Adjusted earnings present earnings on the same basis as was used prior to adopting International Financial Reporting Standards (IFRS) - that basis being the U.S. accounting principles for rate-regulated entities - and they are a key measure used to assess segment performance, to reflect the economics of rate regulation and to facilitate comparability of Canadian Utilities' earnings with other Canadian rate-regulated companies.

(2) Refer to Note 3 of the consolidated financial statements for descriptions of the adjustments.

Earnings attributable to equity owners were \$89 million in the third quarter of 2015 compared to \$224 million in the same period of 2014. In the third quarter of 2014, the Company recorded a one-time, after-tax gain of \$138 million related to the sale of ATCO I-Tek. Without the one-time gain, third quarter 2014 earnings attributable to equity owners were \$86 million before timing adjustments associated with rate-regulated activities.

In the third quarter of 2015 and first nine months of 2015, the Company recorded restructuring costs of \$5 million and \$9 million that were included in earnings attributable to equity owners. These costs were primarily related to staff reductions and associated severance costs as well as the restructuring of a fuel supply contract in ATCO Power. The Company estimates that restructuring the fuel supply contract at the Battle River generating plant may reduce the fuel purchase obligation by more than \$125 million over the expected life of the units.



This news release should be used as a preparation for reading the full disclosure documents. Canadian Utilities' consolidated financial statements and management's discussion and analysis for the third quarter ended September 30, 2015, will be available on the Canadian Utilities website (www.canadianutilities.com), via SEDAR (www.sedar.com) or can be requested from the Company.

With nearly 6,800 employees and assets of approximately \$18 billion, Canadian Utilities Limited is an ATCO Company, a diversified global corporation delivering service excellence and innovative business solutions through leading companies engaged in Utilities (pipelines, natural gas and electricity transmission and distribution) and Energy (power generation and sales, industrial water infrastructure, natural gas gathering, processing, storage and liquids extraction). More information can be found at www.canadianutilities.com.

Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", and similar expressions.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

The Company's actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company.

The Company believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Any forward-looking information contained in this news release represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

