

CANADIAN UTILITIES LIMITED

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For Immediate Release  
May 1, 2009

## CANADIAN UTILITIES REPORTS FIRST QUARTER EARNINGS OF \$145.4 MILLION

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

**Earnings of \$145.4 million (\$1.16 per share) for the three months ended March 31, 2009**, compared to earnings of \$150.3 million (\$1.20 per share) for the same three months in 2008, were reported today by Canadian Utilities Limited.

Canadian Utilities also reported a decrease in “adjusted earnings” <sup>(1)</sup> for the first quarter, which excludes certain items not in the normal course of business or day to day operations. Adjusted earnings for the three months ended March 31, 2009 were \$148.3 million (\$1.18 per share) compared to adjusted earnings of \$150.0 million (\$1.20 per share) for the same three months in 2008.

### RECENT DEVELOPMENTS DURING THE FIRST QUARTER

- ATCO Power along with the Government of Western Australia announced the start of construction of a new 86 megawatt power station in Karratha which will be the most efficient gas-fired power station in the region.
- ATCO I-Tek announced that it entered into a strategic relationship with Wipro, a large, multi-national service provider to provide joint delivery of some customer care services and to pursue new opportunities to the utility business process outsourcing market.
- ATCO Gas announced that along with the Town of Viking and Beaver County, Alberta, they opened the new geothermal Viking Operations Centre.
- ATCO Electric, ATCO Gas, ATCO Power and ATCO Midstream, announced that they are providing support to a much-needed fire-rescue training centre in High Prairie. The centre will provide hands-on and practical training for emergency rescue personnel throughout Northwestern Alberta.

### Financial Summary and Reconciliation of Adjusted Earnings

### For the Three Months Ended March 31

	2009	2008
(\$ Millions except per share data)	Unaudited	
Reported Earnings	145.4	150.3
ATCO Power Mark-to-Market Adjustment	2.9	(0.3)
Adjusted Earnings <sup>(1)</sup>	148.3	150.0
Earnings Per Share	1.16	1.20
Adjusted Earnings Per Share <sup>(1)</sup>	1.18	1.20
Revenues	768.6	740.6
Funds Generated By Operations <sup>(1)(2)</sup>	246.6	247.0

<sup>(1)</sup> This measure is not defined by Generally Accepted Accounting Principles and may not be comparable to similar measures used by other companies.

<sup>(2)</sup> This measure is cash flow from operations before changes in non-cash working capital.

**Adjusted earnings for the three months ended March 31, 2009**, decreased primarily due to the 2008 recognition of insurance proceeds from the 2007/2008 Barking outage in ATCO Power's United Kingdom (U.K.) operations, the timing and demand for natural gas storage resulting in lower storage fees and lower margins for natural gas liquids (NGL) extraction in ATCO Midstream. These decreases were partially offset by the impact of higher earnings associated with increased investment in transmission infrastructure in Alberta in ATCO Electric, the impact of the 2008/2009 general rate application decision in ATCO Gas (ATCO Gas GRA), the impact of the ATCO Pipelines' negotiated settlement decision for 2008 and 2009 (ATCO Pipelines Negotiated Settlement), increased generation due to favourable merchant conditions in ATCO Power's U.K. operations, the end of the 2007/2008 Barking outage in March 2008 and increased business activity in ATCO Frontec's operations.

**Revenues for the three months ended March 31, 2009**, increased primarily due to increased business activity in ATCO Frontec's operations, Alberta Utilities Commission (AUC) approved interim customer rates in ATCO Electric, the impact of the ATCO Gas GRA, and the ATCO Pipelines Negotiated Settlement. Also contributing to increased revenues were higher natural gas fuel purchases recovered on a "no-margin" basis, higher generation and higher availability resulting from the return to service of the Barking generating plant in March 2008 and favourable merchant conditions in ATCO Power's U.K. operations. These increases were partially offset by the timing and demand for natural gas storage resulting in lower storage fees and lower NGL prices in ATCO Midstream, the 2008 recognition of insurance proceeds from the 2007/2008 Barking outage in ATCO Power's U.K. operations, and the impact of applying new accounting standards in ATCO Electric, ATCO Gas and ATCO Pipelines relating to the recognition of revenues for rate regulated assets. These new accounting standards pertain to the recognition of revenues, and depreciation expense and had no impact on earnings.

**Funds generated by operations for the three months ended March 31, 2009**, were essentially unchanged from the prior year.

Canadian Utilities' consolidated financial statements and management's discussion and analysis of financial condition and results of operations for the three months ended March 31, 2009, will be available on Canadian Utilities' website ([www.canadian-utilities.com](http://www.canadian-utilities.com)) or via SEDAR ([www.sedar.com](http://www.sedar.com)) or can be requested from the Corporation.

Canadian Utilities Limited is part of the ATCO Group of Companies ([www.atco.com](http://www.atco.com)). Canadian Utilities Limited is a Canadian-based worldwide organization of companies with assets of approximately \$9.0 billion and more than 6,800 employees, actively engaged in three main business divisions: Power Generation, Utilities (natural gas and electricity transmission and distribution) and Global Enterprises (technology, logistics and energy services).

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*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 Corporation 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 Corporation's expectations as of the date hereof, and is subject to change after such date. The Corporation 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.*

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