CANADIAN UTILITIES LIMITED
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For Immediate Release

October 30, 2009

CANADIAN UTILITIES REPORTS THIRD QUARTER EARNINGS OF $120.9 MILLION

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

Canadian Utilities today reported increased earnings of $120.9 million ($0.96 per share) for the three months ended September 30, 2009, compared to earnings of $67.0 million ($0.53 per share) for the same three months in 2008. Canadian Utilities reported an increase in “adjusted earnings” (1) for the third quarter, which excludes certain items not in the normal course of business or day to day operations. Adjusted earnings for the three months ended September 30, 2009 were $76.7 million ($0.61 per share) compared to adjusted earnings of $71.6 million ($0.57 per share) for the same three months in 2008.

Earnings for the nine months ended September 30, 2009 were $339.5 million ($2.70 per share) compared to earnings of $300.0 million ($2.39 per share) for the same nine months in 2008. Adjusted earnings for the nine months ended September 30, 2009 were $298.5 million ($2.38 per share) compared to adjusted earnings of $292.4 million ($2.33 per share) for the same nine months in 2008.

RECENT DEVELOPMENTS DURING THE THIRD QUARTER

- In the third quarter of 2009, as a result of regulatory and legal proceedings, ATCO Gas has removed the Carbon natural gas storage facility (Carbon Facility) from regulation for accounting purposes. As a result, ATCO Gas has derecognized all previously recorded regulatory assets and liabilities relating to the Carbon Facility as these amounts are no longer recoverable from or payable to ATCO Gas’ customers. Furthermore, ATCO Gas has received approval from the Alberta Utilities Commission (AUC) to suspend customer rate riders that were approved in the past to distribute net revenues related to the Carbon Facility to customers (Removal of the Carbon Facility from Regulation and Suspension of the Carbon Rate Riders).

- In July 2009, Canadian Utilities and its parent ATCO Ltd., finalized a transaction combining ATCO Frontec, a wholly-owned subsidiary of Canadian Utilities, with ATCO Structures and ATCO Noise Management, both wholly-owned subsidiaries of ATCO Ltd. As a result of this transaction, Canadian Utilities and ATCO have direct ownership interests of 24.5% and 75.5% respectively in the new company, ATCO Structures & Logistics Ltd. (AS&L). This resulted in an after tax gain for accounting purposes of $29.6 million recorded on closing (ATCO Structures & Logistics Transaction).

- In August 2009, ATCO Electric was authorized by the Alberta Minister of Energy to prepare a facilities application to build and operate a new high-voltage transmission line along a corridor on the east side of the province between Edmonton and Calgary. Following approval of the facilities application by the AUC, ATCO Electric will construct and operate the new line. The Alberta Electric System Operator, in its recently released Long-term Transmission System Plan, estimates the project will cost $1.65 billion and it is anticipated that the majority of these costs will be incurred after 2011.

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- In August 2009, Alberta Power (2000) Ltd. (Alberta Power), a subsidiary of Canadian Utilities, received a judgement from the Tax Court of Canada ordering Canada Revenue Agency (CRA) to reverse its 2006 reassessment of Alberta Power's 2001 tax return. The 2006 reassessment treated the proceeds received from the sale of the H.R. Milner generating plant to the Alberta Balancing Pool as income rather than a sale of an asset. The impact of the judgment is a $16.8 million increase in Canadian Utilities earnings and a refund of approximately $28.0 million.

Financial Summary and Reconciliation of Adjusted Earnings	**For the Three Months Ended September 30**		**For the Nine Months Ended September 30**	
	2009	2008	**2009**	2008
($ Millions except per share data)		Unaudited		
Reported Earnings	**120.9**	67.0	**339.5**	300.0
ATCO Power Mark-to-Market Adjustment	**2.2**	7.6	**5.4**	0.9
H.R. Milner Tax Decision	**(16.8)**	-	**(16.8)**	-
Reallocation of Post Employment Benefits	**-**	-	**-**	(5.5)
Federal Court of Appeal Tax Decision	**-**	(3.0)	**-**	(3.0)
Gain on Amalgamation of AS&L	**(29.6)**	-	**(29.6)**	-
Adjusted Earnings [(1)]	**76.7**	71.6	**298.5**	292.4
Earnings Per Share	**0.96**	0.53	**2.70**	2.39
Adjusted Earnings Per Share [(1)]	**0.61**	0.57	**2.38**	2.33
Revenues	**537.1**	638.4	**1,908.4**	2,034.6
Funds Generated By Operations [(1)] [(2)]	**181.5**	169.5	**564.3**	547.4

(1) These measures are not defined by Generally Accepted Accounting Principles and may not be comparable to similar measures used by other companies.
(2) This measure is cash flow from operations before changes in non-cash working capital.

Adjusted earnings for the three months ended September 30, 2009, increased primarily due to the timing and demand for natural gas storage resulting in higher storage fees for ATCO Midstream, the impact of the Removal of the Carbon Facility from Regulation and Suspension of the Carbon Rate Riders in ATCO Gas, the impact of the ATCO Electric 2009/2010 general tariff application decision (ATCO Electric GTA), and lower operating and maintenance costs in ATCO Electric compared to amounts included in customer rates. These increases in Adjusted Earnings were partially offset by the impact of lower margins for natural gas liquids (NGL) extraction in ATCO Midstream and higher financing costs in ATCO Electric compared to the amounts included in customer rates. Also contributing to lower Adjusted Earnings was the Company's 24.5% share of equity earnings in ATCO Structures & Logistics for the three months ended September 30, 2009 compared to higher Adjusted Earnings for ATCO Frontec over the corresponding period in 2008.

Adjusted earnings for the nine months ended September 30, 2009, increased primarily due to the impact of the ATCO Pipelines' negotiated settlement decision for 2008 and 2009, the impact of the ATCO Electric GTA, and lower operating and maintenance costs in ATCO Electric compared to amounts included in customer rates. Also contributing to the increase in Adjusted Earnings was the impact of the ATCO Structures & Logistics Transaction. Adjusted Earnings for the Company's 24.5% share of equity earnings in ATCO Structures & Logistics for the three months ended September 30, 2009 and the earnings of ATCO Frontec for the six months ended June 30, 2009, was higher than the earnings of ATCO Frontec for the nine months ended September 30, 2008. These increases in Adjusted Earnings were partially offset by lower margins for NGL extraction in ATCO Midstream, lower merchant performance in ATCO Power's Alberta generating plants due to lower spark spreads in the Alberta electricity market, the 2008 recognition of insurance proceeds from the 2007/2008 Barking outage and lower exchange rates on conversion of United Kingdom (U.K.) revenues to Canadian dollars in ATCO Power's U.K. operations.

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Revenues for the three months ended September 30, 2009, decreased primarily due to the impact of the ATCO Structures & Logistics Transaction, lower NGL prices and volumes in ATCO Midstream, lower natural gas fuel purchases recovered on a “no-margin” basis and lower exchange rates on conversion of U.K. revenues to Canadian dollars in ATCO Power’s U.K. operations, and lower merchant performance in ATCO Power’s Alberta generating plants due to lower prices in the Alberta electricity market. These decreases in revenues were partially offset by the Removal of the Carbon Facility from Regulation and Suspension of the Carbon Rate Riders in ATCO Gas, the impact of the ATCO Electric GTA and the timing and demand for natural gas storage resulting in higher storage fees for ATCO Midstream.

Revenues for the nine months ended September 30, 2009, decreased primarily due to the impact of the ATCO Structures & Logistics Transaction, lower NGL prices and volumes and lower sales of natural gas purchased for third parties by ATCO Midstream, lower merchant performance in ATCO Power’s Alberta generating plants due to lower prices in the Alberta electricity market, lower exchange rates on conversion of U.K. revenues to Canadian dollars and the 2008 recognition of insurance proceeds from the 2007/2008 Barking outage and lower natural gas fuel purchases recovered on a “no-margin” basis in ATCO Power’s U.K. operations. Also contributing to decreased revenues was the impact of applying new accounting standards in ATCO Utilities relating to the recognition of revenues for rate regulated assets. These decreases in revenues were partially offset by the impact of the ATCO Electric GTA and the impact of the ATCO Gas 2008/2009 general rate application decision.

Funds generated by operations for the three months ended September 30, 2009, increased primarily due to higher cash earnings partially offset by decreased deferred availability incentives in Alberta Power (2000).

Funds generated by operations for the nine months ended September 30, 2009, increased primarily due to higher cash earnings.

Canadian Utilities’ consolidated financial statements and management’s discussion and analysis of financial condition and results of operations for the three and nine months ended September 30, 2009, will be available on Canadian Utilities’ website (www.canadian-utilities.com) or via SEDAR (www.sedar.com) or can be requested from the Corporation.

Alberta-based Canadian Utilities Limited, with more than 7,700 employees and assets of approximately $9.1 billion, delivers service excellence and innovative business solutions worldwide with leading companies engaged in Utilities (pipelines, natural gas and electricity transmission and distribution), Energy (power generation and midstream services), Structures & Logistics (manufacturing, logistics and noise abatement) and Technologies (business systems solutions). More information can be found on its website www.canadian-utilities.com.

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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.