

POTENTIAL ASSET SALE: CANADIAN UTILITIES LIMITED'S GENERATION PORTFOLIO

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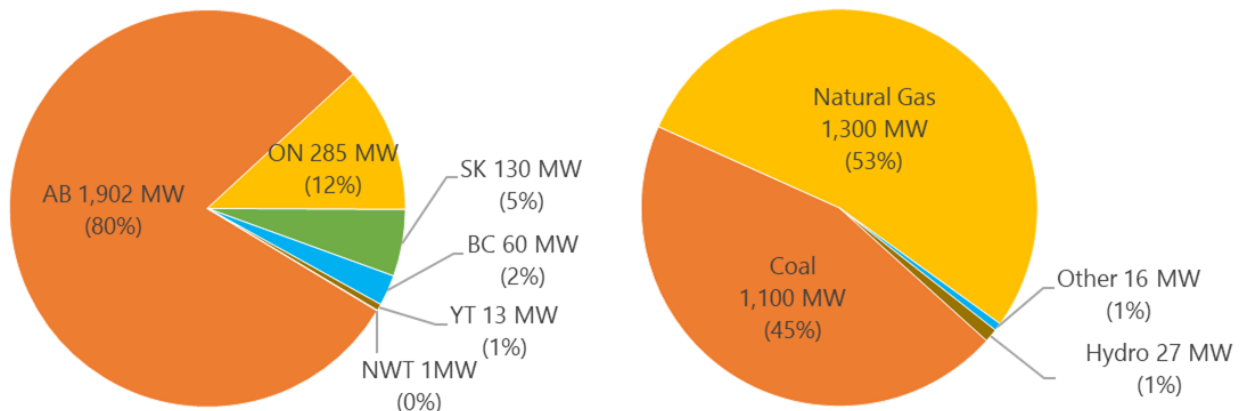
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To: Clients and Colleagues

From: John Dalton, President, Carson Robers Consultant, Robie Webster Jr., Researcher, Power Advisory

On September 13, Canadian Utilities Limited (CU), a subsidiary of ATCO, **announced** that it would be exploring strategic alternatives for its Canadian electricity generation business. Canadian Utilities Limited is engaged in electricity (generation, distribution, and transmission), pipelines and liquids (natural gas transmission, distribution and infrastructure development), energy storage and industrial water solutions, and retail energy (electricity and natural gas retail sales). The company has 5,200 employees and assets of \$21 billion.

CU owns and operates 2,391 MW across six Canadian jurisdictions, with the majority located in Alberta. The geographic composition of these generation assets and their fuel type are indicated in the pie charts below. An overview of the individual generation assets is provided in Table 1 on the next page.



Power Advisory would welcome the opportunity to assist clients in understanding the opportunities presented by Canadian Utilities Limited's announcement and other potential generation acquisitions across North America.

Table 1: CU Limited Canadian Generation Portfolio

Project	Location	Fuel Type	In-Service Date	Owned Capacity (MW)	Ownership (%)	PPA Counterparty	Termination Date
Battle River	Edmonton, AB	Coal	1956	689.0	100		
Sheerness	Hanna, AB	Coal	1986	395.0	50		
Brighton Beach Power Station	Windsor, ON	Natural Gas	2004	285.0	50	Shell Energy	12/31/2024
Chinchaga	Alberta	Natural Gas	1985	1.3	100		
Cory Cogeneration	Saskatoon, SK	Natural Gas	2003	130.0	50	Sask Power	1/15/2028
House Mountain DG	Alberta	Natural Gas	2016	7.1	100	Apache Canada	6/15/2026
House Mountain Gas Plant	Alberta	Natural Gas	2015	5.0	100		
Jasper CT	Red Deer, AB	Natural Gas	1975	6.0	100		
Joffre Cogeneration	Alberta	Natural Gas	2001	189.6	40	NOVA Chemicals	12/31/2020
Karr DG Facility	Alberta	Natural Gas	2016	3.0	100		
Little Horse	Alberta	Natural Gas	1997	2.0	100		
McMahon Cogeneration	Taylor, BC	Natural Gas	1993	60.0	50	BC Hydro	12/31/2029
Muskeg River Cogen	Fort McMurray, AB	Natural Gas	2003	120.4	70	Athabasca Oil Sands	12/31/1942
Palisades - AB	Alberta	Natural Gas	1959	18.0	100		
Poplar Hill	Grande Prairie, AB	Natural Gas	1998	45.0	100		
Primrose	Primrose, AB	Natural Gas	1998	42.5	50	Canadian Natural Resources Limited	12/31/2018
Rainbow Lake 2	Alberta	Natural Gas	1961	38.0	100		
Rainbow Lake 4 & 5	Edmonton, AB	Natural Gas	1999	45.0	50	Husky Energy	12/31/2020
Scotford Cogeneration	Fort Saskatchewan, AB	Natural Gas	2003	170.0	100	Athabasca Oil Sands	12/31/1943
Stowe Creek	Alberta	Natural Gas	1985	1.4	100		
Valleyview	Grande Prairie, AB	Natural Gas	2001	90.0	100		
Astoria - AB	Alberta	Water	1949	1.4	100		
Fish Lake	Yukon Territory	Water	1950	1.3	100		
Oldman River	Alberta	Water	2003	24.0	75		
Fort Providence	Northwest Territories	Oil	1986	0.7	50		
Fox Lake - AB	Alberta	Oil	1989	3.0	100		
Garden River	Alberta	Oil	2004	1.3	100		
Old Crow	Yukon Territory	Oil	1993	0.7	100		
Carmacks (WAF)	Yukon Territory	Distillate Fuel Oil	-	1.3	100		
Fort Chipewyan Third Lake	Alberta	Distillate Fuel Oil	2009	4.6	100		
Haines Junction (WAF)	Yukon Territory	Distillate Fuel Oil	-	1.3	100		
Pelly Crossing Facility	Yukon Territory	Distillate Fuel Oil	-	1.2	100		
Ross River (WAF)	Yukon Territory	Distillate Fuel Oil	-	1.0	100		
Teslin (WAF)	Yukon Territory	Distillate Fuel Oil	-	1.3	100		
Watson Lake	Yukon Territory	Distillate Fuel Oil	1985	5.0	100		