

Canadian Utilities Limited

Annual General Meeting of Shareowners

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CORPORATE PARTICIPANTS

Nancy Southern

Canadian Utilities Limited — Executive Chair and Chief Executive Officer

Jason Sharpe

ATCO Gas and Pipelines — President

Kyle Brunner

Canadian Utilities Limited — Senior Vice President, General Counsel and Corporate Secretary

Katie Patrick

Canadian Utilities Limited — Executive Vice President and Chief Financial Officer

John Ivulich

ATCO Australia — Chief Executive Officer and Country Chair

Robert Myles

ATCO EnPower — Chief Operating Officer

Wayne Stensby

ATCO Energy Systems — Chief Operating Officer

Melanie Bayley

ATCO Electric — President

PRESENTATION

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Welcome to the 97th Annual General Meeting of Canadian Utilities. Wow! 97 years. It's really wonderful to see so many familiar faces, and I want to thank you all for taking the time to come and join us today.

Before we get started, I will mention the exit routine in case of an emergency. Do not think there will be an emergency at 11:55 this morning. However, there is a test, amber alert. It's not that the power is going out. If there is an emergency this morning, please exit through the doors here at the south end and walk around the Fairmont to the park just outside of the hotel where the mustering point is or to the hotel Westin. That is the second mustering point.

As we commence our meeting this morning, I do want to honor the traditional territories and the homelands upon which many of our Canadian Utilities facilities and operations are located. We honor and respect the diverse history, the languages and the cultures of the indigenous peoples who call these areas home. Today, we are gathered on Treaty 6 territory, a traditional meeting ground and gathering place and traveling route for the Cree, the Saulteaux, the Blackfoot, Métis, Dene, and Nakota Sioux Nations.

To those of our guests from these communities and abroad, I would like to welcome you to our telecast, I guess you call that, because we are streaming live as well. I would like to also take a few moments to welcome some very special guests that have joined us again today or new to us today. From the government of Alberta, the most senior Deputy Minister but also retired General, Paul Wynnyk, he

has been serving our country, our province for several decades now. And Paul, thank you so much for your service. You are really an inspiration for all of us as is the Canadian military. Thank you.

Virtually, I'd like to welcome Craig Copeland, the mayor of Cold Lake. Thank you for joining us. And to some very special shareowners that we have in the audience today: Percy, Picor (phon) and Douglas Densmore. Percy and Douglas went on our shareowners tour just this last week and both said that they enjoyed it immensely. That was a great suggestion by our Lead Director, Roger Urwin, to make these available for all of you to actually see the physical installations of Canadian Utilities.

I'd also like to welcome Ray Archer (phon); Richard with his sporting hat and his beautiful pins, nice to see you, Richard; Ed Schultz, it's great to have you here; and Frank O'Neil (phon). Frank's Sister, Nora, is a former ATCO Electric Engineer. Elizabeth Saldana (phon), I hope you stay warm. You've got your tea. Okay. Nice to have you here. Of course, Seymore (phon). It's wonderful to have you back, Seymore (phon). Wonderful to see you, long-standing shareowners of Canadian Utilities. And a number of our esteemed retirees from Canadian Utilities have joined us: Brian Shkrobot, Siegfried Kiefer, Bob Baer, and several others. Wonderful to see you all again.

I must say that it is a very exciting day for Canadian Utilities, and you'll hear a little bit more about that when Wayne Stensby gets up. But to begin my presentation today, I want to express my deepest gratitude to all of you. You, our shareowners, have supported us and you've been patient, unbelievably patient. I want to say thank you. I know that our share price performance has been less than sterling in the recent years, the past recent years, but your steadfast trust and support have been

instrumental in allowing us to focus on our long-term objectives despite the transient economic pressures we face.

In each of the jurisdictions that we serve today, where the economies are heavily influenced by commodity prices, there are natural ebbs and flows, cycles in the economic environment, and we've seen that so often here in Alberta in so many times. But today, Alberta is undergoing exceptional growth on so many different fronts, and our business provides the backbone for this growth.

As the province continues to outperform our neighbors to the east and to the west, Canadian Utilities is seizing opportunities, and many lie ahead. We're committed to ensuring that your trust is well-placed and that we continue to deliver sustainable value to each of you, our shareowners. We are excited about the future, and we look forward to sharing this journey with you.

I'll now move to the formal part of our meeting which will be followed by presentations from our executive team, and then I'll open the floor for any questions that you might have.

Joining me on the dais today are Katie Patrick, our Executive Vice President and Chief Financial Officer; John Ivulich, all the way from Perth, Australia, Chief Executive Officer and Country Chair of ATCO Australia; Bob Myles, our Chief Operating Officer of ATCO EnPower; Wayne Stensby, Chief Operating Officer of ATCO Energy Systems; and Kyle Brunner, Senior Vice President, General Counsel and Corporate Secretary. Several other officers are joining us here today and many of the people of ATCO, all of whom are also shareowners. And our directors are here, all those standing for re-election or election are here as well.

I will ask Kyle Brunner to act as Secretary for the formal part of this meeting. Jennifer Villareal of TSX Trust, our registrar and transfer agent, will act as our scrutineer. The scrutineer has advised that there is a quorum present and therefore, I declare the meeting regularly called and properly constituted for the transaction of business today.

All shareholders who are entitled to vote have already submitted voting instructions in advance of the meeting. The only items of business in the formal part of today are consideration of the corporation's consolidated financial statements for the year-end December 31, 2023 and the appointment of our corporation's auditors, as well as the election of our directors.

First, I will table the consolidated financial statements with the auditor's report for the year ended December 31, 2023. Since all shareowners who are entitled to vote have voted, we will also proceed with the appointment of our auditors. And those shareholders voting have submitted their instructions, and I will now turn it over to Kyle Brunner to read the results.

Kyle Brunner — Senior Vice President, General Counsel and Corporate Secretary, Canadian Utilities Limited

(Audio interference) election as directors of the corporation until the next Annual Meeting of Shareowners or until their successors are elected or appointed: Matthias Bichsel, Loraine Charlton, Robert Hanf, Kelly Koss-Brix, Robert Normand, Alex Pourbaix, Hector Rangel, Laura Reed, Robert Routs, Nancy Southern, Linda Southern-Heathcott, Roger Urwin, and Wayne Wouters.

All of the nominees are currently directors of the corporation. Detailed biographies for all nominees are contained in the management proxy circular. I can confirm the scrutineer has reported that shareholders voted in favor of the election of each nominee director.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Thank you, Kyle. I therefore declare the motion passed. Congratulations to our directors. On behalf of all shareowners, I want to thank each of you for your tremendous support and your continuing advice and insights.

Please proceed, Kyle.

Kyle Brunner — Senior Vice President, General Counsel and Corporate Secretary, Canadian Utilities Limited

With respect to the appointment of PricewaterhouseCoopers, LLP as the corporation's auditor for the ensuing year, the scrutineer has reported the shareholders voted in favor of the motion.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

I therefore declare the motion passed. Thank you.

I would like to introduce Courtney Kolla and Armando Pinedo, partners of PricewaterhouseCoopers, who are here with us today. Courtney and Armando, right here. Thank you very much for joining us.

That concludes the formal part of the Annual General Meeting. So, I declare the meeting, the formal portion, terminated.

Now, for those of you that have been attending our shareowner meetings in the past, you will have noticed that we have a very full stage today. Over the past year, we have devoted a significant amount of time to strategic planning. Sharpening our focus on our regulated and non-regulated businesses to pinpoint avenues for accelerated growth without losing sight of our hallmark approach to excellence in operations, on the regulatory front, and service to our customers.

Reflecting this strategic shift, we elevated a number of executives to new roles within Canadian Utilities. Katie Patrick, ATCO's Chief Financial Officer and Investment Officer, broadened her portfolio to include Chief Financial Officer for Canadian Utilities. This appointment ensures the continuity of our solid financial performance while laying the groundwork for Canadian Utilities' growth ambitions.

Wayne Stensby was appointed Chief Operating Officer of ATCO Energy Systems, overseeing our natural gas and electricity utilities across Canada and in Puerto Rico.

Bob Myles, named Chief Operating Officer of ATCO EnPower is now responsible for all of our renewables, our clean fuels, energy and energy operations, storage in Canada and Mexico.

John Ivulich was appointed Chief Executive Officer of ATCO Australia with accountability for our gas utility in Western Australia, power generation, renewables, clean fuels and emerging storage and transmission opportunities in Australia.

These four individuals are truly outstanding, and they exemplify the core values of your Company. They have assembled terrific leadership teams under them that share the same conviction and commitment to your Company as I do.

And now, you'll hear from each of them. I will begin with Katie Patrick, who will be happy to discuss our financial performance in 2023 and the first quarter of 2024. Katie?

Katie Patrick — Executive Vice President and Chief Financial Officer, Canadian Utilities Limited

Thank you, Nancy, and good morning, everyone. I'm so pleased to be here with you to talk about the financial performance of Canadian Utilities and the outlook ahead for enhanced success. This is my first time addressing you as your Company's CFO and it is an honor to share the stage with this truly exceptional group.

I, like all of you, am a proud shareowner. I recently met with many of our institutional share investors and was able to hear what was on their minds. Overall, they wanted to hear more about our plans to allocate capital, finance our growth, and move from plans to execution. I expect that some of these same things are on your minds as well.

If I can sum up in one word our approach to finance and growth, that word would be balanced. I'd love to share this snapshot of our Company and the scale and size of our operations today. Including our people in Canada, Mexico, and Australia, as well as our LUMA team and other affiliate companies, we have 9,000 dedicated team members operating, and we are growing our assets with safety and

reliability top of mind. We are fortunate to serve four million customers from our base of \$23 billion in assets.

In our recent investor meetings, I heard a line that I think resonates well. You guys are the biggest company that nobody really hears about. We're often modest about our accomplishments. But when you look at this page, there is certainly a lot to be proud of. I hope that you share that pride as a Canadian Utilities shareowner.

Today, I want to provide a broad overview of our 2023 financial performance and how we will continue the growth already underway at Canadian Utilities. 2023 was a solid year for Canadian Utilities. We achieved adjusted earnings of \$596 million, or \$2.21 per share for the year. Overall, these results were in line with our expectations, despite challenges caused by regulatory and inflation factors.

Those of you who have been following our financial updates, know that 2023 was a rebasing year for Alberta-regulated distribution businesses. The last PBR regulation reset was in 2017 and that had a bigger impact on our performance. So, we are getting better at managing these planned but challenging events.

Rebasing pressure was compounded by Australian inflation which after increasing significantly in 2022, began to trend downward in 2023. Collectively, these factors put pressure on Canadian Utilities' earnings. But in the face of this, our businesses continue to drive efficiencies and deliver key strategic initiatives necessary to ensure long-term growth and lasting success.

On balance, we see strong potential from the foundation of our businesses and the ability to continue to return capital through dividends to our shareowners.

In addition to our focus on providing shareholder returns, we are equally aware of the costs for our customers. There is absolutely no secret that the energy transition and climate adaptation will require significant investment. We are embracing these opportunities with a keen eye to affordability for our customers. To balance this equation, we are focused on unlocking efficiencies and continuing our long history of operational excellence. The numbers on this slide speak for themselves. We saved our customers significant amounts of money which truly matters in these inflationary times.

As we look forward, we are balancing three basic things: growth, growth, and growth. Canadian Utilities had a strong start to the year, delivering adjusted earnings of \$225 million in the first quarter. This is up 4 percent from last year. Our gas and electric utilities in Alberta are doing very well. ATCO Energy Systems results were driven by rate base growth and an increase to our allowed ROEs from 8.5 percent to 9.28 percent across our Alberta-based utilities.

ATCO EnPower's earnings were down from the same period last year. The energy storage business continues to show strong performance. However, renewable generation experienced lower earnings year-over-year. Drought in Southern Alberta, wind conditions below historical averages, as well as lower merchant prices contributed to the lower earnings profile. Unfortunately, we don't control the weather, but we really wish we could.

As I alluded to earlier, Australia is facing headwinds coming off two years of elevated inflation which helps their earnings. Australia has averaged around \$55 million in earnings over the last 10 years.

In 2022, inflation indexing drove this number to \$83 million, which is a hard result to match. Beginning this quarter, we now report ATCO Australia as a distinct segment. Previously, ATCO Australia was reported in both the Energy Systems and EnPower segments. This change enhances our disclosure and aligns our reporting to how we think about the Australian business strategically, as Nancy has mentioned.

Finally, if you look at the last slide of this earnings table, you can see that we remain very focused on finding efficiencies and that the corporate costs are trending in the right direction.

When we think about the longer-term prospects for Canadian Utilities, there will be increased earnings from all three of our business lines that we have on the dais today. Our balanced approach will generate 5 percent or more compound annual earnings growth between 2023 and 2030. Of course, as you've seen in our history, this growth will not be linear. The big build in Alberta's transmission business doubled our asset base from \$9 billion to \$18 billion and added \$100 million in earnings in five short years. Rapid accelerations like this can lead to a few years of lag before the earnings catch up. We have a clear line of sight to investments that will fuel this growth which John, Bob, and Wayne will give more details on shortly.

When we spoke with some of our large investors, they were keen to hear how we will fund all of this growth we were pursuing. I'm sure you have the same question. Our first source of capital is, of course, our internally generated cash flows that we retain each year after interests and dividends to our shareowners. This is about \$800 million each year of equity. Beyond that, as you can see, we maintain a strong balance sheet and solid access to external capital, supported by our strong investment-grade

ratings. No doubt, my friends on the stage here are making my job harder, but financing this growth in a responsible and value-accretive manner is our highest priority.

Before I close, I do want to reiterate our continued commitment to sustainability, including our role in contributing to society's decarbonization targets. You will see copies of our recently released sustainability report outside the room today, and I encourage you to take a look at our accomplishments.

In closing, I'd like you to take away three key messages today. We are growing. We are not planning to grow or preparing strategies to grow, we are executing. We are laser-focused on the funding to do this and financing this in a manner that drives value for our shareholders. Finally, we are doing this with our core vision and values in mind, creating prosperity and opportunity for generations to come.

With that, I'd like to call John Ivulich, our CEO of ATCO Australia, to the stage to talk more about our Australian business.

(Video presentation)

John Ivulich — Chief Executive Officer and Country Chair, ATCO Australia

Well, thank you, Katie, and good morning, everybody. It's really good to share a little bit of a snapshot of our business here from afar in Australia. There is a lot going on in our country. And also, to showcase my beautiful hometown of Perth, Western Australia. It's an honor to be here to present to shareholders today on behalf of ATCO Australia. It's a first for us. It's a first for me to join the AGM. I'm also a very proud shareowner of Canadian Utilities and ATCO.

I've been part of ATCO Australia since we took possession of the West Australian gas distribution network in 2011. While we've seen significant change in that time, it's nothing like the change we're going to see in the future in Australia, but also a lot of opportunity for us to grow. But let's not forget that ATCO has been in Australia since the 1960s with the structures and logistics business, and also entered the electricity industry in the 1990s and built power stations in Queensland and South Australia and Western Australia.

The success of ATCO Gas Australia has laid the foundation for our future success. It's helped us deliver outstanding reputation in Australia that is so evident here in Canada. We proudly embrace the ATCO values in everything we do and we are ready to take Australia to the next level. Our gas business is a vital cog in our success. We have 800,000 customers connected with a network spanning more than 14,500 kilometres. We are known in the marketplace as a Tier 1 operator providing safe, reliable, affordable energy.

Since ATCO acquired the network back in 2011, there's been substantial growth, with our asset base doubling over that time and adding more than 1,600 kilometers of new network as well as connecting close to 190,000 new customers. Over the next five years, we're on track to increase that customer base by a further 80,000. Our gas network is playing a pivotal role in our energy system for many years yet, and we are very fortunate to have our Western Australian government that supports our industry. We're also blessed to be based in Western Australia, a state that is rich with natural resources and the powerhouse of the Australian economy, very similar to here in Alberta.

Western Australia is home to one of the most abundant and diversified mineral and petroleum regions in the world and underpins our national economy, accounting for half of our national exports. And it goes without saying that customers still have a very strong preference for household gas. But we're not resting on our laurels, we're also doing work to repurpose our network to accommodate renewable gases and renewable hydrogen, continuing to play a key role in Australia's energy transition.

Australia is also ripe for investment in renewable assets. The energy market is going through significant structural change. Across Australia, coal generation is exiting the energy mix, opening the way for a significant rebuild of the network. Australia's federal and state governments are very aware of this task required to achieve net zero and are reliant on private industry to help achieve that goal. They are also providing progressive and funding mechanisms to support industry, and working collaboratively to support that cause.

There is an enormous requirement for firm storage and ATCO Australia is considering a number of storage solutions, including long duration and battery technologies, as well as building a future renewable portfolio. Our power stations offer us the opportunity to grow our renewable footprint in Australia through adjacent assets. With our existing power generation and distribution assets, we are very well placed to repurpose and reposition our assets to be a significant player in Australia's road to net zero.

Hydrogen. We've been on the hydrogen journey for many years. Innovation is in our DNA. We built our clean energy innovation hub in Jandakot, Western Australia to show what is possible. The hub is an operational model of solar, battery, and renewable production through electrolysis. The renewable

hydrogen is produced from a vast array of solar panels on site to generate electricity which powers an electrolyzer to create renewable hydrogen.

Through this, we are demonstrating that we can power our site at Jandakot as a microgrid. We're blending hydrogen into the gas network to reduce emissions. We're currently blending into a test bed of 2,700 homes in three suburbs adjacent up to 5 percent and are ready with a second case to move to 10 percent within the next four weeks. We're generating electricity from stored hydrogen through an on-site fuel cell, and we're refueling zero-emissions hydrogen fuel cell vehicles that are part of ATCO's fleet.

We're also working closely as a key delivery partner with the South Australian government on their Hydrogen Jobs Plan, a project of the government to build a world-leading renewable hydrogen power plant, electrolyzer, and storage facility near Whyalla in South Australia. We're demonstrating what is possible as part of the process, sharing our learnings with industry, with governments, and within our organization.

With our innovation and our network, we will be able to play an important role in Australia's energy transition. Gas is just not part of the energy transition as a transition fuel; it's actually part of the transition itself in a post new energy world. We're showing we can produce renewable gas, which is part of our whole system approach to achieving net zero.

In summary, I echo Katie's sentiments that we are actively pursuing opportunities today. We have many live exciting opportunities, and the Australian market is offering us tremendous value for growth.

Thank you for your support. I'd like to welcome my colleague, ATCO EnPower Chief Operating Officer, Mr. Bob Myles.

(Video presentation)

Robert Myles — Chief Operating Officer, ATCO EnPower

Thank you, John. I also am really excited to be here today. I look forward to a lot of discussion we have over the course of the next hour or two. I also am a very, very proud shareowner.

Let me begin by talking about ATCO EnPower and what we do. We have three business segments: Energy Storage, Clean Fuels, and Renewable Generation. These three business segments complement each other in ways that strengthen our platforms, support our existing and new customers, and do so in a cost-effective manner.

Our capabilities in energy storage have a strong potential to leverage into renewables to make these offerings more efficient and more reliable through the use of battery storage. Likewise, our Clean Fuels business is complemented by our energy storage capabilities when we look towards large-scale hydrogen storage and carbon sequestration. With this robust offering, ATCO EnPower is leading the way in the energy transition with innovative power and energy solutions. We have had a great year in 2023 and we have made strong advances towards our 2030 ambitions.

By 2030, we will be operating 2,000 megawatts of renewable generation, producing and developing 600,000 tons per year of clean hydrogen and storing 200 petajoules of natural gas. This scale increase means that by 2030, ATCO EnPower will have grown multiple times over 2023 levels with a

multi-billion-dollar portfolio of assets including hydrogen production and export. Clearly, we have a lot of ambitions between now and 2030.

So, how will we get there? Simply put, we are maintaining our laser focus on building on our core strengths as a sustainable energy producer, adviser, and advocate. We are leveraging our expertise and technology into a diversified North American portfolio across hydrogen, solar, wind, hydroelectric, natural gas, and energy storage.

Now, let me zoom in on hydrogen for a moment. I know Wayne is going to speak about the growing energy demand in Fort Saskatchewan, and the same is true for hydrogen. While natural gas and natural gas liquids help meet today's energy and petrochemical demands, low-emission hydrogen will also be needed and is key to the energy future. To meet this demand, ATCO EnPower is developing a world-class hydrogen production facility, the Heartland Hydrogen hub.

This one facility is planned to produce more than 300,000 tons per year of low-carbon intensity hydrogen which will contribute significantly to our 2030 ambitions of 600,000 tons per year. This scale of this endeavor will significantly advance Alberta's hydrogen strategy, generate substantial economic activity and jobs across the province, and make a sizable contribution to Canada's net zero ambition.

I can tell you that the potential of this project is already attracting a lot of interest from potential partners, both domestically and in Southeast Asia who want to take an equity position in this project alongside our Company. We will make a financial investment decision on this project in the next 12 months, with commercial operations targeted for 2029.

Partnership is also at the core of our carbon sequestration efforts which will assist Canada and Alberta in meeting their climate goals through underground CO2 storage. The Atlas Hub is an open-access sequestration project being developed in a partnership between ATCO EnPower and Shell Canada. This project will provide permanent sequestration of CO2 for industry, including from our proposed hydrogen production facility. The first phase of this project is planned to be operational in 2026.

Let me now turn to renewables.

Last year, we acquired a portfolio of wind and solar assets and projects located in Alberta and Ontario that adds 230 megawatts of operating wind and solar assets with a 1.5 gigawatt of renewable development portfolio in Canada. Our renewables capability also helps other companies meet their own decarbonization goals.

We signed a long-term agreement with Microsoft to purchase 150 megawatts of renewable energy from our Forty Mile Wind Phase 1 Project in Alberta. We also had entered into a partnership with Chiniki and Goodstoney First Nations, who now jointly own with us the Deerfoot and Barlow solar projects, which is Western Canada's largest urban solar installation.

I have touched briefly on all of the activity in ATCO EnPower. I do hope that you will agree that we are actively pursuing growth opportunities in North America, leveraging our expertise in Canada and Mexico. We do owe our continued success to the strong foundation of our Company, our forward-looking leadership with a dedicated team of professionals who bring their best each and every day.

I'll now welcome my colleague Wayne Stensby, our Chief Operating Officer of ATCO Energy Systems to the podium. Wayne?

(Video presentation)

Wayne Stensby — Chief Operating Officer, ATCO Energy Systems

Well, thank you, Bob. I hope I have my notes, not yours. I, too, am a long-term and very proud shareowner of this Company. Good morning to all of you.

ATCO Energy Systems is transforming our business to deliver sustained and predictable growth, and I am energized to be here with all of you today to talk about this.

ATCO Energy Systems serves over three million customers across North America through seven regulated utilities. In Alberta, we have ATCO Electric Transmission and Distribution, ATCO Gas Transmission, sometimes referred to as pipelines, ATCO Gas Distribution. And a little further afield, of course, not to be forgotten, we have Yukon Electric. We have our newly branded Naka Power joint venture in the Northwest Territories and LUMA Energy, our joint venture in Puerto Rico. While there is much to talk about across all of these operational areas and businesses, today, I really want to focus on how ATCO Energy Systems is energizing Alberta's growing economy by investing roughly \$4.5 billion across the next three years in our four Alberta networks.

You may have heard some of our exciting news from earlier this morning, to meet the ever-increasing energy demand, ATCO Energy Systems plans to build out the Yellowhead Mainline project, a

critical addition to our ATCO Pipeline's integrated delivery system and a significant driver of lower carbon economic growth right here in Alberta.

We will be expanding our ATCO Pipelines' infrastructure to deliver up to 1 billion cubic feet per day of natural gas to the Heartland region which is just northeast of us here in Edmonton. This is an area where our customers have collectively announced well over \$20 billion of new investment and that new investment requires additional natural gas supply.

Jason Sharpe, President of our Gas and Pipelines business, has done a short video for you today. May we see the video please?

Jason Sharpe — President of our Gas and Pipelines, ATCO Gas and Pipelines

Alberta continues to grow, so does the demand for energy. That's why ATCO is excited to announce the Yellowhead Mainline project. We are going to expand our natural gas network and reinforce the province's energy infrastructure, increasing access to the energy that the Alberta economy needs. This will also support the province and energy sector's long-term plans for low-carbon economic growth, underpinning net zero projects that utilize the carbon capture expertise that we are known for in Alberta, whether this is for petrochemicals, industrial or even hydrogen demand.

The Yellowhead Mainline project will be a significant driver of economic growth with the creation of thousands of jobs during construction. It will also support the energy required for the over \$20 billion of investment in the province, ensuring a prosperous future for generations to come. ATCO is committed to delivering safe, reliable and affordable energy that drives our economy forward.

Wayne Stensby — Chief Operating Officer, ATCO Energy Systems

Thank you, Jason, and to you and your team, Lance, Patrick and others for getting all of us to the starting line. And now it begins.

Yellowhead is just an example of a project driven by our customers investing in their own growth and really driven by their changing circumstances. There is major growth right here in Alberta. We have economic expansion and population growth as well as a business-friendly climate and a very supportive regulatory framework. The recent completion of Trans Mountain is also great news for Canada and for Alberta, and another sign of robust growth that's going to carry on into our future. This all means that Alberta and Albertans will require more energy in the years to come.

The big message that I would like to leave with all of you today is that our systems underpin growth and investment for our customers and for our province. It is for that reason that over the next three years, we will be investing roughly \$4.5 billion into our Alberta energy delivery systems. Approximately 40 percent of that investment supports the growth of our customers, both new customers and expansions by existing customers.

Our Central East Transfer Out, or CETO, 230 KV transmission project, that will move into construction later this year, and the Yellowhead Mainline project are both clear examples of these types of investments. Another 50 percent of our investment is focused on reliability and resiliency, including climate adaptation of which I'll speak about in a moment. And the remaining 10 percent will be invested in technology and decarbonization projects.

Although these investments are all really interrelated, let me touch on the technology and decarbonization area.

In Energy Systems, we think about modernization from a few perspectives. Our decarbonization efforts are helping Albertans achieve their net zero ambitions, and we believe that it is vitally important for all customers to be able to benefit from the advancements in decarbonization. Our world-leading work, which is closely tied to what you heard from Australia and John Ivulich, on hydrogen blending is one example where our utilities are uniquely positioned to be able to do this.

Our technology investments are lowering our operating costs and driving out efficiencies across our business, similar to you heard Katie talk about in the beginning. This allows us to keep a focus on affordability for our customers and plays a very important part of our operational excellence approach.

Now, our customers are expecting improved levels of reliability from their energy providers. Even as we all collectively face an increased number of climate-related events, consider for a minute, last year's record wildfire season. There were more than 100 out of control wildfires in our Alberta and Northwest Territories communities and many, many large-scale evacuations. These wildfires were absolutely devastating to so many people. Think about, for a moment, the severe and record-setting cold snap that we had here in mid-January. It caused record demand for natural gas and electricity in Alberta, beyond anything we had ever seen in our past, and it pushed our energy infrastructure to operate at the very extremes of its capability and in some cases, beyond.

In both cases and in numerous other examples, the people of our Company acted. They stepped up, they set up and they sustained unified response with our communities and other first responders,

and they truly went above and beyond. I can't thank our teams enough for their efforts in responding to these and similar events. These women and men are our heroes. They keep the lights on and the gas flowing so that our communities, our businesses, and each of us can carry on with our busy lives.

While our teams hone their response, we must also invest in our systems to make our infrastructure more reliable and more resilient. Simply put, our systems need to be adapted and improved to better withstand and recover from these ever-increasing climate extremes.

It is for all of these reasons we are focusing 50 percent of the approximately \$4.5 billion investment over the next three years on reliability and resilience. These investments are in areas like improving the materials and the standards that we use for electrical distribution structures, selectively undergrounding electrical distribution. In our gas system, we are continuing our pipeline replacement projects and we are upgrading our infrastructure to use the very latest in integrity management tools and equipment.

The reliability and the security of energy is fundamental to creating an environment where people can thrive and economies can grow. Essential energy, it's key to our economy and the quality of life, and it's our job, at ATCO Energy Systems, to deliver it every hour of every day throughout the year.

With that, I'd like to turn it back to our Chair and CEO, Nancy Southern.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Very powerful and thank you so much, Wayne, Bob, John, Katie, and Kyle, thank you. Terrific, terrific team of executives to lead your Company into a very exciting future.

Really great presentations and I'm sure you will all have some questions at the close of this meeting. I forgot to welcome a few special guests and I do want to recognize the partners of Bennett Jones who are here with us today. They have joined us and contributed and given great insight, legal counsel, sound and strategic, and have helped propel us to where we are today, so thank you all very much.

We built a very strong foundation, and we are ready for exceptional growth. We have clear roadmaps for our future in each of the jurisdictions that we serve, whether it's Canada, the Arctic, the Caribbean, Mexico, and Australia. Our companies underpin, as you've heard, societal advancement and prosperity. They are the backbone of our industries, our businesses, and our communities. And despite continued volatility in domestic policy, stubborn inflationary pressures and geopolitical uncertainty, Canadian Utilities is ready, and we'll continue to deliver value to its shareowners, its customers, and the people of our company.

In Alberta and Western Australia, in particular, our prospects are buoyed by economic and demographic trends, that you've heard, have enabled these regions to push through the economic hardships and headwinds of the past few years. Strong commodity prices, industrial investment, and nation-leading population growth have enabled these jurisdictions to outperform their national peers. True in Alberta and true in Western Australia.

At the same time, they serve as a testament to the importance of resource-based economies. It is important. And no matter how many pundits out there continue to say that hydrocarbons are not

required in the future, this is an important aspect of energy transition. Resource-based economies generate national prosperity.

As these jurisdictions continue to grow, both in terms of population and economy, their demand for safe, reliable, resilient and cost-effective energy service continues to rise. To meet this demand, as you've heard, Canadian Utilities will continue to invest in our core electricity and natural gas networks, develop new infrastructure needed to support the energy transition, including storage, carbon capture, hydrogen, renewables, and energy efficiency. These investments are not just forward-looking. They're not just hopes. They're not just us talking about what could be the future. They're essential and they're happening right now.

But growth cannot come at any cost. We are acutely aware of our responsibility to our customers and our shareowners, and that is non-negotiable. We know that every dollar we spend matters. We must create value for you and for our customers with every dollar we spend. As we develop the energy infrastructure of tomorrow, we do so with a very keen eye on efficiency and value.

We're also mindful that value is not just dollars and cents. It's not cost per kilowatt hour or cost per cubic foot of gas. Value includes reliability. The ability for customers to depend on us; for you, as shareowners, to depend on us; resiliency; safety. In each of these respects, I'm proud to say that we do outperform our peers. It isn't just checking boxes for us. It's the bedrock of our promise to you, our shareowners and to each of our customers. Because when Alberta's winter has temperatures plummeting and wildfires are raging in Australia or hurricanes are pounding Puerto Rico, our customers

and our communities depend on us to keep the lights on, to keep homes warm, and keep the gas flowing for businesses.

As we have for more than 100 years, the people of Canadian Utilities will be there when we are needed most. That legacy of caring, for going the extra mile and making a special effort to do more is actually part of the DNA of the people of Canadian Utilities. All of our companies, all of the people of your Company, as we contemplate our achievements over the past 12 months and look to the future, are so proud to serve you, our shareowners and our customers.

I would like to bring your attention to a case study that I'm very proud of. For indigenous reconciliation, Wayne mentioned it but this project has served as a model for our Company for nearly four decades. And this past April, we unveiled the new brand for our joint venture partnership with the Denendeh Investments Company which includes all Dene Nations throughout Alberta and the Northwest Territories. This partnership, which used to be Northland Utilities, is 50 percent owned. Half. We're true partners, 50 percent owned by the Dene people, and it is called Naka Power.

I would like to share a short video that expresses the vision for Naka Power with you.

(Video presentation)

This partnership has enabled the Dene to invest in their own organizations, reinvest in new entrepreneurial ventures and initiatives that contribute to sustainable economic and social development in the north. We are very proud of it. I hope you are as proud as I am, and we all are in Canadian Utilities

of this initiative. Congratulations to Melanie Bayley and her team and Wayne for nurturing and enabling this tremendous and terrific partnership.

As a member of the ATCO Group of companies, Canadian Utilities has been creating indigenous partnerships throughout Canada for decades. Right across our operations, we maintain 55 partnerships or relationship agreements. I'm very proud to say that over the course of the last three years since 2020, at the end of '23, the net economic benefit that we've generated to our indigenous partners is over \$440 million. There is no other company in Canada that can boast those partnerships and that contribution to true economic reconciliation for the First Peoples of this country. It's fostering a sense of unity and mutual growth, and it is vital for Canada in the future.

Very proud to work with the amazing women and men of your Company and the work that they have done over the past year and for decades before them. I hope you, as shareowners, feel the same way as I do in terms of pride and understanding of different economic conditions, economic cycles, headwinds that we all face, and continue to believe and support in our growth, our future. It's something we are committed to. We are committed to Alberta. We're committed to Canada. We're committed to Australia, Mexico, and Puerto Rico.

To our shareowners, friends and partners in the room and those of you on the webcast, thank you. Thank you for your ongoing support and trust.

Ladies and gentlemen, I'd now like to open the floor for any questions or comments you might have.

Q & A

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Please, there's a mic coming for you.

Unidentified Speaker

Hi. I wanted to know from the financial person here, Katie, how much do you put aside, because of the past recent history of all the ice storms or floodings and wildfires, in terms of all the funds needed to have those employees keep going out and working extra? Is there some sort of a contingency amount of funds set aside? Is that growing every year?

Katie Patrick — Executive Vice President and Chief Financial Officer, Canadian Utilities Limited

Yes. Well, we're generally very good with our liquidity and cash. We always try to maintain a minimum cash balance which is equivalent to a full year of spending for us in terms of some of our needs, not the full capital needs, but the full year of dividends and other amounts which right now is about \$500 million. In addition to that, we have in excess of \$2 billion of access to committed credit facilities from banks. So, between those two items, we don't specifically allocate it to wildfire relief, but we have sufficient access to a lot of capital when needed to address those situations in the short term.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Wayne, you might want to add to that because the regulator is really quite efficient in looking at these types of costs.

Wayne Stensby — Chief Operating Officer, ATCO Energy Systems

Yes, I think that's a great point is we have the response costs, if you like. At the same time, we have the rebuilding costs which are, in fact, capital investment that gets funded and put back into rate base. So, the regulatory framework allows for both of those to occur. As I mentioned during my short piece, on top of that, what we're laser focused on is how we think about building even better assets that are more resilient and more reliable to things like what we're seeing in the wildfire case.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

They have this really neat new material, this fire mesh that they put on the poles. But maybe, Mel or yourself can explain?

Wayne Stensby — Chief Operating Officer, ATCO Energy Systems

Derek or Melanie, do you want to talk about fire wrap? It's not a musical trend, I don't think.

Melanie Bayley — President, ATCO Electric

Hi, everyone. I'm the President of ATCO Electric. Something that we did last year during the wildfires—heavily impacted our infrastructure—is we got out ahead of where the wildfires were moving and wrapped, I don't know, almost 8,000 of our poles with fire mesh. It's exactly how you imagine it. It's mesh that's just wrapped on the bottom part of the pole, and it had an incredible impact on our ability to maintain power to communities while they were being ravaged by wildfires. We now have an

enhanced pole wrapping program, and we expect to continue to do those types of things to improve the resiliency of our system.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Thanks for your question. It's on top of everyone's minds, with fires already burning in the province, right?

Peter Chan

I'm Peter Chan. I work for Enbridge. From the 2024 investor letter, it does talk a little bit about the trend of utility commission taking a more populist stand, trying to beat down the ROE. What is the impact of the trend that you see from ATCO or from CU? What is the mitigation strategy?

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

I'm not sure I got the full question. The regulators ROE and trend to populism?

Peter Chan

Yes, they become more...

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

And ESG?

Peter Chan

No, just trying to reduce your ROE.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Right. Okay. Thank you for the question. And as a fellow utility, competitor, it's a really hard thing for the regulator today, and we have a lot of empathy. There's always tension between the regulator and the business, the regulated business. But in today's inflationary environment, top of mind is affordability for the ratepayers, and balancing the needs of climate resiliency that Wayne talked about, modern technologies that create better efficiencies and what customers are demanding, and addressing the need for more infrastructure, more robust infrastructure, more redundancy as a result of energy transition, renewables, the wind doesn't blow all the time, the sun doesn't shine all the time. You need to have that backup, substations and wires, in order to support the backbone of the system.

I personally, and I'll let Wayne comment further—but I think it's a very, very difficult job that the regulator has. It's very important that jurisdictions, provincial governments, state governments are clear about their policy and provide regulators with a clear mandate as to what is required in the province. I think that is most important. I do see some uncertainty, and again, I have more empathy for the regulator because they don't have that certainty and neither do the businesses.

I think in Alberta, we have a very balanced regulator. We have often had tough discussions and negotiations with the regulator and the intervenors. But on balance, they have been fair in looking out for both industry shareowners as well as customers.

Wayne, do you want to add anything?

Wayne Stensby — Chief Operating Officer, ATCO Energy Systems

I completely agree with everything you said, Nancy. Peter, it's very important to us that we have a constructive relationship with the regulator, and we work hard at that, and we're going to work hard at that moving into the future. I think the specific question around ROE, was, in our view, a good outcome. They've moved to a formula kind of approach, formula-matic approach to ROE, which has some inputs. But what it gives businesses like ours is a degree of certainty into the future of where those ROEs will move and it allows us to fund large capital programs like we are in order to make investments that support the economy, which whether you're the regulator or policymakers or government or ourselves, is really why we're all here. So, everyone has a role, and we recognize that role and we continue to work with our regulator and other policy makers.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

The other thing I might add is when we look at what Katie talked about, balancing the globe, maybe it's sometimes forgotten that in the regulated business, as you're investing, for example, the transmission line that Wayne talked about or the Yellowhead Mainline that will start construction on, you are actually able to earn as you build.

So, there is a concept within the regulatory compact framework that work-in-progress, as you spend, you continue to earn. Now, that doesn't take away from your need for real prudence and demonstrating that costs are appropriate, all of those things. But it's very different than the non-regulated business, that Bob and John are operating, where you're spending your capital, as you heard, the Hydrogen Project final investment decision is in the next 12 months, once the partnerships are lined

up, and it won't be commissioned until 2029. That is going to be three and a half years of spending billions of dollars that you don't earn on. That was the lag that Katie was talking about as well. When we see the investment going in the non-rate businesses, we don't actually demonstrate the earnings until we open up the plant and start production.

That is where we really do need to balance the tremendous amount of growth that we have right now on both the regulated and non-rate side with how we finance it and the cash coming in from our earnings. It's a great challenge for Katie, it's a great challenge for all of us, and disciplined capital allocation is key.

Percy

Hi. My name is Percy, which Nancy has mentioned before. I want to say, first of all, I really enjoyed the tour that we had last Friday of some of your facilities that Wayne is operating. I was impressed with the facilities, and I want John to know that I'm available for a tour in Australia.

When I go on these things, I look at Management as well as the staff that are operating those facilities, and I want to tell Management as well as you, Nancy, that the future for Canadian Utilities and ATCO is in good hands. I was very impressed with the operating level all the way up to the management level. So, I thank you for having that tour, and it gives all shareholders a chance to meet these people. Any of the shareholders that happen to be here today, if there is another tour in the future, please sign up for it. It is worth the time. Okay.

My question to Wayne right now is that I noticed in the news that Capital Power has gotten away from carbon capture. Do you see it as an opportunity? Or is it another hurdle that you might have to face?

Wayne Stensby — Chief Operating Officer, ATCO Energy Systems

Thank you, Percy. Thank you for your generous comments to our teams that, as you said, work so hard every day.

The carbon capture conversation for me is quite interesting. If I reflect on Yellowhead for a minute, Yellowhead is underpinned, effectively, by very significant organizations that are investing in expansions and their own new technology projects, most of which, in fact, include some version of carbon capture so that they can produce lower carbon products, whether it's building materials or petrochemical projects.

I see the future very bright for our businesses in terms of energy transition and the investments that are going to be required to be able to transport and produce more energy for a growing economy. I think the topic of carbon capture, you could kind of think about it, in some cases, it's going to be successful and it's going to be widespread; in other cases, I think Capital Power was pretty clear in what I was able to read on some of their challenges. So, I think the energy transition isn't going to be a straight line from here to there is maybe the best way to say it. We're going to make our way in that direction and it's going to have some twists and turns to it. But our businesses are well set up to support that and support our customers.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Percy, thank you so much for taking advantage of going on the tour. You and Douglas, that's terrific. We will offer another tour next year. And Roger, thanks for the suggestion once again.

I think the manufacturing industries that we have in this province, multi-billion-dollar petrochemical upgrade. That is underpinned by natural gas but it's also going ahead because of carbon capture. The same thing with the large-scale cement plant, Heidelberg cement plant in Fort Saskatchewan. My understanding is it's much harder to capture the carbon on an existing gas power generator. If you can capture the carbon ahead of time. John was talking about South Australia Jobs project. That will be using hydrogen after it's already produced into the turbines to create power, and that's the same with Bob's hydrogen project in Fort Saskatchewan. You create the hydrogen, take the carbon out of the gas, and then you can use the hydrogen, maybe with a blend of gas, to produce the electricity. But I think it's harder for Capital Power or gas generator to actually capture the carbon after the fact.

Would you agree with that, Bob? Go ahead.

Robert Myles — Chief Operating Officer, ATCO EnPower

Yes. Percy, just so I could add one other thing, Nancy, if it's okay. We had a lot of questions after that announcement about how we view our project, our partnership with Shell, is our project at risk? It's quite different. It's exactly as Nancy said, the Capital Power project was capturing CO₂ on a power generating facility. That's not what our project is. Their project was really tied to the economics of the

power market. Our project is not, so we're a lot more optimistic on our project. I think that's one of the big changes and the big differences between our project with Shell and the Capital Power project. But we've had the same kind of questions as well.

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

Anything else? Yes. Go ahead.

Unidentified Speaker

(Inaudible).

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

The question is, is the pipeline regulated or non-regulated?

Robert Myles — Chief Operating Officer, ATCO EnPower

ATCO Pipelines, infrastructure and operation.

Unidentified Speaker

(Inaudible) regulated or non-regulated? (Inaudible).

Nancy Southern — Executive Chair and Chief Executive Officer, Canadian Utilities Limited

The question is, hydrogen pipelines of the future, will they be regulated or non-regulated? They'll be a bit of both. There will be some direct lateral lines going from hydrogen production facilities directly

to customers. Those will be non-regulated. They would be bilaterals. The ability to move hydrogen and decarbonize the natural gas network, though, would be in regulated pipelines. That's where it is right now in Australia and the pilot project that we have in Fort Saskatchewan.

Yes. We just have to get clearer policy to allow that to continue. There are many jurisdictions around the world, including the Netherlands, where the distribution network has 95 percent allowed hydrogen in its gas network.

Anything else?

Great. Thank you, again, so much for coming. Thank you for your questions. Thank you so much for going on the tour, Percy, and recommending it to other shareowners.

I'm very much looking forward to seeing you again right here next year, same time, same place, and wait till you see how your share price has done then.

Thank you all very, very much. We are adjourned. There is coffee in the foyer. Please feel free to pick up your Blue Flame Kitchen recipe book, our sustainability book, and any of the other official documents that we have, disclosure documents available for you, coffee. We are adjourned. Thank you.