

DISCLAIMER

Due to uncertainty surrounding the application of recent amendments to the Competition Act (Canada), the documents incorporated by reference herein are referenced for historical information purposes only and do not constitute active or current representations of Canadian Utilities Limited or any of its related parties. The purpose of these documents is to comply with disclosure requirements that were in effect on the date these documents were filed; Canadian Utilities undertakes no obligation to update such information except as required by applicable law. Canadian Utilities remains committed to taking steps to address climate change and continuing to engage in sustainability initiatives.



CANADIAN UTILITIES LIMITED

An **ATCO** Company



CU CANADIAN
UTILITIES LIMITED
An **ATCO** Company

Q3 2024 Earnings Call

Canadian Utilities Limited

November 14, 2024

Legal Notice

Forward-Looking Information Advisory

Statements made by company representatives and information provided in this presentation may be considered 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", "goals", "targets", "strategy", "future", "potential" and similar expressions. Such information includes, but is not limited to, references to: strategic plans and partnerships; growth and expansion plans and opportunities; the expected timing for a decision on ATCO Australia's Genuine Offer bid for the South Australia Hydrogen Jobs Plan project; expectations regarding Canada's energy future in Alberta; expectations regarding the Yellow Mainline project, including the anticipated size, specifications and incremental natural gas capacity of the Yellowhead Mainline project, the anticipated total investment in the project, and expectations regarding the timing for front end engineering design (FEED) completion, regulatory and permitting applications and decisions, commencement of construction, and bringing the Yellowhead Mainline project on-stream; expectations regarding ATCO EnPower's Heartland Hydrogen Hub project, including ATCO's continuing commitment to the project, the timing for commencement of FEED, and continuing collaboration with governments and First Nations groups on the project; expectations regarding ATCO EnPower's mid- and near-term development projects to 2030 and beyond, including the anticipated electricity generation capacity of each project, associated capital development plans to 2030, and expected timelines to achieve each project; and the expected timing and impact of regulatory decisions and new regulatory announcements.

Such forward-looking information is considered to be reasonable based on the information that is available on the date of this presentation and the processes used to prepare such information; however, such information does not constitute a guarantee of future performance and no assurance can be given that the information will prove to be correct. Forward-looking information should not be unduly relied upon. Such information involves a variety of assumptions, known and unknown risks and uncertainties, and other factors, which may cause actual results, levels of activity, and achievements to differ materially from those anticipated by such forward-looking information. The forward-looking information reflects Management's beliefs and assumptions with respect to, among other things: management's current plans and its perception of historical trends; current conditions and expected future developments; certain regulatory applications that will be made and are expected to be approved, including one related to the expansion of the natural gas transmission system in support of increasing natural gas demand in the Heartland Industrial region and those required in connection with the Yellowhead Mainline project; continuing collaboration with certain regulatory, environmental and First Nations groups; the performance of assets and equipment; demand levels for oil, natural gas, gasoline, diesel and other energy sources; certain levels of future energy use; future production rates; future revenue and earnings; the design specifications of development projects; the availability of labour, materials, services and infrastructure; the satisfaction by third parties of their obligations; a supportive regulatory environment; the ability to meet current project schedules and complete proposed development projects at currently estimated project budgets; the availability of financing sources on acceptable terms; in respect of the Heartland Hydrogen Project, a final investment decision; assumptions related to electricity prices based on forward strip prices and merchant price differentials that are consistent with management's observations; and other assumptions inherent in Management's expectations with respect to the forward-looking information identified herein.

Actual results could differ materially from those anticipated in the forward-looking information as a result of, among other things: risks inherent in the performance of assets; capital efficiencies and cost savings; applicable laws, regulations and government policies, including uncertainty with respect to recent amendments to the *Competition Act* (Canada); regulatory decisions and the regulatory environment; competitive factors in the industries in which the company operates; prevailing economic conditions; credit risk; interest rate fluctuations; the availability and cost of labour, materials, services, and infrastructure; future demand for resources; the development and execution of projects, including development projects, not proceeding on schedule or at all, or at currently estimated budgets; the availability of financing sources for development projects on acceptable terms; prices of electricity, natural gas, natural gas liquids, and renewable energy; the development and performance of technology and new energy efficient products, services, and programs including but not limited to the use of zero-emission and renewable fuels, carbon capture, and storage, electrification of equipment powered by zero-emission energy sources and utilization and availability of carbon offsets; potential termination or breach of contract by contract counterparties; the occurrence of unexpected events such as fires, extreme weather conditions, explosions, blow-outs, equipment failures, transportation incidents, and other accidents or similar events; global pandemics; geopolitical tensions and wars; and other risk factors, many of which are beyond the control of the company. Due to the interdependencies and correlation of these factors, the impact of any one material assumption or risk on a forward-looking statement cannot be determined with certainty. Readers are cautioned that the foregoing lists are not exhaustive. For additional information about the principal risks faced by the company see "Business Risks and Risk Management" in Canadian Utilities Limited's Management's Discussion and Analysis for the year-ended December 31, 2023.

Legal Notice

Non-GAAP and Other Financial Measures Disclosure Advisory

This presentation contains various “total of segments measures” (as such term is defined in National Instrument 52-112 – *Non-GAAP and Other Financial Measures Disclosure* (“NI 52-112”)) and “non-GAAP financial measures” (as such term is defined in NI 52-112).

NI 52-112 defines a “total of segments measure” as a financial measure disclosed by an issuer that is a subtotal or total of two or more reportable segments of an entity, is not a component of a line item disclosed in the primary financial statements of the entity, is disclosed in the notes to the financial statements of the entity, and is not disclosed in the primary financial statements of the entity. Consolidated adjusted earnings (loss) and adjusted earnings (loss) for each of ATCO Energy Systems, ATCO EnPower, ATCO Australia and CU Corporate & Other are total of segments measures, as defined in NI 52-112. The most directly comparable measure to these total of segments measures reported in accordance with International Financial Reporting Standards (“IFRS”) is total earnings (loss) attributable to equity owners of the company. A reconciliation of these total of segments measures with total earnings (loss) attributable to equity owners of the company is presented in Canadian Utilities Limited's Management's Discussion and Analysis for the three months ended September 30, 2024 (the “MD&A”).

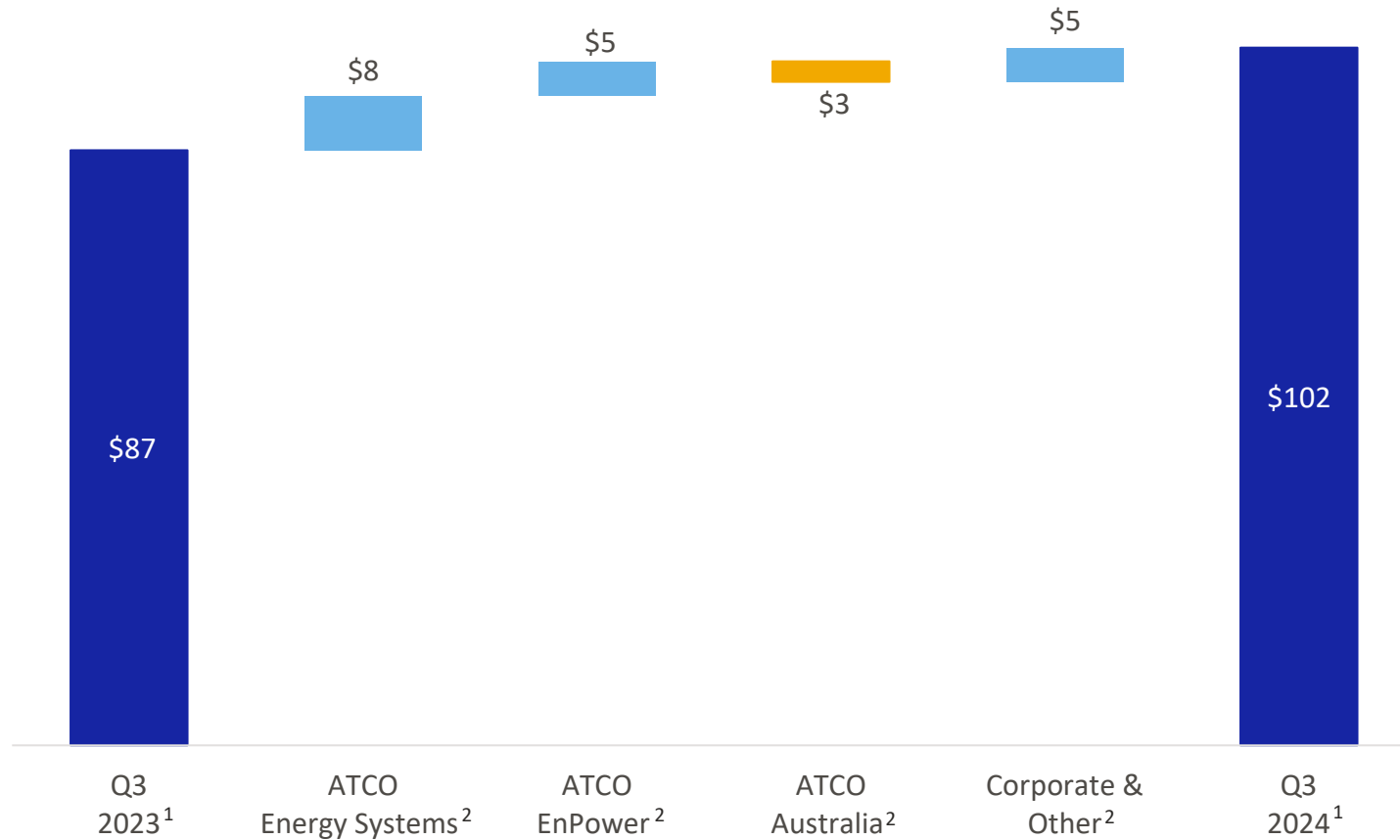
NI 52-112 defines a “non-GAAP financial measure” as a financial measure disclosed by an issuer that (a) depicts the historical or expected future financial performance, financial position or cash flow of an entity, (b) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity, (c) is not disclosed in the financial statements of the entity, and (d) is not a ratio, fraction, percentage or similar representation. Capital investment and references to adjusted earnings (loss) for each of Electricity (Distribution and Transmission), Natural Gas (Distribution and Transmission), Luma Energy (International Electricity Operations), Electricity Generation and Storage & Industrial Water are non-GAAP financial measures, as defined in NI 52-112.

Capital investment is defined as cash used for capital expenditures, business combinations, and cash used in the company's share of capital expenditures in joint ventures. Management views capital investment as the company's total cash investment in assets. Capital expenditures include additions to property, plant and equipment and intangibles as well as interest capitalized during construction. The most directly comparable measure to capital investment reported in accordance with IFRS is capital expenditures. Capital investment is not a standardized financial measure under the reporting framework used to prepare our financial statements. Capital investment may not be comparable to similar financial measures disclosed by other issuers. For investors, capital investment is useful because it identifies how much cash is being used to acquire and invest in assets. A reconciliation of capital investments to capital expenditures is presented in the MD&A.

Adjusted earnings (loss) are earnings (loss) attributable to equity owners of the company after adjusting for the timing of revenues and expenses associated with rate-regulated activities, dividends on equity preferred shares of the company, and unrealized gains or losses on mark-to-market forward and swap commodity contracts. Adjusted earnings (loss) also exclude one-time gains and losses, impairments, and items that are not in the normal course of business or a result of day-to-day operations. Adjusted earnings (loss) are a key measure of segment earnings that management uses to assess segment performance and allocate resources and allow for a more effective analysis of operating performance and trends. It is management's view that adjusted earnings (loss) allow a better assessment of the economics of rate regulation in Canada and Australia than IFRS earnings. The most directly comparable measure reported in accordance with IFRS is earnings attributable to equity owners of the company, which on a consolidated basis, was \$125 million for the three months ended September 30, 2023, and \$12 million for the three months ended September 30, 2024. Additional information regarding this measure, including a reconciliation of adjusted earnings (loss) to earnings attributable to equity owners of the company, is provided in the MD&A under “Other Financial and Non-GAAP Measures”, and under “Reconciliation of Adjusted Earnings to Earnings Attributable to Equity Owners of the Company”.

The MD&A is available on SEDAR+ at www.sedarplus.ca. The referenced sections of the MD&A are incorporated by reference herein.

Q3 2024 Adjusted Earnings¹ Waterfall



+17%
 Year-over-Year
 Growth

Note: Millions of Canadian dollars.

1. Total of segments measure (as defined in NI 52-112). The most directly comparable measure reported in accordance with IFRS is Earnings Attributable to Equity Owners of the Company, which was \$125 million for the three months ended September 30, 2023, and \$12 million for the three months ended September 30, 2024. See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

2. Represents the incremental addition in adjusted earnings (loss) from Q3 2023 to Q3 2024. Adjusted earnings (loss) for each of ATCO Energy Systems, ATCO EnPower, ATCO Australia and Corporate & Other are total of segments measures (as defined in NI 52-112). See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

ATCO Australia

Sixth Access Arrangement (AA6)

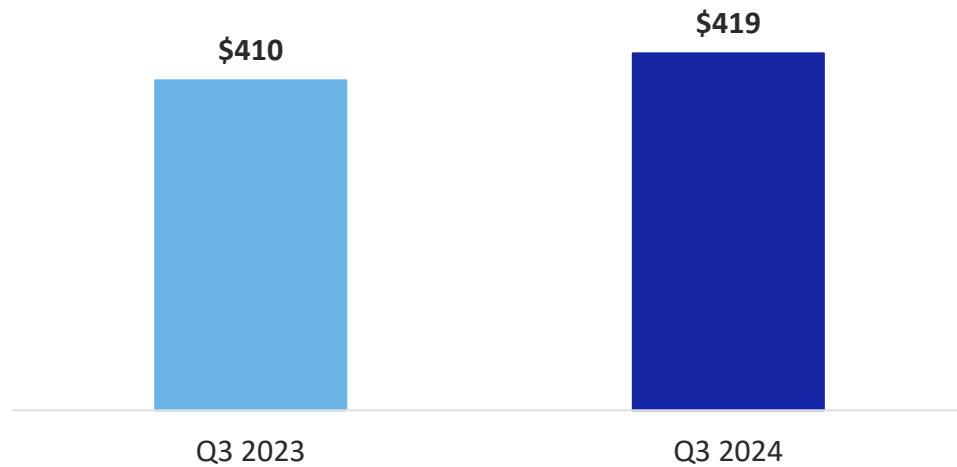
- The final decision for AA6 was received from the Economic Regulation Authority (ERA) on November 8, 2024.
- The decision set an ROE of 8.23% for the AA6 period (vs. 5.02% under the previous Access Arrangement).
- AA6 will be implemented for the period January 1, 2025 to December 31, 2029 for our Australian gas distribution utility.

Hydrogen Jobs Plan Project

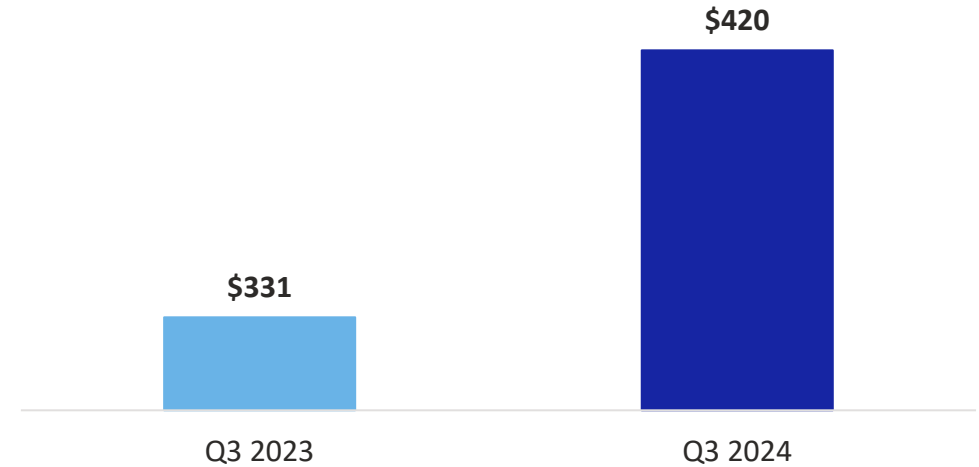
- In August 2024, the South Australian Hydrogen Jobs Plan project secured development approval for the construction and operation of 250-MW electrolyzers, a 100-tonne storage pipeline and a 200-MW hydrogen fuelled power plant.
- ATCO Australia submitted a Genuine Offer bid to the Australian Government for engineering, procurement, construction and operations, and maintenance contracts associated with the power plant component of the project.
- A decision on the bid is expected in Q4 2024.

Strong Cash Flows Support Capital Program

Cash Flows from Operating Activities



Capital Investment¹



Portfolio of cash flow generating assets support our strategic investments that underpin long-term growth

Note: Millions of Canadian dollars.

1. Non-GAAP financial measure (as defined in NI 52-112). The most directly comparable financial measure reported in accordance with IFRS is capital expenditures, which was \$330 million for the three months ended September 30, 2023, and \$414 million for the three months ended September 30, 2024. See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

Growth Drivers

Canada's Energy Future Begins in Alberta

#1 GDP Per Capita¹

#1 Population Growth²

\$152B+ new investment in Major Projects in Alberta³

1. Government of Alberta, GDP per capita, 2023.

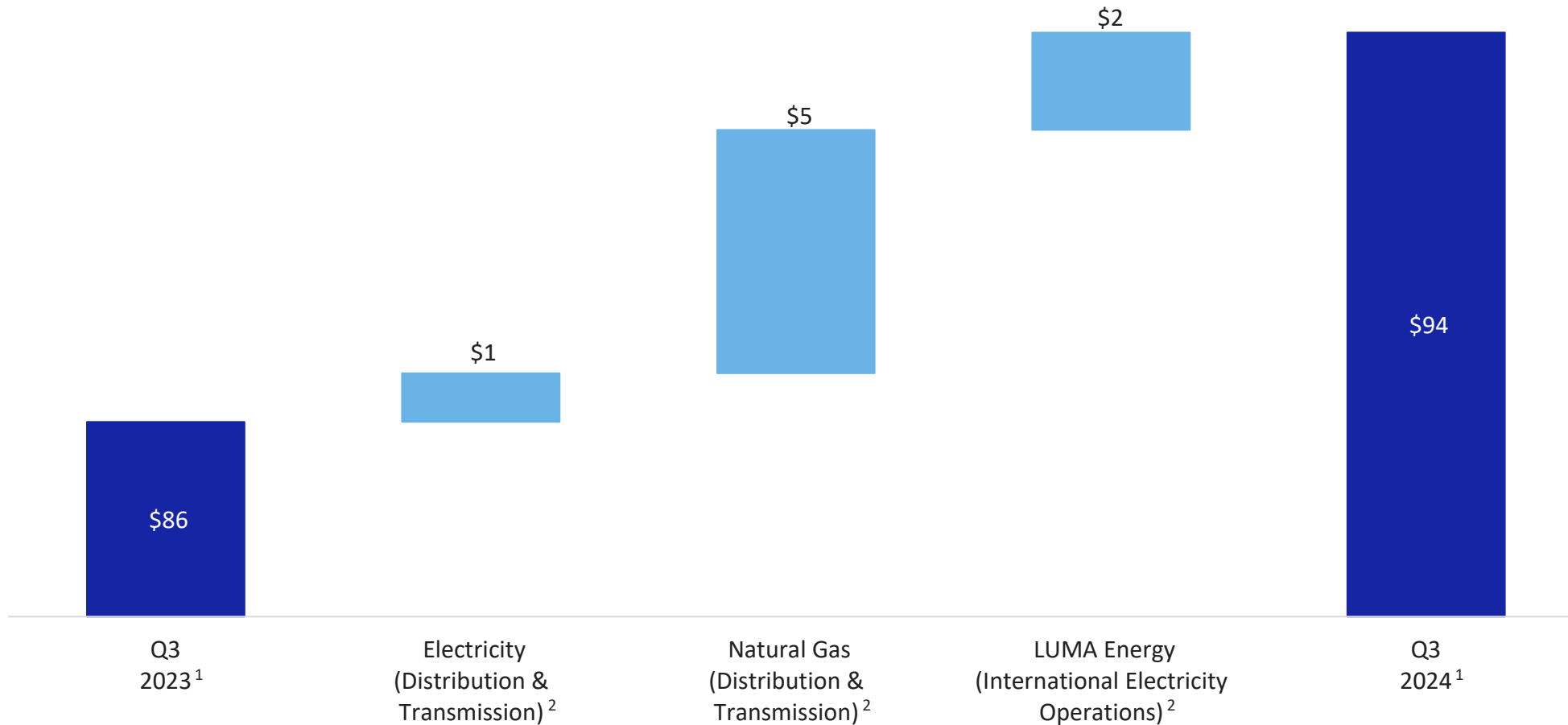
2. Statistics Canada.

3. Government of Alberta, Major Projects, November 2024.



ATCO Energy Systems™

Q3 2024 Adjusted Earnings¹ Waterfall



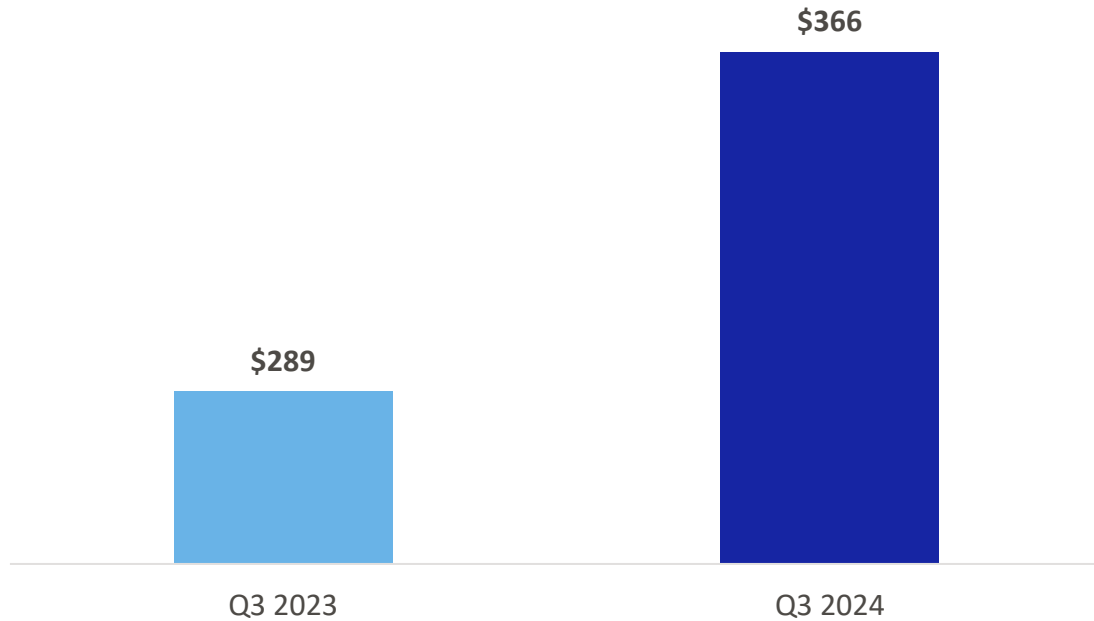
Note: Millions of Canadian dollars.

1. Total of segments measure (as defined in NI 52-112). The most directly comparable measure reported in accordance with IFRS is Earnings Attributable to Equity Owners of the Company, which for ATCO Energy Systems was \$47 million for the three months ended September 30, 2023, and \$81 million for the three months ended September 30, 2024. See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

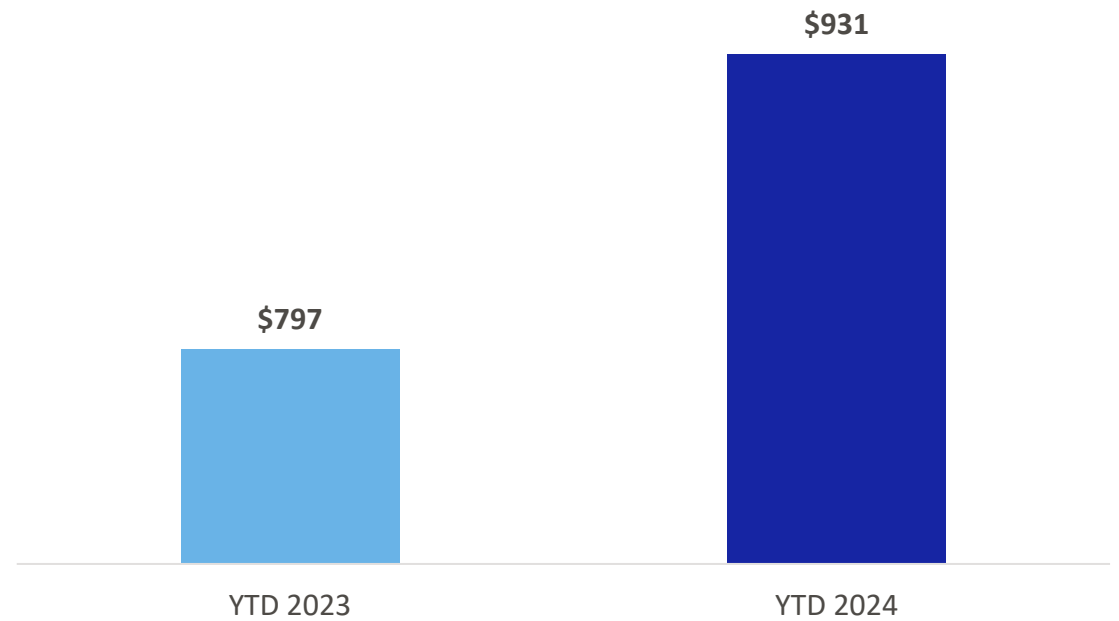
2. Represents the incremental addition in adjusted earnings (loss) from Q3 2023 to Q3 2024. Adjusted earnings (loss) for each of Electricity (Distribution & Transmission), Natural Gas (Distribution & Transmission) and LUMA Energy (International Electricity Operations) are non-GAAP financial measures (as defined in NI 52-112). See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

Continued Investment Across our Utilities

Capital Investment (Q3 2024)¹



Capital Investment (YTD 2024)¹



Note: Millions of Canadian dollars.

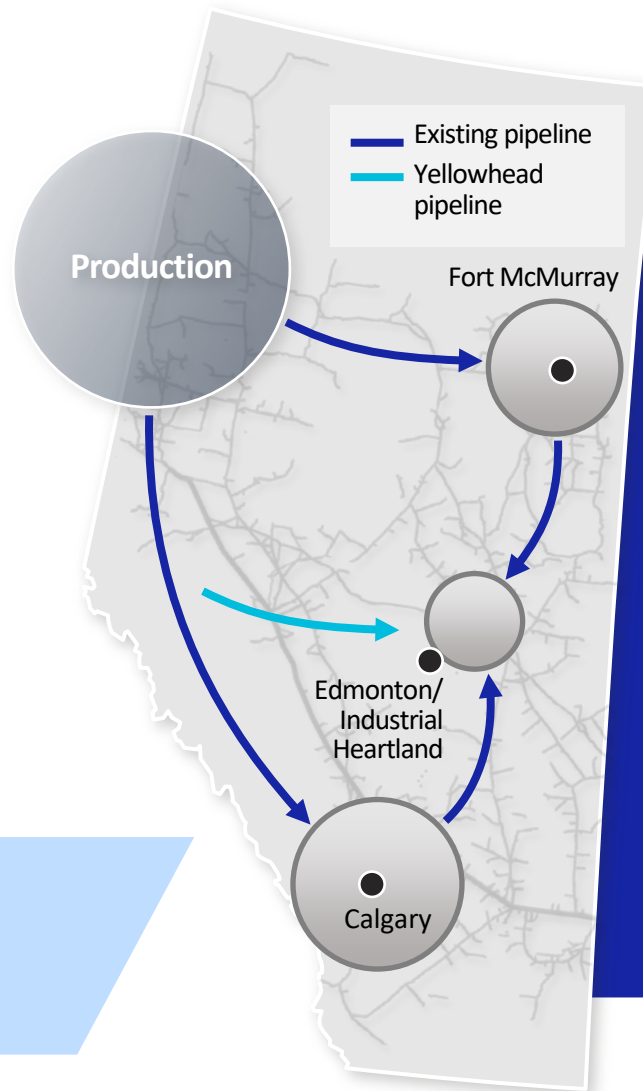
1. Non-GAAP financial measure (as defined in NI 52-112). The most directly comparable financial measure reported in accordance with IFRS is capital expenditures, which was \$289 for the three months ended September 30, 2023, \$364 for the three months ended September 30, 2024, \$795 million for the nine months ended September 30, 2023, and \$928 million for the nine months ended September 30, 2024. See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

Yellowhead Mainline

200-230 km length

1.1 Bcf/d capacity

Unlocking capacity and increasing system resiliency



- ➔ Needs application filed with AUC in September 2024
- ➔ Total investment for the project is estimated at \$2.8 billion
- ➔ Construction to start in 2026; expected to be on-stream in Q4 2027
- ➔ Yellowhead will release additional capacity on existing pipeline to meet demand in other regions

Yellowhead Mainline Timeline

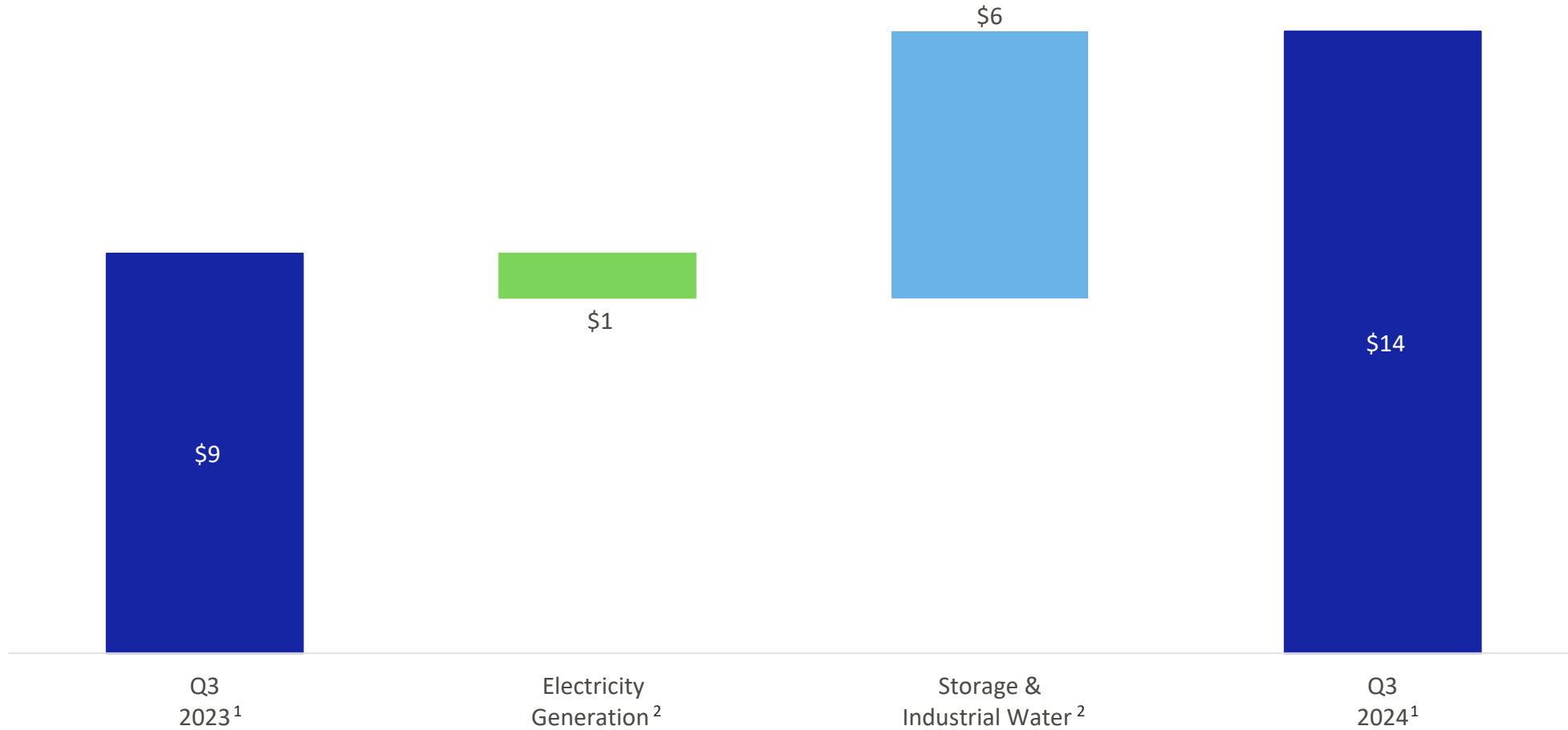


Progressing toward 2027 in-service date

ATCO EnPower™



Q3 2024 Adjusted Earnings¹ Waterfall



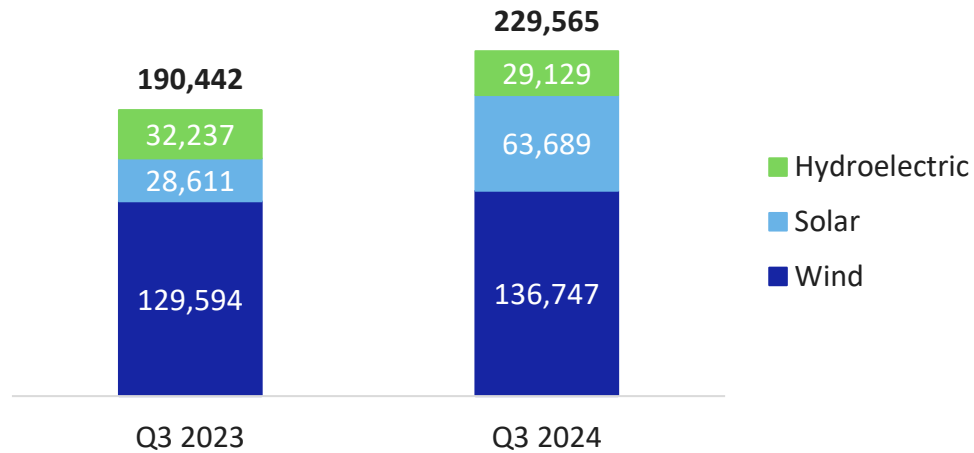
Note: Millions of Canadian dollars.

1. Total of segments measure (as defined in NI 52-112). The most directly comparable measure reported in accordance with IFRS is Earnings Attributable to Equity Owners of the Company, which for ATCO EnPower was \$9 million for the three months ended September 30, 2023, and \$15 million for the three months ended September 30, 2024. See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

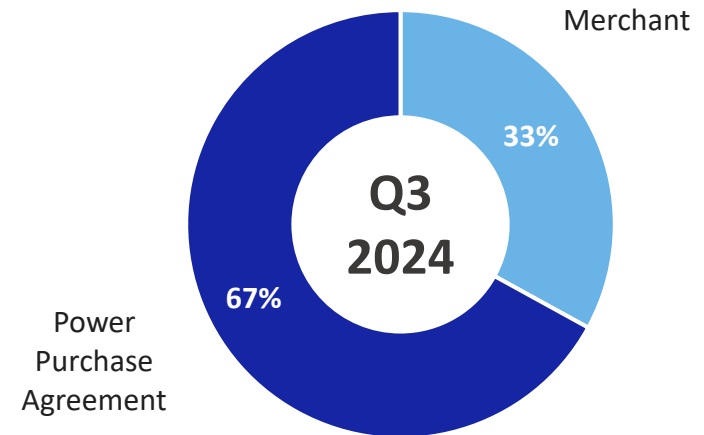
2. Represents the incremental addition in adjusted earnings (loss) from Q3 2023 to Q3 2024. Adjusted earnings (loss) for each of Electricity Generation and Storage & Industrial Water are non-GAAP financial measures (as defined in NI 52-112). See *Legal Notice – Non-GAAP and Other Financial Measures Disclosure Advisory* for additional information.

Canadian Electricity Generation

Generation (MWh)



Contractedness



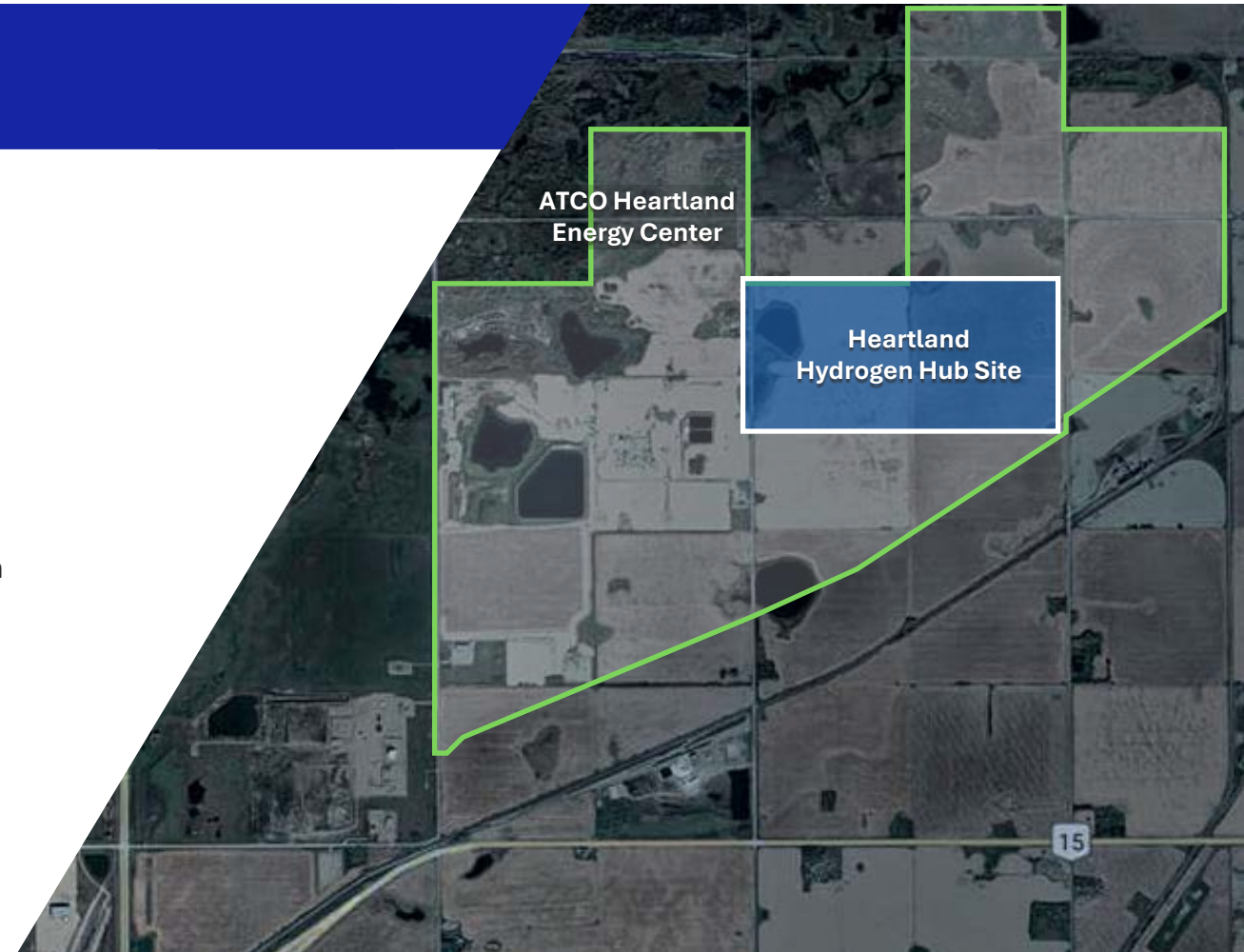
Higher generation offset lower merchant pricing

Heartland Hydrogen Hub

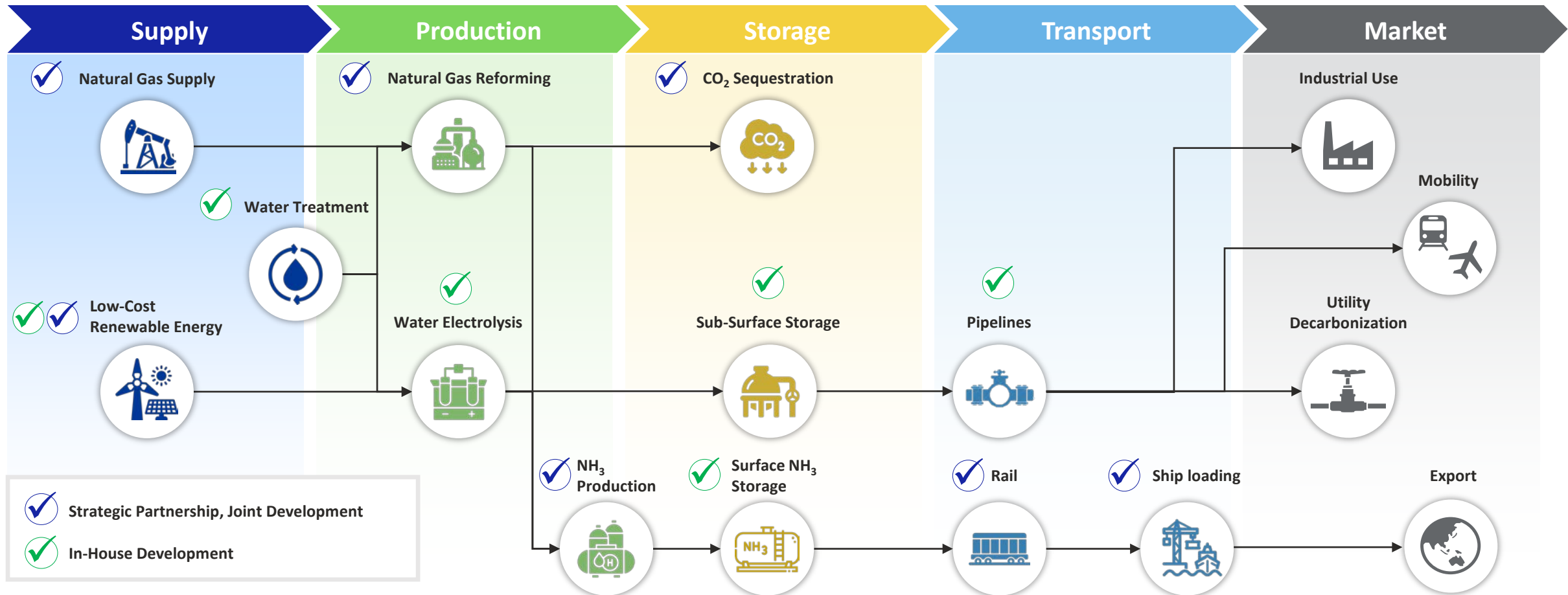
Achievements to date

Business update

- Signed Letter of Intent with Linde Canada Inc. (Linde).
- Working alongside Linde and other parties to further the development and commercial success of the project.
- Intention to commence Front End Engineering Design (FEED) by the end of 2024.
- Progressing discussions with Federal and Provincial governments along with First Nations groups.
- Secured large available plot area (2,000 acres) proximal to customers, pipeline ROW and adjacent to both major railway corridors and highways.
- Proximity to Atlas (Shell/ATCO) Sequestration Hub.



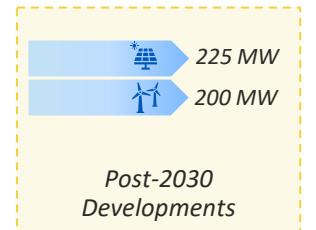
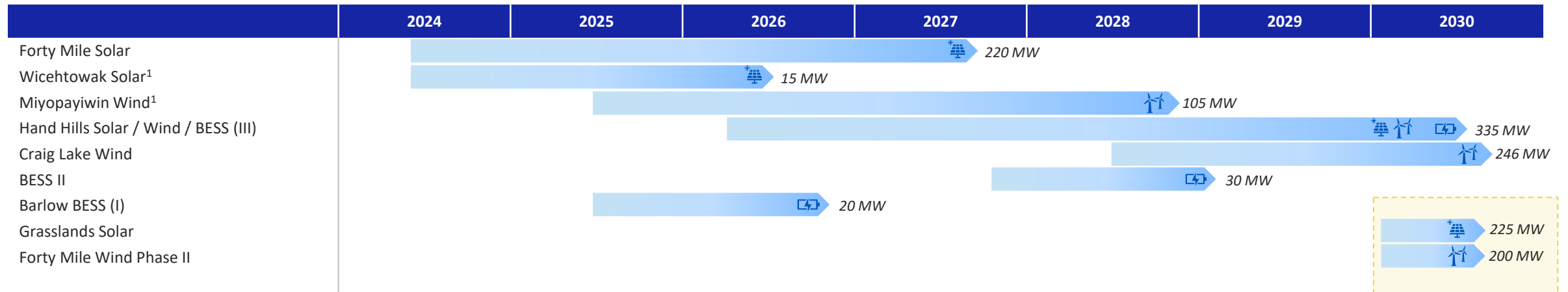
Clean Fuels – Strategy Driven by Strategic Partnerships



Renewables – Development Opportunities



COD & gross installed capacities



~\$2bn
Gross capital deployment through 2030

~1GW
Gross renewable capacity additions by 2030

Note: Billions of Canadian Dollars (“Bn”) and Gigawatt (“GW”).
1. Represents net capacity.



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Questions & Answers

InvestorRelations@atco.com