

January 5, 2023

ATCO CLOSES MAJOR CANADIAN RENEWABLES ACQUISITION AND ENTERS INTO A LONG-TERM RENEWABLE ENERGY PURCHASE AGREEMENT WITH MICROSOFT

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

ATCO, through its investment in Canadian Utilities Limited, has successfully closed the previously announced acquisition of a portfolio of wind and solar assets and projects located in Alberta and Ontario from Suncor Energy Inc. Concurrent with the close of this acquisition, ATCO entered into a new 15-year renewable energy purchase agreement (REPA) with Microsoft Corporation. Under the terms of the agreement, Microsoft will purchase 150 megawatts (MW) of renewable energy generated by ATCO's newly acquired Forty Mile Wind Phase 1 Project in Alberta.

"Today represents two big steps forward on our commitment to become a leader in decarbonization," said Bob Myles, Executive Vice President, Corporate Development, ATCO. "Firstly, with this transaction ATCO adds 232 MW of operating wind assets and a 1.5-gigawatt renewable development portfolio in Canada. Secondly, with the 15-year REPA with Microsoft, we have enabled another customer to reduce the carbon intensity of their operations."

"Today we are announcing a new power purchase agreement with ATCO for the Forty Mile Wind Phase 1 Project in Alberta. This agreement, along with one we announced in March 2022, supports our commitment to decarbonization and furthers our goal of being powered by 100% renewable energy by 2025. We look forward to working with ATCO to help us get one step closer to our carbon negative commitment and bring more renewable energy to the grid." said Chris Barry, President, Microsoft Canada.

The Forty Mile Wind Phase 1 project is the second REPA ATCO has signed in the past year with Microsoft. In March 2022, ATCO signed a 15-year REPA for Microsoft to purchase all renewable energy generated by ATCO's Deerfoot Solar Project located in Calgary, Alberta, one of the largest solar installations in a major urban centre in Western Canada. Customers buying through REPAs represents a long-term collaboration that helps to bring new clean electricity generation online. It also provides a demand signal to spur the development of new clean energy solutions.

ATCO's 202 MW Forty Mile Wind project is located in southeastern Alberta, in the County of Forty Mile. ATCO has successfully begun operating the Forty Mile Wind facility as well as the 30 MW Adelaide wind facility in Ontario.

Through a formal preemptive rights process, existing partners on the Chin Chute and Magrath Wind projects opted to acquire the additional interest in these facilities. As a result, the corresponding 20 MW of net nameplate capacity of the previously announced 252 MW operational portfolio was not acquired by ATCO as part of this transaction and the final purchase price was adjusted accordingly from \$730 million to \$713 million.

With approximately 4,800 employees and assets of \$21 billion, Canadian Utilities Limited is an ATCO company. Canadian Utilities is a diversified global energy infrastructure corporation delivering essential services and innovative business solutions in Utilities (electricity and natural gas transmission and distribution, and international electricity operations); Energy Infrastructure (electricity generation, energy storage, and industrial water solutions); and Retail Energy (electricity and natural gas retail sales). More information can be found at www.canadianutilities.com.

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Forward-Looking Information Advisory

Certain statements contained in this news release 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", "commitment", "future", and similar expressions. In particular, forward-looking information in this news release includes, but is not limited to, references to the expected electricity generation capacity of the assets and projects that have been acquired or that are expected to be developed in the future; and the purchase and sale of electricity under the referenced REPAs.

Although it is believed that the expectations reflected in the forward-looking information are reasonable based on the information that is available at the date hereof and the processes used to prepare the information, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors, which may cause actual results to differ materially from those anticipated in such forward-looking information. The forward-looking information reflects current beliefs and assumptions with respect to, among other things the development and performance of technology and technological innovations; continuing collaboration among project proponents, various levels of government, government agencies and regulatory bodies; the performance of assets and equipment; future energy demand and use; future production rates; the availability and cost of materials, equipment, services and labour.

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 technology and assets; applicable laws and government policies; regulatory decisions; competitive factors; prevailing economic conditions; credit risk; interest rate fluctuations; the availability and cost of labour, materials, services, and infrastructure; development and execution risks; the development and performance of technology; the occurrence of unexpected events such as fires, severe weather conditions, explosions, blow-outs, equipment failures, transportation incidents, and other accidents or similar events; and other risk factors, many of which are beyond our

control. Due to the interdependencies and correlation of these factors, the impact of any one assumption or risk on a forward-looking statement cannot be determined with certainty. Readers are cautioned that the foregoing lists are not exhaustive. The forward-looking information in this news release represents current expectations as of the date hereof and is subject to change after such date.