

ATCO Energy Systems announces key regulatory filing to advance the Yellowhead Mainline natural gas project, a major infrastructure initiative to drive economic growth in Alberta

CALGARY, AB, September 18, 2024 /CNW/ -Canadian Utilities Limited (TSX: CU)

- ATCO Energy Systems advances Alberta energy infrastructure with filing of Yellowhead Mainline application with Alberta Utilities Commission.
- Application demonstrates clear need for new infrastructure to support energy, petrochemical, building materials and hydrogen projects that use natural gas and carbon capture technology to produce products the world demands with lower emissions than previously possible.
- The Yellowhead Mainline project is expected to expand the capacity and enhance the efficiency of the province's natural gas network, delivering the energy required for Alberta's growing industry and population.
- Expected to create thousands of direct jobs during construction and enable more than \$20 billion of investment and associated employment in Alberta while also providing additional market access to producers.

ATCO Energy Systems today announced the filing of a comprehensive regulatory application that establishes the need for the Yellowhead Mainline natural gas project and represents the first of two applications to the Alberta Utilities Commission. This significant milestone in the advancement of the project allows for further major steps, including long-lead material and equipment orders and entering into other commitments once approved.

"Alberta has recognized that a healthy and competitive natural gas sector is vital to jobs and the prosperity of all Albertans and can have a major role in helping meet the growing global demand for reliable and responsible energy," said Wayne Stensby, Chief Operating Officer, ATCO Energy Systems. "We are excited for the Yellowhead Mainline project to become an integral part of the province's energy infrastructure and for ATCO to continue to deliver a safe and reliable energy supply for our province's growing population and industry."

The jurisdiction for this project is entirely within the Province of Alberta, which has well-established, constructive and efficient regulatory processes. In a demonstration of the importance for this critical infrastructure project, over a dozen letters of support from major employers, industry associations, economic development agencies and municipal governments were filed along with the application.

The Yellowhead Mainline project is expected to create approximately 2,000 jobs during construction and will provide gas supply for the more than \$20 billion of investment and

associated employment in Alberta by customers, including the Dow Fort Saskatchewan Path2Zero project.

The project consists of approximately 200-230 kilometres of high-pressure natural gas pipeline and related control and compression facilities that will run from the Edson area to the northeast Edmonton area.

Since announcing the project in May of 2024, ATCO Energy Systems has identified several potential routes and completed preliminary engineering to further refine the delivery capability and the scope to provide an initial cost estimate. The project is expected to have the capability to deliver about 1,200 terajoules (or 1.1 billion cubic feet) per day of incremental natural gas delivery capacity. Total investment for the project is estimated at \$2.8 billion and will be subject to further detailed engineering and tendering of supply contracts.

The Yellowhead Mainline is expected to be on-stream in Q4 2027 with construction planned to start in 2026, subject to regulatory and company approvals. More information about the project can be found at www.atco.com/yellowhead.

Canadian Utilities Limited and its subsidiary and affiliate companies have approximately 9,000 employees and assets of \$23 billion. Canadian Utilities, an ATCO company, is a diversified global energy infrastructure corporation delivering essential services and innovative business solutions. ATCO Energy Systems delivers energy for an evolving world through its electricity and natural gas transmission and distribution, and international operations segments. ATCO EnPower creates sustainable energy solutions in the areas of renewables, energy storage, industrial water and alternative fuels. ATCO Australia develops, builds, owns and operates energy and infrastructure assets. ATCOenergy and Rumi provide retail electricity and natural gas services, home maintenance services and professional home advice that bring exceptional comfort, peace of mind and freedom to homeowners and customers. More information can be found at www.canadianutilities.com.

Investor & Analyst Inquiries:

Colin Jackson
Senior Vice President, Financial Operations
Colin.Jackson@atco.com
(403) 808 2636

Media Inquiries:

Kurt Kadatz
Director, Corporate Communications
media@atco.com

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",

"should", "goals", "targets", "strategy", "future", and similar expressions. In particular, forward-looking information in this news release includes, but is not limited to, references to: anticipated benefits to be generated by the Yellowhead Mainline project, including supporting energy, petrochemical, building materials and hydrogen projects that will use natural gas and carbon capture technology to produce products with lower emissions than previously possible; significant job creation, additional market access for producers, and expanded capacity and enhanced efficiency of Alberta's natural gas network; the anticipated size, specifications and incremental natural gas delivery capacity of the Yellowhead Mainline project; the expectation that construction on the Yellowhead Mainline project will commence in 2026 and the project will be on-stream as early as Q4 2027; expected investment; and the expected growth of demand for reliable and responsible energy.

Although the Company believes that the expectations reflected in the forward-looking information are reasonable based on the information available on the date such statements are made and 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, levels of activity, and achievements to differ materially from those anticipated in such forward-looking information. The forward-looking information reflects the Company's beliefs and assumptions with respect to, among other things, the growth of energy demand; inflation; the development and performance of technology and technological innovations; continuing collaboration with industry participants, business partners, regulatory bodies and environmental groups; the performance of assets and equipment; the ability to meet current project schedules; and other assumptions inherent in management's expectations in respect of the forward-looking information identified herein.

The Company's actual results could differ materially from those anticipated in this 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; regulatory decisions; competitive factors in the industries in which the Company operates; prevailing market and 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 projects not proceeding on schedule or at currently estimated budgets; 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; risks related to the activities of other industry participants, customers, counterparties and/or stakeholders; the termination or breach of contracts by contract counterparties; the occurrence of unexpected events such as fires, floods, 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 that the Company faces, see "Business Risks and Risk Management" in the Company's Management's Discussion & Analysis for the year ended December 31, 2023.

This news release contains financial outlook information, which is subject to the same assumptions, risk factors, limitations and qualifications set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise or inaccurate and, as such, undue reliance should not be placed on such financial outlook information. The Company's actual results, performance and achievements could differ materially from those expressed in, or implied by, such financial outlook information. The Company has included such information in order to provide readers with a more complete perspective on its future operations and its current expectations relating to its future performance. Such information may not be appropriate for other purposes and readers are cautioned that such information should not be used for purposes other than those for which it has been disclosed herein. The financial outlook information that is contained herein was approved and made as of the date of this news release. The estimated total investment of \$2.8 billion reflects the Company's projected total capital expenditures in connection with the Yellowhead Mainline project.

Any forward-looking information contained in this news release represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company 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.

