

CANADIAN UTILITIES LIMITED

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For Immediate Release

April 29, 2008

CANADIAN UTILITIES REPORTS 11% INCREASE IN FIRST QUARTER EARNINGS

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

Earnings of \$150.0 million (\$1.20 per share) for the three months ended March 31, 2008, compared to earnings of \$134.7 million (\$1.07 per share) for the same three months in 2007, were reported today by Canadian Utilities.

“Canadian Utilities is reporting strong first quarter earnings as our Utilities and Global Enterprises divisions continue to build on their 2007 performance,” said Nancy Southern, President and Chief Executive Officer, Canadian Utilities. “We benefited from the growing regulated utilities, increased margins and prices from natural gas liquids extraction, and we restored full production at two large power generating facilities where unplanned outages occurred.”

Canadian Utilities also reported an increase in “adjusted earnings” for the first quarter, which excludes certain items not in the normal course of business or a result of day-to-day operations. Adjusted earnings for the three months ended March 31, 2008 were \$149.7 million (\$1.19 per share) compared to adjusted earnings of \$130.2 million (\$1.04 per share) for the same three months in 2007.

RECENT DEVELOPMENTS

- On April 28, 2008, ATCO Frontec and their partner, the Fort McKay First Nation, announced that they have been selected by Suncor Energy to create and operate a 1,148-room accommodation complex to support oil sands development north of Fort McMurray, Alberta. ATCO Structures will supply the rooms in modular units. The complex is expected to open on May 25, 2008, and remain in place for a one-year period.
- On April 14, 2008, ATCO Frontec announced the opening of the first phase of their new Creeburn Lake Lodge near Fort McMurray, Alberta. ATCO Frontec also announced that evaluation is underway to consider doubling the capacity in the Lodge to 1,000 rooms.
- On March 6, 2008, ATCO Power announced that its 1,000 megawatt Barking Power Station in East London, England, of which ATCO Power owns 25.5%, resumed full operations. An unplanned outage had reduced the plant’s capacity to approximately 400 megawatts. Insurance proceeds which covered losses incurred during the first quarter of 2008 (earnings of \$8.6 million) and a portion of the losses incurred in 2007 (earnings of \$3.3 million), were recorded in the first quarter of 2008. The final insurance settlement is pending.
- Alberta Power (2000)’s Battle River Unit #4 Generating Station (approximately 150 megawatts) resumed full operations on March 27, 2008. An unplanned outage was originally reported on February 6, 2008.

[continued]

Financial Summary and Reconciliation of Adjusted Earnings**For the Three Months Ended March 31**

	2008	2007
(\$ Millions except per share data)		(<i>unaudited</i>)
Reported Earnings	150.0	134.7
ATCO Power Mark-to-Market Adjustment	(0.3)	(4.5)
Adjusted Earnings (1)	149.7	130.2
Earnings Per Share	1.20	1.07
Adjusted Earnings Per Share (1)	1.19	1.04
Revenues	740.6	697.6
Funds Generated By Operations (1) (2)	243.2	232.2

(1) This measure is not defined by Generally Accepted Accounting Principles and may not be comparable to similar measures used by other companies.

(2) This measure is cash flow from operations before changes in non-cash working capital.

Adjusted earnings for the three months ended March 31, 2008, increased primarily due to the impact of customer growth and Alberta Utilities Commission (AUC) approved interim customer rates associated with the 2008 and 2009 general rate application ("Interim Rates"), the impact of decreased quarterly depreciation expense allocation and colder temperatures in ATCO Gas, and higher margins and prices for natural gas liquids extraction in ATCO Midstream. The change in the ATCO Gas depreciation expense allocation resulted in an increase in ATCO Gas' earnings of \$4.9 million. As this change relates to the quarterly allocation of full year depreciation expense it will have no impact on full year earnings. These increases were partially offset by the timing and demand of natural gas storage capacity sold and lower storage fees in ATCO Midstream.

Revenues for the three months ended March 31, 2008, increased primarily due to increased international operations in ATCO Frontec, Interim Rates, customer growth, higher franchise fees collected on behalf of cities and municipalities and colder temperatures in ATCO Gas, and higher sales of natural gas on a no-margin basis for storage operations in ATCO Midstream. These increases were partially offset by the unplanned outage at the Barking generating plant in ATCO Power's U.K. operations, net of insurance proceeds.

Funds generated by operations for the three months ended March 31, 2008, increased primarily due to higher earnings partially offset by decreased deferred availability incentives in Alberta Power (2000).

Canadian Utilities' consolidated financial statements, and management's discussion and analysis of financial condition and results of operations for the three months ended March 31, 2008, will be available on Canadian Utilities' website (www.canadian-utilities.com) or via SEDAR (www.sedar.com) or can be requested from the Corporation.

Canadian Utilities Limited is part of the ATCO Group of Companies (www.atco.com). Canadian Utilities Limited is a Canadian-based worldwide organization of companies with assets of approximately \$7.5 billion and more than 6,500 employees, actively engaged in three main business divisions: Power Generation; Utilities (natural gas and electricity transmission and distribution) and Global Enterprises (technology, logistics and energy services).

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Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "expect", "may", "will", "intend", "should", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in the forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of regulatory decisions, competitive factors in the industries in which the Corporation operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Corporation.

The forward-looking statements contained in this news release represent the Corporations' expectations as of the date hereof, and are subject to change after such date. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.