



News Release

CANADIAN UTILITIES LIMITED

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For Immediate Release

September 8, 2010

CANADIAN UTILITIES LIMITED AND CU INC. ANNOUNCE INTERNAL TRANSFER OF ALBERTA POWER (2000) LTD.

CALGARY, Alberta – Canadian Utilities Limited and its subsidiary, CU Inc., today announced that their Boards of Directors have approved the transfer of Alberta Power (2000) Ltd. from CU Inc. to ATCO Power Ltd., a wholly-owned subsidiary of Canadian Utilities Limited.

Alberta Power (2000) Ltd. owns the 670 MW Battle River Generating Station and has a 50 per cent stake in the 760 MW Sheerness Generating Station. The transfer allows Canadian Utilities Limited to align its ownership of its power generation assets under ATCO Power Ltd. and its rate regulated utility assets under CU Inc. ATCO Electric, ATCO Gas and ATCO Pipelines will continue to be owned and financed by CU Inc.

Based on discussions with the ratings agencies, DBRS and S&P, it is expected the transfer will have no impact on the current credit ratings of Canadian Utilities Limited and CU Inc. The transfer of Alberta Power (2000) Ltd. is expected to be finalized in the fourth quarter of 2010.

Alberta-based Canadian Utilities Limited, an ATCO company, with more than 5,700 employees and assets of approximately \$9.1 billion, delivers service excellence and innovative business solutions worldwide with leading companies engaged in Utilities (pipelines, natural gas and electricity transmission and distribution), Energy (power generation, natural gas gathering, processing, storage and liquids extraction) and Technologies (business systems solutions).

CU Inc., a wholly owned subsidiary of Canadian Utilities Limited, is an Alberta-based corporation with assets of approximately \$6.7 billion and more than 4,100 employees. As a result of this transfer, CU Inc. will be comprised of rate regulated utility operations in pipelines, natural gas and electricity transmission and distribution.

More information about Canadian Utilities Limited and CU Inc. can be found on the Canadian Utilities Limited website at www.canadian-utilities.com.

For further information, please contact:

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Forward-Looking Information:

Certain statements contained in this news release may 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", and similar expressions. Forward-looking information involves 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 information. The Corporation believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. In particular, there can be no assurance that a transaction will be completed. Any forward-looking information contained in this news release represents the Corporation's expectations as of the date hereof, and is subject to change after such date. The Corporation 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.
