

For Immediate Release

July 7, 2011

ATCO SIGNS AGREEMENT TO ACQUIRE WESTERN AUSTRALIA GAS NETWORKS

Acquisition expands ATCO's presence in Australia

CALGARY, Alberta – ATCO today announced that it has signed a conditional agreement to acquire Western Australia Gas Networks (WAGN) from WestNet Infrastructure Group. WAGN is the natural gas distribution utility company that serves the City of Perth and surrounding areas.

“In April 2010, our Board of Directors approved an Australian growth strategy modeled after ATCO’s existing Canadian enterprise of diverse yet complementary businesses,” said Nancy Southern, President & Chief Executive Officer, ATCO Group. “The acquisition of Western Australia Gas Networks is an important step towards achieving this strategy. Driven by natural resource development, the utility is situated in the heart of one of the fastest growing economies in the world and complements our existing portfolio of energy infrastructure assets in Australia.”

The terms of the arrangement will see ATCO acquire a 74.1 per cent interest in WAGN from WestNet Infrastructure Group through AET&D Holdings No 1 Ltd. ATCO will acquire the remaining 25.9 per cent interest in WAGN from DUET Group, giving ATCO 100 per cent ownership in the company. The asset will become a 100 per cent owned subsidiary of Canadian Utilities, an ATCO company.

The aggregate purchase price of the proposed acquisition, including transaction costs, is approximately A\$1.0 billion, including the assumption of approximately A\$644 million of debt. The balance of the aggregate purchase price will be funded with existing cash reserves.

WAGN connects more than 620,000 customers through 12,800 km of natural gas pipelines and associated infrastructure. It provides service throughout the Perth metropolitan area including Mandurah, as well as the surrounding regions of Geraldton, Bunbury, Busselton, Kalgoorlie, Albany, Harvey, Pinjarra, Brunswick Junction and Capel.

Included in the acquisition is WestNet Infrastructure Group’s information technology division, a supplier of information technology services to key utility companies within AET&D Holdings.

The proposed acquisition is subject to approval from the Australian Foreign Investment Review Board, approval of certain former holders of exchangeable preference shares of WestNet Infrastructure Group, the concurrent sale to third parties of interest in other assets within WestNet Infrastructure Group as well as other customary conditions. The proposed acquisition is anticipated to close in the third quarter of 2011.

“We have been patient with our capital and diligent in our exploration of opportunities,” added Ms. Southern. “Western Australia Gas Networks is the right company in the right geography. I am satisfied we can maintain our strong balance sheet and continue to invest in previously identified and new projects, delivering long term, sustainable growth to our shareowners.”

ATCO Australia provides services in Australia under the following segments: the Power Division, the Energy Infrastructure Division and Operations Division, and workforce housing, facilities management and modular building solutions, provided by ATCO Structures & Logistics.

ATCO Australia operates three progressive power generation plants in the country: Osborne Cogeneration Facility located in Adelaide, South Australia, Bulwer Island Cogeneration Facility located in Brisbane, Queensland and the new energy efficient Karratha Power Plant located in the Pilbara region of Western Australia. ATCO Australia is part of the ATCO Group of Companies.

ATCO Group, with more than 7,700 employees and assets of approximately \$10 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), Structures & Logistics (manufacturing, logistics and noise abatement) and Technologies (business systems solutions). More information can be found at www.atco.com.

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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.
