



News Release

CU Inc.

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For Immediate Release:

July 18, 2008

CU Inc. Eligible Dividend

CALGARY, Alberta - The Board of Directors of CU Inc. has declared a quarterly dividend of 0.2875 cents per 4.60% Cumulative Redeemable Preferred Share Series 1 (TSX Stock Symbol: CIU.PR.A). The dividend is payable on September 1, 2008 to shareholders of record on August 6, 2008. This dividend is an eligible dividend for Canadian income tax purposes.

CU Inc. is a wholly owned subsidiary of Canadian Utilities Limited, part of the ATCO Group of companies. CU Inc. is an Alberta -based corporation with assets of approximately \$4.9 billion and more than 3,700 employees and is comprised of two main business divisions: Utilities (natural gas and electricity transmission and distribution) and Power Generation.

More information about 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 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 Corporation's 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.
