



**CANADIAN
UTILITIES
LIMITED**

An **ATCO** Company

Release

CORPORATE OFFICE

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**For Immediate Release
May 12, 2006**

Canadian Utilities Limited Normal Course Issuer Bid

Canadian Utilities Limited (the "Corporation") has filed a Notice of Intention to Make a Normal Course Issuer Bid (the "Notice") with the Toronto Stock Exchange (the "Exchange") pursuant to which the Corporation indicated that it intends to make a normal course issuer bid for certain of its outstanding Class A non-voting shares on the terms set forth in the Notice. At the time of filing the Notice, the board of directors of the Corporation was of the belief, and continues to be of the belief, that the purchase of the Class A Shares from time to time at appropriate prices will minimize any dilution resulting from the exercise of stock options to purchase Class A Shares and is an advantageous use of the Corporation's funds.

On May 1, 2006, 82,919,486 Class A Shares were outstanding. Under the rules of the Exchange, in the period commencing on May 23, 2006 and ending on May 22, 2007, the Corporation may acquire up to 4,145,974 Class A Shares of the Corporation, being 5% of the Class A Shares outstanding as at May 1, 2006. If market conditions permit, the directors of the Corporation presently anticipate that the Corporation will acquire up to 4,145,974 Class A Shares, which represents the full 5% of the Class A Shares outstanding as at May 1, 2006 that may be purchased pursuant to the Notice.

Any shares purchased pursuant to the Notice will be cancelled. Shares will be purchased at the market price of the shares at the time of purchase and will be purchased on behalf of the Corporation by a registered investment dealer through the facilities of the Exchange. The funding for any purchase of Class A Shares pursuant to the normal course issuer bid will be financed out of working capital of the Corporation.

The Corporation has purchased 225,100 Class A Shares at an average trading price of \$38.53 during the 12 month period preceding the date hereof pursuant to a normal course issuer bid which commenced on May 20, 2005 and expires on May 19, 2006. All of such purchases were made by means of open market transactions through the facilities of the Exchange. If market conditions permit,

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permit, the Corporation intends to purchase additional Class A Shares through the facilities of the Exchange at the market price of such shares at the time of the purchase pursuant to the normal course issuer bid that will expire on May 19, 2006.

A copy of the Notice may be obtained by any shareholder without charge, by contacting the Corporate Secretary of the Corporation at the head office of the Corporation.

Canadian Utilities Limited is part of the ATCO Group of Companies. ATCO Group is an Alberta based, worldwide organization of companies with more than 7,000 employees actively engaged in Power Generation, Utilities and Global Enterprises. More information about Canadian Utilities Limited can be found on its website, www.canadian-utilities.com.

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