

CANADIAN UTILITIES LIMITED

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For Immediate Release

May 3, 2007

Canadian Utilities Limited Announces Increase to Quarterly Dividend

CALGARY, Alberta – The Board of Directors of Canadian Utilities Limited, an ATCO Company, announced an increase to its second quarter dividend to 31.5 cents per share. The second quarter dividend of 31.5 cents per share will be paid on June 01, 2007, to shareholders of record on May 17, 2007.

The second quarter dividend of 31.5 cents per Class A non-voting and Class B common share (TSX: CU, CU.X) is a 3.3% increase over the 30.5 cents paid in the previous quarter and an 8.6% increase over the 29.0 cents paid in the last quarter of 2006. Canadian Utilities Limited has increased its annual common share dividend each year since its inception as a holding company in 1972.

The Board also declared the following Cumulative Redeemable Second Preferred Share Dividends:

	Shares	TSX Stock Symbol	Dividend Per Share (\$)	Record Date (2007)	Payment Date (2007)
Series W	5.80%	CU.PR.A	0.362500	17-May	01-Jun
Series X	6.00%	CU.PR.B	0.375000	17-May	01-Jun

These dividends are eligible dividends for Canadian income tax purposes.

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 \$7.1 billion and more than 6,000 employees, actively engaged in three main business divisions: Power Generation; Utilities (natural gas and electricity transmission and distribution) and Global Enterprises, with companies active in technology, logistics and energy services. More information about Canadian Utilities Limited can be found on its website 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. Due to the nature of the Corporation's operations, quarterly revenues and earnings are not necessarily indicative of annual results.

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.