

ATCO News Release

ATCO LTD

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For Immediate Release

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ATCO Electric To Prepare Application To Construct Major Edmonton-Calgary Transmission Line

CALGARY, Alberta – ATCO Electric has been authorized by the Alberta Minister of Energy to prepare a facilities application to build and operate a new high-voltage transmission line along a corridor on the east side of the province between Edmonton and Calgary. Following approval of the facilities application by the Alberta Utilities Commission (AUC), ATCO Electric will construct and operate the new line. The Alberta Electric System Operator (AESO), in its recently released Long-term Transmission System Plan, estimates the project will cost \$1.65 billion and it is anticipated that the majority of these costs will be incurred after 2011.

This major high-voltage direct current (HVDC) transmission project, which will connect an area northeast of Edmonton to a southern hub in the Brooks/Bow Island area, is a key component of the Long-term Transmission System Plan and will bolster the province's electricity transmission system.

"We fully support the province's approach to transmission reinforcement and are eager to begin an extensive public consultation process, carefully listening to all landowners and affected parties," says Sett Policicchio, ATCO Electric president. "Transmission reinforcement is vital to Alberta's future economic development and this project will help ensure safe, reliable electrical service to all Albertans."

As part of the preparation of a facilities application to the AUC, ATCO Electric will now begin to determine the exact route for the transmission line, thoroughly considering any potential impacts to landowners, First Nations, communities and the environment.

ATCO employees live and work in the eastern part of the province, contributing to their communities individually and through the company. They care about the responsible development of their communities.

The company is currently constructing two major transmission lines in northern Alberta, totalling approximately 360 kilometres. With these projects and the award-winning 350-kilometre Dover to Whitefish line completed in 2004, ATCO Electric is an experienced developer of transmission lines and is well positioned to carry out this major program in the coming years.

ATCO Electric provides safe, reliable delivery of electricity to 245 communities spanning over 65 per cent of Alberta and is part of the ATCO Group of Companies.

Alberta-based ATCO Ltd., with more than 7,700 employees and assets of approximately \$9.8 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 and midstream services), Structures & Logistics (manufacturing, logistics and noise abatement) and Technologies (business systems solutions). More information can be found on its website, www.atco.com.

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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. 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.
