

October 13, 2009

Alberta Utilities Commission
Fifth Avenue Place, 4th Floor
425 – 1st Street S.W.
Calgary, Alberta T2P 3L8

Attention: Mr. Robert Heggie
Chief Executive

Dear Sir:

RE: AUC Rule 026 Clause 2(2)

Effective January 1, 2011, Canadian Generally Accepted Accounting Principles for Publicly Accountable Enterprises will be replaced with International Financial Reporting Standards (IFRS) for fiscal years beginning on or after January 1, 2011.

In accordance with Clause 2(2) of AUC Rule 026, this letter confirms that ATCO Gas and CU Water Limited will adopt IFRS effective January 1, 2011.

Sincerely,

Original Signed by

Brian R. Bale
Vice President, Finance and Regulatory