



October 29, 2010

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

Attention: Mr. David Mitchell
Regulatory, Specialist

Dear Sir:

ALBERTA UTILITIES COMMISSION RULE 026 AND ADOPTION DATE FOR INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Accounting Standards Board of Canada recently amended Part I of the Canadian Institute of Chartered Accountants Handbook allowing first time adoption of IFRS by qualifying rate regulated entities that file interim and annual financial statements relating to annual periods beginning on or after January 1, 2011 to be deferred to January 1, 2012.

In light of this change to the CICA Handbook, the AUC, on October 14, 2010, issued correspondence requesting Alberta rate regulated utilities to confirm their respective dates of adopting IFRS.

Please accept this letter as confirmation that the following ATCO Utilities will be adopting IFRS as of January 1, 2011:

- ATCO Electric Ltd.,
- ATCO Gas,
- ATCO Pipelines, and
- CU Water Limited

Sincerely,

Owen Edmondson
Executive Vice President, Finance & Regulatory
ATCO Utilities