

EPCOR and Canada Arizona Business Council

March 2, 2012

Phoenix Art Museum

Joe Gysel

President EPCOR Water USA Inc



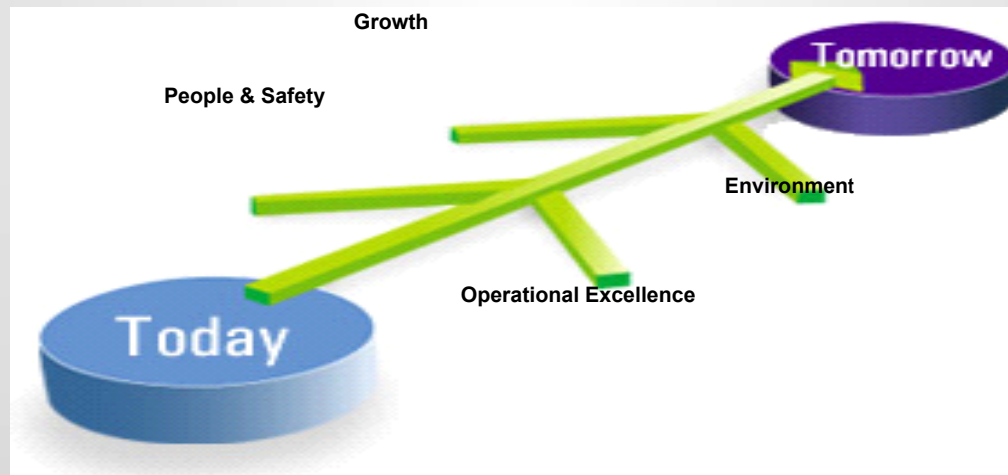
Forward-Looking Information

Certain information in this presentation and in oral answers to questions contains forward-looking information. Actual results could differ materially from conclusions, forecasts or projections in the forward-looking information, and certain material factors or assumptions were applied in drawing conclusions or making forecasts or projections as reflected in the forward-looking information. Additional information about the material factors and risks that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information is contained in the most recent annual Management Discussion and Analysis filed on SEDAR (www.sedar.com) and EPCOR's website (www.epcor.ca)

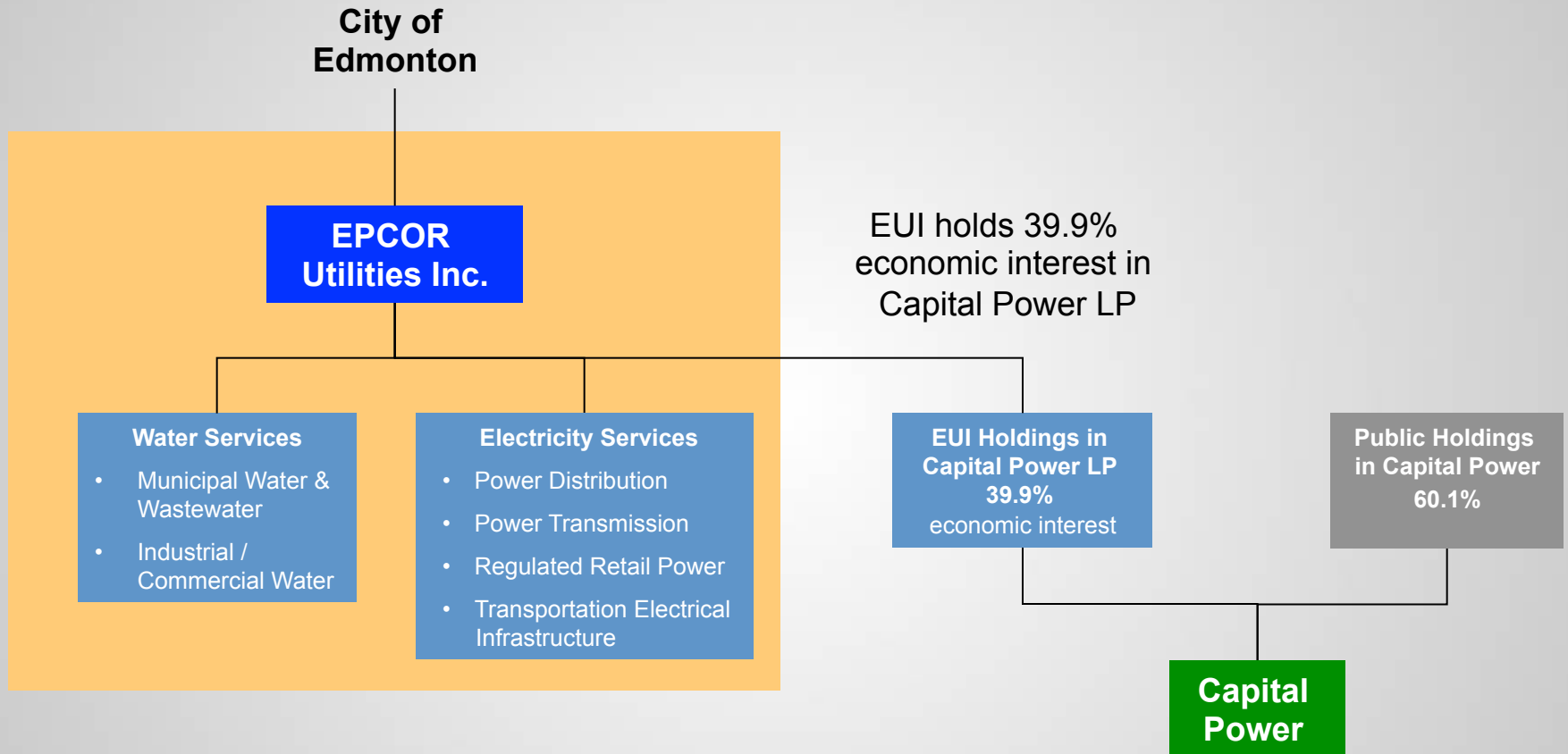
Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. Except as required by law, EPCOR disclaims any intention and assumes no obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

Vision

Our vision is to be a premier North American essential services company, providing great tasting drinking water, clean wastewater and safe, reliable electricity.



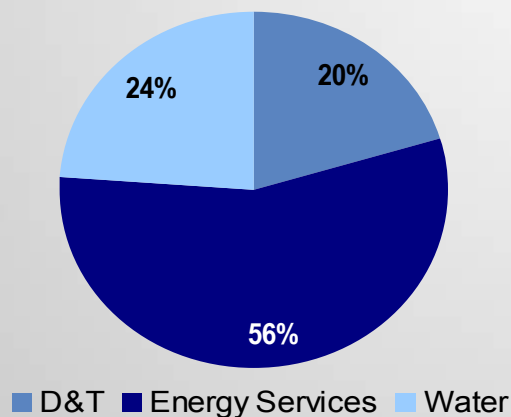
EPCOR Structure



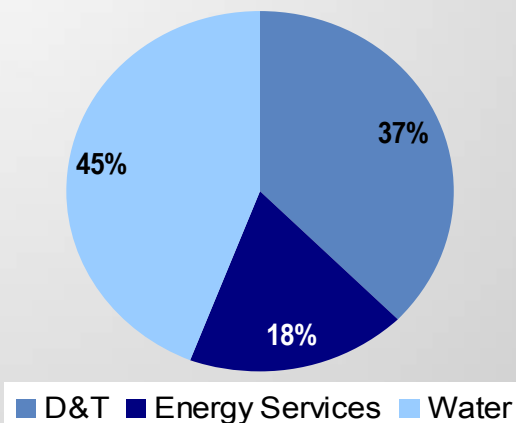
Company Overview

- Diversified electricity services and water services provider headquartered in Edmonton, Alberta, Canada
 - Minority ownership in Capital Power, a power generation business
 - 2010 revenue of C\$1,473 million and EBITDA of C\$300 million
 - Wholly-owned by the City of Edmonton for over 100 years
- Geographically diverse operations in Western Canada and US Southwest

2010 Consolidated Revenue

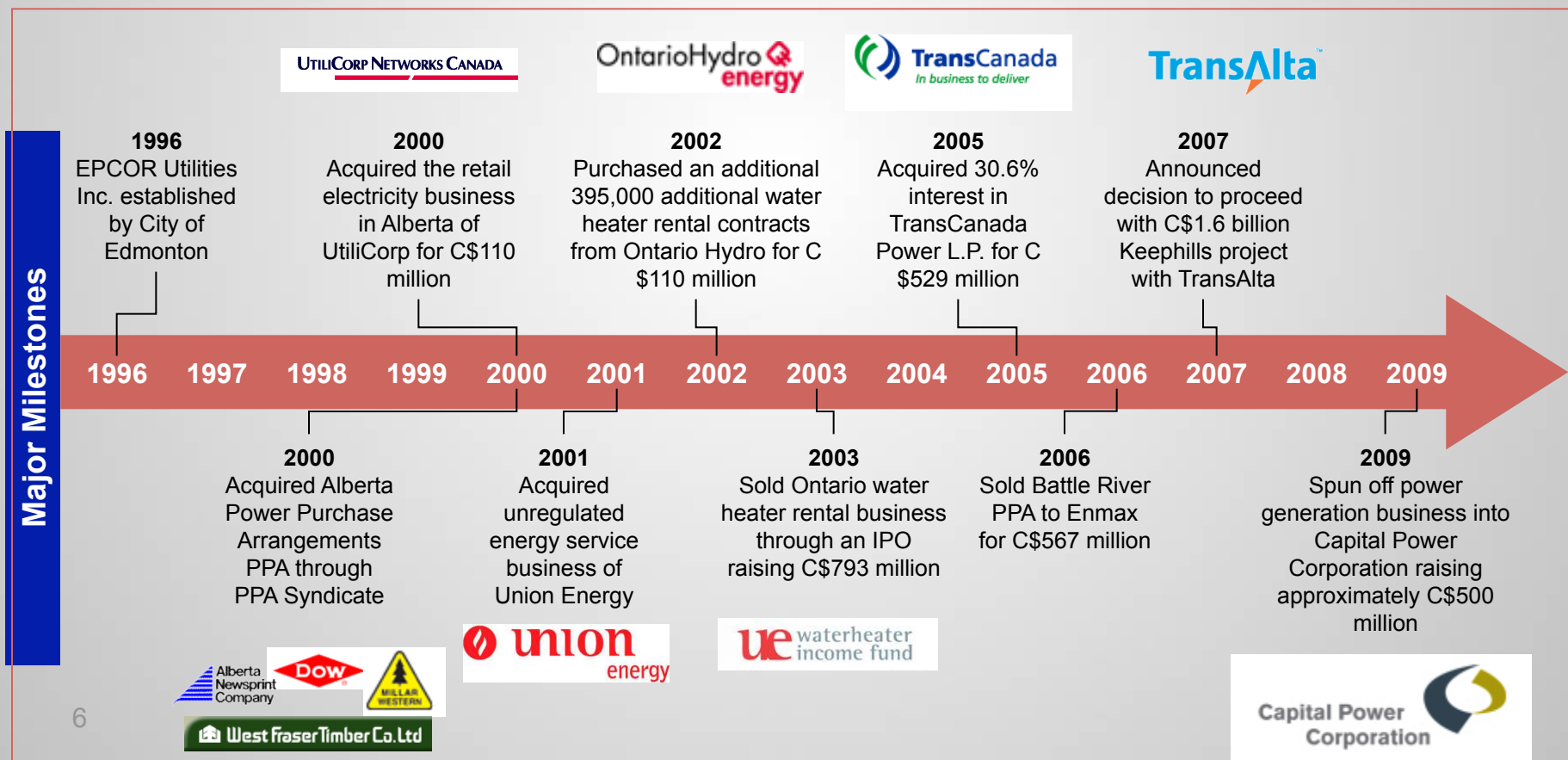


2010 Consolidated Operating Income



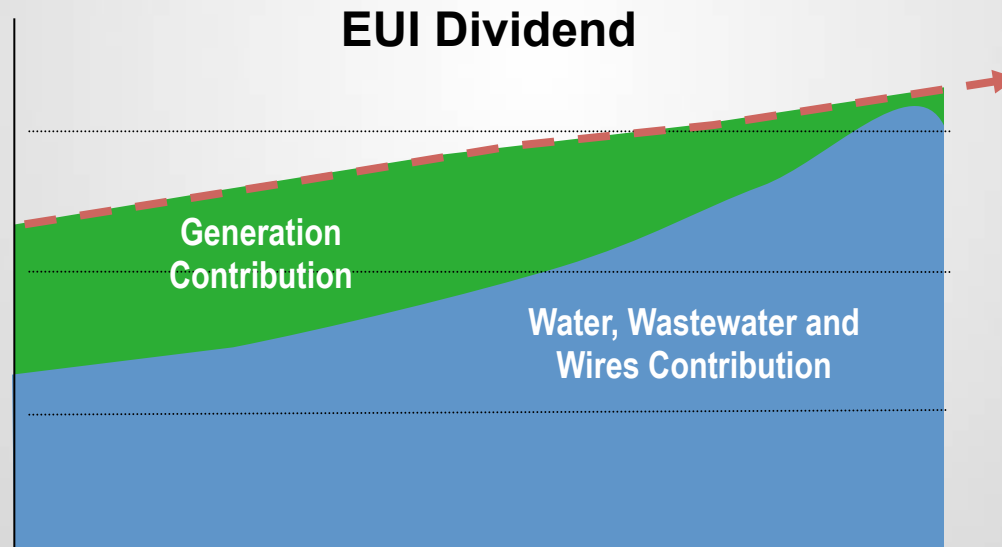
Growth and Governance

- EPCOR is essentially a privately held company that operates at arms-length from its shareholder and has a mandate to invest and operate on commercial terms.
- We have stand alone credit ratings BBB+(S&P) A (low) (DBRS) and make public filings on SEDAR
- Independent Board of Directors solely responsible for stewardship of the company; authority to determine strategy and make business decisions - Directors are public and private executives from across various sectors



Our Investment Goal

- Increase the value of the company by making investments that grow earnings and support a growing yet stable dividend.
- Sell down EPCOR's investment in Capital Power over time and reinvest the proceeds in lower risk water, wastewater and wires infrastructure

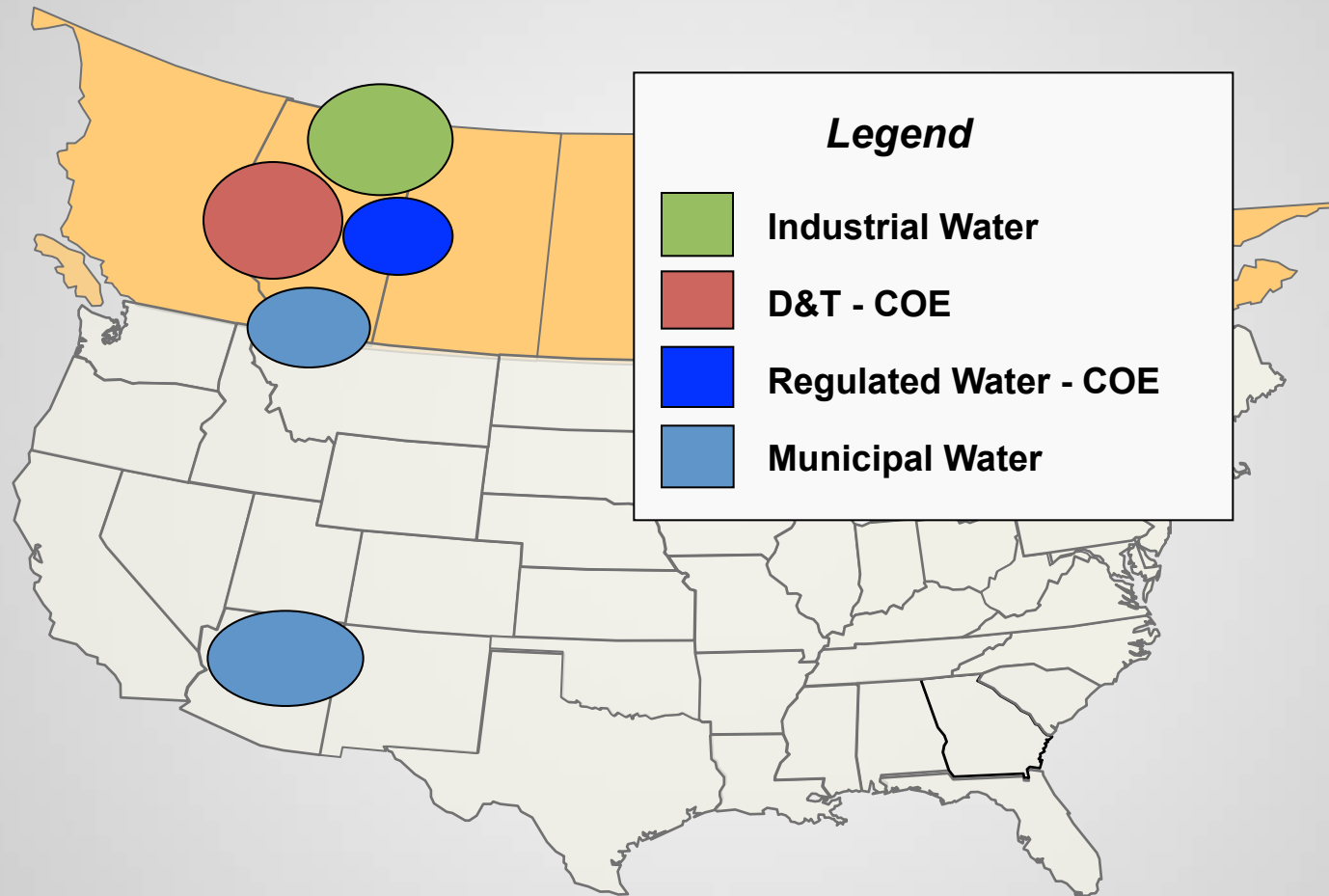


Growth – Focus Areas

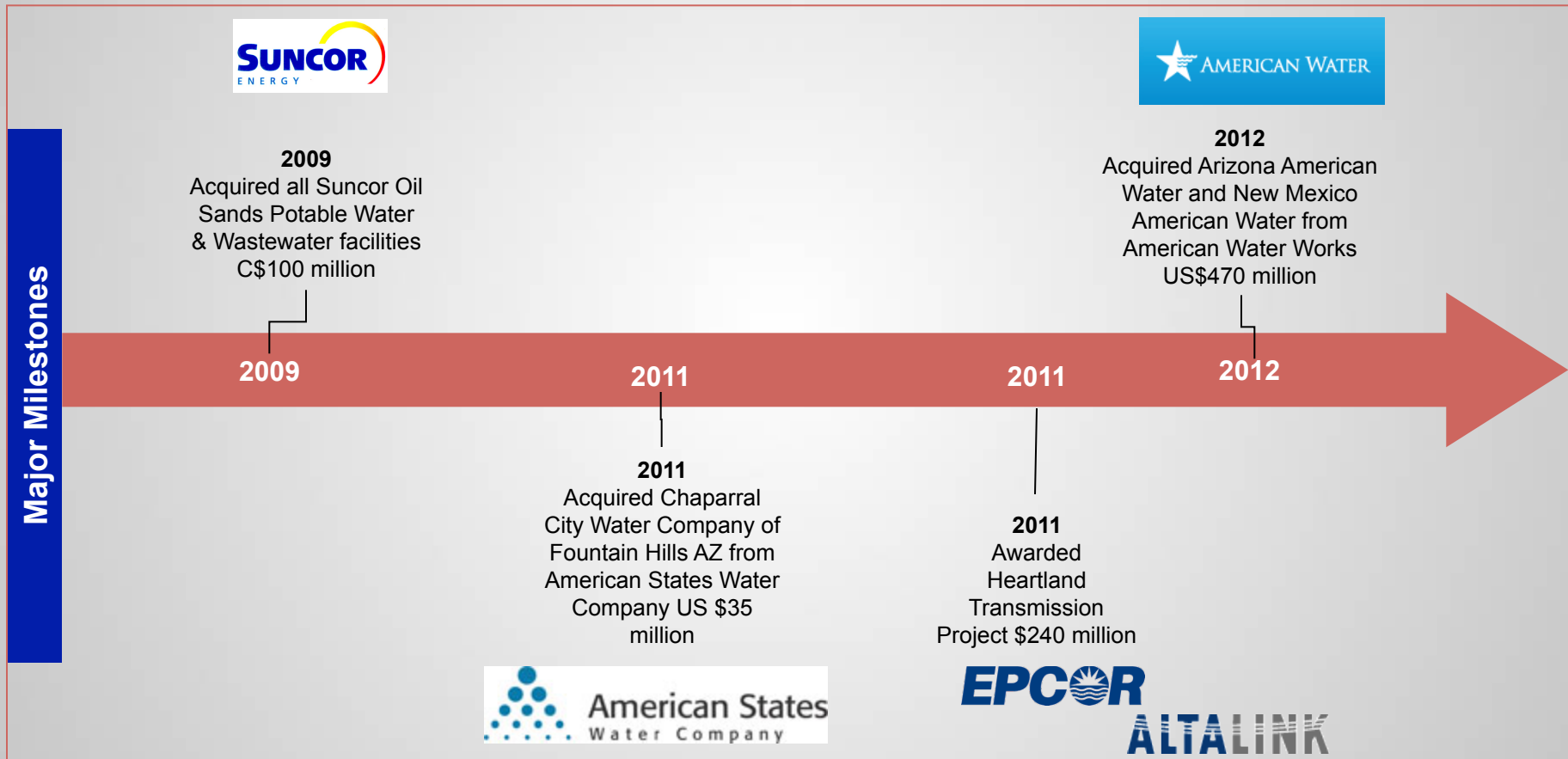
Growth - City of Edmonton Franchise Area Water & Wastewater Utilities	Growth - City of Edmonton Franchise Area Electric Distribution & Transmission Utilities	Full Services Water and Wastewater Services Provider for the Alberta Energy Industry
<ul style="list-style-type: none"> • Water Treatment & Distribution • Wastewater Treatment 	<ul style="list-style-type: none"> • Power Distribution • Power Transmission • Heartland Transmission • Transportation Electrical Infrastructure 	<ul style="list-style-type: none"> • Potable W & WW for Oil Sands Camp Operators <ul style="list-style-type: none"> • i.e. Suncor All Sites • Reuse of Municipal Water <ul style="list-style-type: none"> • Gold Bar WWTP to Suncor Refinery • Tailings Pond Reclamation / Reuse <ul style="list-style-type: none"> • i.e. Britannia mine (BC)

Development of Water & Wastewater Infrastructure for Municipalities	Acquisition of Water & Wastewater Utilities	Development of Transmission Infrastructure & Acquisition of Electric Distribution & Transmission Utilities
<ul style="list-style-type: none"> • Development of Water Treatment Plants and Wastewater Treatment Plants • Western Canada, Ontario, Southwestern US 	<ul style="list-style-type: none"> • Acquisition of Publically Traded or Private IOUs • Water Treatment & Distribution and Wastewater Collection and Treatment • Primary Area of interest is Southwest US 	<ul style="list-style-type: none"> • Power Transmission Development <ul style="list-style-type: none"> • Alberta Critical Transmission Infrastructure RFPs • Acquisition of Publically Traded or Private D&T IOUs

Targeted Areas for Investment



Progress to Date



EPCOR and US Water Operations



US Southwest - Trends and Potential

Investment Climate

- Large number of privately held regulated utilities
- National and regional companies streamlining portfolios
- Municipal financials challenged to build required infrastructure

Regulated Market

- Established returns and investment recovery

Positioned for Growth

- Demographics and weather result in shifting population to sun belt
- Large Certificates of Convenience and Necessity poised for expansion

Water Scarcity driving Technology Investments

- Conversion from ground to surface water
 - Wastewater the new source water
- Conservation driving utility service upgrades

Corporate Responsibility

- A+ for corporate responsibility reporting, Global Reporting Initiative
- Western Canada's 10 Most Admired Corporate Cultures
- Alberta Top 50 Employer
- Alberta Government Envirovista Leadership Award
- Alberta Emerald Award for industrial water reuse
- Leading North American Lab and Testing - ISO/EPA

Relationships and Initiatives

Working with industry and stakeholders for mutual benefit

- Industry partners – EWMCE, OSLI, Conrad, AB Environment, ERCB, U of A, NAIT, Water Research Foundation, NSCRC (Climate change study)
- Sponsorships - UN Global Water Chair (Bob Sanford), U of A Oilsands Water Treatment (Industrial Research)
- US Southwest - building on current stakeholder and industry leadership through regulatory, environmental and customer engagement programs
 - e.g. Governors Blue ribbon Task Force on Reuse and Conservation
- Development and Business Partners - Stantec, PCL



THANK YOU.



PROVIDING MORE

