



FOR IMMEDIATE RELEASE

EPCOR USA ENTERS INTO AGREEMENT TO ACQUIRE RIO VERDE UTILITIES
Acquisition Expands EPCOR's Arizona Water Platform

PHOENIX—August 20, 2018—EPCOR USA Inc. (EPCOR USA), a wholly owned subsidiary of EPCOR Utilities Inc. (EPCOR), today announced that it has reached an agreement to acquire Rio Verde Utilities, expanding its footprint as Arizona's largest regulated water and wastewater provider.

Rio Verde Utilities will mark EPCOR USA's 10th acquisition since entering the United States in 2011.

"The Rio Verde community has benefitted from the thoughtful and dedicated service delivered by Rio Verde Utilities for nearly 50 years, a long-term operational philosophy similar to our own," said Joe Gysel, President of EPCOR USA. "We are pleased to have been chosen by Rio Verde Utilities to continue the tradition of safe and reliable service, and we look forward to serving the Rio Verde, Tonto Verde and Trilogy communities."

Located northeast of Scottsdale and the Greater Phoenix metropolitan area Rio Verde Utilities is just 10 miles from EPCOR's existing service area in Fountain Hills, making it a natural fit with EPCOR's operations. EPCOR USA has agreed to acquire 100 percent of the stock in Rio Verde Utilities, subject to regulatory approval by the Arizona Corporation Commission (ACC). A regulatory decision is anticipated as early as the first quarter of 2019.

Rio Verde Utilities' regulated operations include 2,220 water and 1,876 wastewater service connections and irrigated water service for five golf courses. Rio Verde Utilities was founded in 1971.

"It was our founding investors' vision and it has been our privilege and honor, to serve the Rio Verde, Tonto Verde and Trilogy communities, from the development of the very first homes to the beautiful and growing communities that they are today," said Bruce Mooty, Chairman and Chief Executive Officer of Rio Verde Utilities. "Many of our investors have homes in Rio Verde and Tonto Verde, and EPCOR is committed to continuing the values of delivering safe and reliable service to customers, employees and communities that our company was founded on."

Today, EPCOR USA is among the largest private water utilities in the Southwest and the largest in Arizona, providing service to more than 360,000 people in 37 unique communities. In addition to regulated water and wastewater service in Arizona and New Mexico, EPCOR USA delivers wholesale water services and regulated natural gas services in Texas.

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Forward-looking information

Certain information in this news release is forward-looking within the meaning of Canadian securities laws as it relates to anticipated financial performance, events or strategies. When used in this context, words such as “will”, “anticipate”, “believe”, “plan”, “intend”, “target” and “expect” or similar words suggest future outcomes. The purpose of forward-looking information is to provide investors with management’s assessment of future plans and possible outcomes and may not be appropriate for other purposes. Forward looking information in this news release includes, or is related to, but is not limited to expectations regarding the completion of an acquisition of a water and wastewater utility in Arizona and the timing thereof.

These statements involve certain assumptions, inherent risks and uncertainties, including but not limited to the company’s assessment of government and regulatory environments in which it operates. 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. These statements speak only as of the date of this media release and, 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.

About EPCOR USA

EPCOR USA is an indirect, wholly owned subsidiary of EPCOR Utilities Inc. Headquartered in Phoenix, Arizona, EPCOR USA’s wholly owned subsidiaries build, own and operate water, wastewater and natural gas facilities and infrastructure in the southwestern United States.

About EPCOR Utilities Inc.

EPCOR, through its wholly owned subsidiaries, builds, owns and operates electrical, natural gas and water transmission and distribution networks, water and wastewater treatment facilities and sanitary and stormwater systems, and infrastructure in Canada and the United States. The Company also provides electricity, natural gas and water products and services to residential and commercial customers. EPCOR, headquartered in Edmonton, is an Alberta Top 70 employer.