



Value Investors: 1 Safe Stock Trading at a Cheap Valuation

Description

Canadian Utilities ([TSX:CU](#)) engages in the electricity, natural gas, and retail energy businesses worldwide. The company's utilities segment provides [regulated electricity transmission](#) and distribution services in northern and central east Alberta, the Yukon, and the Northwest. It owns and operates approximately 9,000 kilometres of natural gas pipelines, 16 compressor sites, approximately 3,700 receipt and delivery points, and a salt cavern storage peaking facility located near Fort Saskatchewan, Alberta.

The company's energy infrastructure segment provides electricity generation, natural gas storage, industrial water, and related [infrastructure development solutions](#) in Alberta, the Yukon, the Northwest Territories, Australia, Mexico, and Chile. The company was incorporated in 1927 and is headquartered in Calgary.

Long-term business strategy

The company's long-term success depends on Canadian Utilities's ability to continue offering customers premier, comprehensive, and integrated solutions and expand into new markets. These strategic imperatives are supported by the company's commitment to operational excellence. The company has been a leader in operational excellent for the entire Canadian utilities industry.

Canadian Utilities's long-term strategy is focused on sustainable growth. Headwinds facing the utilities business model require the company to proactively adapt a flexible business strategy while continuing to invest in the company's core business.

Geographical diversification

Recently, the company has expanded geographically to meet the global needs of the company's customers and developed significant, value-creating greenfield projects. Further, the company has optimized energy infrastructure assets to drive performance through new growth platforms and delivered reliable, cleaner, and affordable energy for customers. The company pursues the acquisition

and development of complementary assets and businesses that have future growth potential.

The company regularly review portfolio holdings to evaluate opportunities to sell mature assets and recycle the proceeds into growing areas of the company. The viability of such opportunities depends on the outlook of each business as well as general market conditions. This ongoing focus supports the optimal allocation of capital across the company.

Minimizing environmental impact

Canadian Utilities has achieved operational excellence through high service, reliability, and product quality for the company's customers. The company makes significant efforts to minimize the environmental impact and ensures the timely supply of goods and services that are critical to customers' ability to meet core business objectives.

Further, the company maintains a respectful and collaborative community approach, where meaningful partnerships and positive relationships are built with community leaders and groups that enhance economic and social development. Community involvement benefits the company by creating opportunities to develop partnerships with indigenous and community groups and build ongoing, positive relationships that contribute to economic and social development.

The company also engages with governing authorities, regulatory bodies, and landowners and encourages partnerships throughout the organization. The company also encourages employees to participate in community initiatives that serves to benefit non-profit organizations through volunteer efforts, and the provision of products and services in-kind.

All these initiatives add significant intrinsic value to the company's worth since it opens up lucrative business development opportunities that benefit long-term shareholders. The company's stable business model lowers risk and stock volatility for all investors.

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