

Quality Wind Project Connection

215-10451 Shellbridge Way, Richmond, BC V6X 2W8 Canada | Fall 2010

Capital Power
Corporation



Dear Friends and Neighbours

Much has happened with the Quality Wind Project (QWP) since our first community newsletter in the spring. Several regulatory milestones were recently achieved by Capital Power as we continue to move forward in the development of the QWP.

In July, the QWP received an Environmental Assessment Certificate (EAC) from the Government of British Columbia. CPC also moved ahead with the land tenure process, and was granted an Interim License of Occupation (ILOO) in September. The ILOO was one of the last requirements CPC needed to start construction of the project.

Over the next six months, you will start to see an increase in activity in Tumbler Ridge. The start of civil construction in the spring of 2011 will bring in local and regional workers who will require accommodations and services. Capital Power will continue to communicate with the community in preparation for the increase in activity.

As we continue to move closer to the start of construction, CPC is committed to ongoing, open dialogue with area residents and First Nations about the project. We appreciate the feedback that we receive from the communities that we work in, and look forward to hearing from you as we move forward with this project.

STEVE OWENS, Project Manager
Capital Power Corporation

Environmental Assessment Process

In July, the BC Government granted Capital Power an Environmental Assessment Certificate (EAC) for the Quality Wind Project. The EAC followed an extensive process by Capital Power to examine the wind energy project's potential impacts, including biophysical, social, economic, heritage and health components.

The EA process for the Quality Wind Project concluded the project is not likely to have significant adverse effects, based on the mitigation actions and commitments included as conditions of the EAC. The conditions must be implemented throughout the various stages of the project and operations.

Land Tenure Process

In August, Capital Power was granted the Interim License of Occupation required for the QWP. Working closely with the Integrated Land Management Bureau (ILMB) on a concurrent permitting process, the land tenure permits were reviewed in tandem with the EA, and were the final regulatory requirements needed to start construction on the QWP.

Hemmera – A Leader in Environmental Stewardship



Throughout the EA process for the QWP, Hemmera provided expert advice and guidance to CPC on design options that avoided potential environmental issues, worked to implement First Nations and stakeholder engagement activities, and helped CPC establish linkages between community environmental values and the scope of the environmental program.

Capital Power would like to thank Hemmera for their work in helping to secure the EA approval for the Quality Wind Project. As a vital part of the independent power sector, Hemmera is a leader in environmental stewardship and a significant contributor to community improvement.

Local Business Engagement

Capital Power (CPC) is actively engaging Tumbler Ridge services and resources:

- CPC will build a permanent building in Tumbler Ridge in 2011 to support the Quality Wind Project, and already has a temporary office in a locally-owned and managed building in Tumbler Ridge.
- CPC has instructed its prime contractor, Mortenson, to consider local and surrounding regional companies and First Nations for business opportunities during construction and operations.
- CPC project management staff have met with and encouraged local, regional, and First Nations suppliers of construction materials, transport, and erection services to bid into the QWP.
- Projects North, a Tumbler Ridge consultant, has been providing local representation and technical and administrative support for the QWP for more than two years.
- Dig-It Bobcat Service, Tumbler Ridge, provides transportation, setup, and storage for specialized equipment.
- Tumbler Ridge News prints and distributes the Quality Wind Connection community newsletter.
- Triple K Safety, Tumbler Ridge, provides mobile treatment and injury transport coverage for construction workers.
- Tumbler Ridge Sand and Gravel has provided snow-removal and sanding on the QWP site, plus material supply and road maintenance estimates for construction and operations.
- CPC will continue to purchase lodging, meals, fuel, and various supplies and technical services in Tumbler Ridge throughout the course of the project.

Vestas Wind Turbine Generators



The Quality Wind Project design calls for 79 turbines on a site about 10 kilometres northeast of Tumbler Ridge, near Highway 52.

Capital Power has selected Vestas to supply and commission seventy nine 1.8 MW wind turbines (44 model V100 and 35 model V90) for the project. The agreements cover all scheduled (and unscheduled) maintenance for the towers and turbines for a period of 10 years following commissioning.

CPC is responsible for the installation of the turbines and towers.

Prime Contractor – Mortenson



Members from CPC, Mortenson and contractors gather for an initial Environment, Health and Safety meeting.

CPC has selected an experienced Prime Contractor – **Mortenson** – to provide the engineering, procurement and construction services for the QWP. Mortenson was selected based on its previous experience working in mountainous and extreme weather conditions and current experience on another wind project in close proximity to the QWP.

Mortenson will hold an open house to provide local and regional contractors an opportunity to hear more about the civil construction work contracts available. More information on the open house will be provided in early 2011.

Since entering the renewable energy market, Mortenson has become a leading builder of wind power projects in North America, and has been involved in the construction of more than 80 wind power projects in Canada and the U.S.

Please send all resumes to:

Mortenson
PO Box 1426
Tumbler Ridge BC V0C 2W0

More information is available at www.mortenson.com.

About Capital Power

Capital Power is one of British Columbia's most experienced independent power producers, operating over 160 megawatts (MW) from four small-hydro facilities and one of North America's largest biomass facilities in Williams Lake. In October, Capital Power successfully completed the acquisition of the 275 MW Island Generation facility in Campbell River, Vancouver Island.

Capital Power is traded on the Toronto Stock Exchange (TSX: CPX). More information is available at www.capitalpower.com.

Project Overview

- 79 Vestas 1.8 MW turbines
- 22 km, 230 kV transmission line
- Project substation
- Concrete batch plant and equipment lay-down area

Anticipated Project Timeline

Capital Power will continue to engage with community stakeholders, First Nations and aboriginal communities throughout the life of the project.

2007 to Present

- Wind resource studies, environmental studies, preliminary engineering
- Consultation with interested stakeholders, including community Council members, residents, relevant agencies, and First Nations

2010

- April – Electricity Purchase Agreement with BC Hydro
- July – Environmental Assessment Certificate granted by Government of BC
- August – Interim License of Occupation granted
- November
 - Mortenson mobilization
 - Temporary project admin office in Tumbler Ridge
 - Initial construction activity (clearing and bore hole drilling)

2011

- Civil construction – full clearing, road work and installation of project infrastructure
- Wind turbine foundation construction
- CPC office in Tumbler Ridge

2012

- Wind turbine generator transportation
- Hub erection and nacelle installation

Late 2012/Early 2013

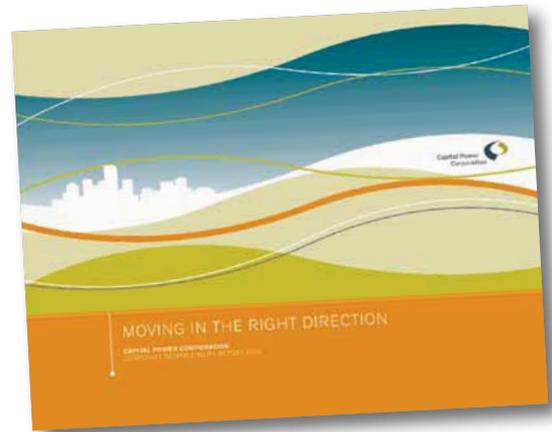
- Commissioning and commercial operation

CPC and Your Community

CPC understands the importance of being a good neighbour and contributing to your community's well being. We want to develop a project that is aligned with the community's interests.

2009 Corporate Responsibility Report

Capital Power's first Corporate Responsibility Report (CRR), "Moving in the Right Direction", openly reports on the impacts that our operations and business practices have on the environment, employees, shareholders, and communities. We are pleased that our CRR has achieved an A+ level of reporting, as defined by the Global Reporting Initiative, which produces an internationally-recognized standard for corporate responsibility reporting.



The CRR paints a broad picture of where we stand as a corporate citizen and reflects Capital Power's company values of acting with integrity, being accountable and environmentally responsible, working safely, and working together to achieve common goals.

The 2009 report is available at: www.capitalpower.com > **Corporate Responsibility** > **Corporate Responsibility Reporting**.

Capital Power Executive Visit

In early September, CPC President & CEO Brian Vaasjo and Senior VP's Jim Oosterbaan and Darcy Trufyn visited the Quality Wind Project site.

Part of the trip included a meeting with Mayor Larry White and several Councillors to discuss local economic development, permitting requirements, coordination with industry land tenure holders, fossil discoveries, tourism, transmission line tie-in, the TR Community Forest, community sponsorship, emergency response, local CPC office, prime contractor and working with Vestas.

Community Sponsorship

Throughout the summer, Capital Power was pleased to support the following organizations and events:

Tumbler Ridge Library – “Reading Rocks” Summer Reading Program 2010



Students gather for an August 6 story time at the Tumbler Ridge Library.

“Reading Rocks!” is part of the BC Summer Reading Club (SRC) in the Tumbler Ridge Library. During the seven week program, 1,243 participants and club members read a total of 3,148 books.

Reaching over 80,000 elementary school and home-schooled children throughout BC, the SRC is a free program that introduces youth to their local public library and helps them maintain or improve their reading skills over the summer months.

Grizfest



In addition to the great music, there were lots of smiling, painted faces walking around at Grizfest.

Drawing record crowds of 3,500 to 4,000 people each day, Grizfest 2010 brought together young and old to enjoy a weekend of great music. Capital Power was pleased to sponsor the face painting tent and congratulates the organizing committee on a highly successful festival.

Emperor’s Challenge



A record number of participants braved the elements in the 2010 Emperor’s Challenge.

Two Capital Power employees received a big dose of mountain fresh air at the 2010 Emperor’s Challenge. Jay Shukin, Director Public Consultation, participated in the race with a very respectable time for his first ever half marathon. As well, Jason Tusor, Manager, Public Consultation was on-hand at the finish line to snap photos of all the participants as they completed the race. Congratulations to everyone on a successful event!

Capital Power Teams Up with Northern Lights College

This past summer, Capital Power assisted a Tumbler Ridge student with practicum experience for the Wind Power Maintenance Technician Program. The student was engaged in wind project development work in Tumbler Ridge and Edmonton, taking back valuable experience for the remainder and completion of the program.

Capital Power thanks Program Dean Howard Mayer and ABE Instructor David Szucsco (Tumbler Ridge Campus) for their assistance and the Northern Lights College for encouraging wind power development in the Peace Region.

College representatives and students are welcome to visit the Quality Wind Project construction site in May and June 2011, based on scheduled appointments. For more information, contact QWP@capitalpower.com.

Capital Power Values Your Input

Your feedback about the project is important and Capital Power values your input. We invite you to please call, email or visit us with your comments or questions.



Contact Us

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