Analyst Conference Call
Q3/09 Financial Results
November 2, 2009

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Cautionary Statement Regarding Forward-Looking Information

Capital Power Corporation

Certain information in this presentation and oral statements made during this presentation 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 on pages 35-36 of the Company's Management's Discussion and Analysis (MD&A) dated October 30, 2009 for the quarter ended September 30, 2009, which is filed on SEDAR and available at www.sedar.com.

Q3/09 Highlights

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- Solid quarterly results in-line with expectations
- Continued low natural gas prices continue to impact Alberta power prices
  - Exposure to merchant power prices minimized with ~90% of Alberta commercial portfolio hedged in 2010
- Modest adjustments to timing and costs for Keephills 3 and Clover Bar Energy Centre construction projects
- Continued leadership role in carbon capture and storage (CCS) technology
  - In partnership to develop one of the world's largest CCS projects
- Well positioned for 2010

Q3/09 Operating Performance

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Q3, 2009	Plant Availability	Generation (Gwh)
Alberta commercial plants		
Genesee 3	97%	470
Joffre	96%	89
Clover Bar Energy Centre 1 and 2[(1)]	75%	16
Taylor Coulee Chute	100%	12
Clover Bar Landfill Gas	90%	9
Weather Dancer	55%	-
	95%	596
Alberta contracted plants		
Genesee 1	100%	
Genesee 2	95%	
	97%	1,638
Ontario and BC contracted plants		
Kingsbridge 1 and Port Albert	99%	14
Miller Creek	88%	47
Brown Lake	97%	11
	94%	72
EPCOR Power L.P. plants	93%	1,228
Average / Total	**95%**	**3,534**

(1) Clover Bar Energy Centre includes Unit 2 as of its commercial operation date, September 1, 2009.

Alberta Power Prices

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- Alberta spot power prices in Q3/09 improved 53% from previous quarter but still down 38% yoy
- Weak natural gas prices continue to negatively impact Alberta power prices
- Average realized price for Alberta commercial position in Q3/09 was $54/MWh
- Lower captured power price in Q3/09 from prior quarter due to higher hedging activities completed in Q2/09

Spot Prices	**Q3/09**	**Q2/09**
Alberta power ($/MWh)	$49.49	$32.30
Eastern region power ($/MWh)	$21.94	$23.00
Western region power (Mid-C) ($/MWh)	$35.67	$26.72
Alberta natural gas (AECO) ($/Gj)	$2.81	$3.38
Captured power price ($/MWh)(1)	$53.85	$57.60

(1) Captured power price represents the price realized on the Company's commercial contracted sales and portfolio hedging activities.

Recent Developments

- Capital Power partnering with TransAlta and Alstom Canada to develop world's largest carbon capture and storage (CCS) project (Project Pioneer)
  - Development of a CCS facility at the Keephills 3 power plant (currently under construction) in Alberta
  - Using Alstom's chilled ammonia process, project designed to capture 1M tonnes of greenhouse gas emissions annually
  - Expected project funding of ~$780M from federal and provincial governments
  - CCS facility expected to be operational by 2015
- Development of integrated gasification combined cycle (IGCC) project no longer proceeding
  - IGCC technology has a promising future as a near-zero emission source of baseload power generation but not economical in current power price environment

Construction Projects

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- Keephills 3
  - Total project cost increased ~5.8% to $1.91B
    - CPX 50% portion = $955M
  - Cost increase related to additional labour for construction of the power island
  - Plant now expected to commence operations in Q2/11 vs. Q1
  - Project continues to meet internal rates of return requirements
- Clover Bar Energy Centre (CBEC)
  - Total project cost decreased ~2.1% to $278M
  - Final 100 MW ahead of schedule; on-line in Q1/10 vs. Q3
  - Clover Bar meets demand for Alberta peaking generation
  - Adds immediately to cash flow
  - High-efficiency units use 85% less water and produce 70% less nitrogen oxides (NOx) than the four turbines in the old Clover Bar

Financial Highlights – Q3/2009

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($M, except earnings per share)	Q3/09	Q2/09
Revenues	$525	$537
Gross margin (excluding fair value changes)	$189	$205
Operating margin	$169	$176
Net income	$14	$11
Net income (excluding fair value changes)	$10	$7
Earnings per share (basic)	$0.64	-
Funds from operations (excluding non-controlling interests in EPCOR Power L.P.)	$70	-
Cash provided by operating activities	$53	-

Results in-line with expectations, no surprises in the quarter

Calculation of Normalized Earnings

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Q3/09 Net Income	\$14 million
Fair value changes in CPLP	\$16 million
Fair value changes in EPLP	\$13 million
EPLP tax adjustment	\$10 million
Canadian tax rate	29%
CPC interest in CPLP	27.8%
CPC interest in EPLP	8.5% (27.8% x 30.6%)

Net fair value change in CPC from CPLP:	\$16 x 27.8% x 71% = \$3.16
Net fair value change in CPC from EPLP:	\$13 x 8.5% x 71% = \$0.78
EPLP tax adjustment:	\$10 x 8.5% = \$0.85

“Normalized Income” = \$14 - \$3.16 - \$0.78 - \$0.85 = \$9.21M
(\$0.42 per share based on 21.75M common shares outstanding)

Net Income

- Q3/09 net income of $14M, compared to $11M in Q2/09
- Significant items impacting quarter/quarter change:
  - Lower unrealized change in the fair value of EPCOR Power LP’s derivative instruments in Q3/09
  - Higher net financing expense in Q3/09 of $9M
  - Lower administration costs in Q3/09 for Alberta contracted plants due to transition costs incurred in Q2/09 for reorganization
  - Lower income taxes due to out-of-period adjustment of $10M recorded in Q3/09 to recognize net future income tax assets relating to EPCOR Power LP’s interest in Primary Energy Recycling Holdings

Hedging Alberta Spot Power Price Exposure

Alberta Commercial Portfolio

- Consists of 6 facilities and generates 40% to 50% of operating margin(1)

Q4-09	2010	2011
~50% hedged @ low-$60/MWh	~90% hedged @ mid-$60/MWh	~40% hedged @ low-$70/MWh

- Sensitivity analysis to +/- $1/MWh change in Alberta power prices:

Q4-09	➔	+/- $0.5M to operating margin
2010	➔	+/- $0.5M to operating margin
2011	➔	+/- $4.0M to operating margin

(1) Before unrealized fair value changes, excluding non-controlling interest in EPLP

Financial Outlook

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Q4-09

- Expect Alberta power prices to remain soft
- Pre-tax impact of $10-$12M in maintenance expense and $5-6M in operating margin for Genesee 1 turnaround

2010 vs. 2009

- Sale of remaining 15% interest of Battle River PPA in January, 2010
- Scheduled maintenance outages for Genesee 2 and 3 (total operating expenses of $18M to $22M) versus one scheduled outage in 2009
- No transition costs in 2010 for reorganization
- ~90% of Alberta commercial portfolio hedged in 2010
- Addition of Clover Bar units
  - Unit 2 – full year of operations after commissioning in Q3/09
  - Unit 3 – expected commissioning in Q1/10

Financial Outlook (Cont'd)

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Committed Capex[1]

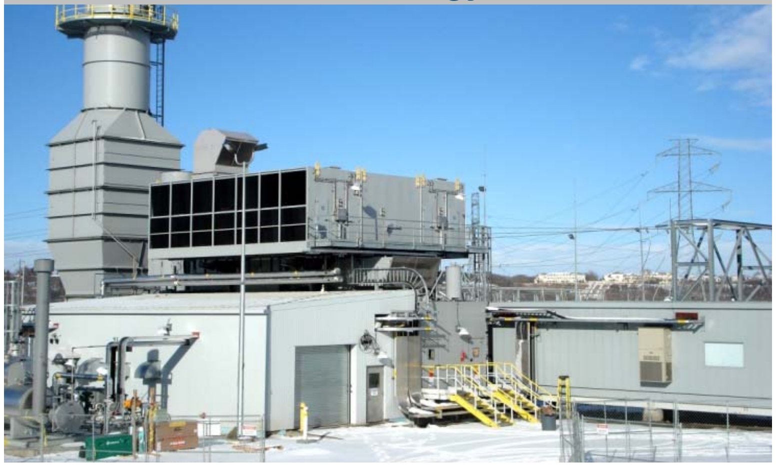
- Q4-09E: ~$84M
- 2010E: ~273M

} Keephills 3
Clover Bar (Units 2 & 3)

- Average annual maintenance capex: $30 - $40M
- Average annual other capex: $10 - $20M

Keephills 3

Clover Bar Energy Centre



(1) Excluding EPCOR Power L.P.

Investment Summary

- Growth in North American power industry will continue over the long term
- Positive long-term fundamentals for the Alberta power market
- CPX well positioned to move through the trough we are experiencing today:
  - Current low natural gas price environment expected to improve
  - Approximately half of operating margins generated from long term contracted plants
  - Minimal exposure to Alberta power prices in 2010 as ~90% of uncontracted production is hedged
  - Strong balance sheet with modest leverage and excellent liquidity to capitalize on opportunities
- Current construction projects (Clover Bar, Keephills 3) will materially contribute to cash flow in 2010 and 2011 when completed
- Trough provides opportunities for asset acquisitions

Questions?

Non-GAAP Financial Measures

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Reconciliation of Operating Margin to Net Income

($M)	Q3/09	Q2/09
Revenues	525	537
Energy purchases and fuel	307	287
Gross margin	**218**	**250**
Operations, maintenance, and direct administration	49	74
Operating margin	**169**	**176**
Deduct (add):		
Indirect administration	27	29
Depreciation, amortization and asset retirement accretion	44	44
Foreign exchange losses	3	2
Net financing expenses	17	8
Income taxes (reduction)	(2)	11
Non-controlling interests	66	71
Net income	**14**	**11**

Non-GAAP Financial Measures (Cont'd)

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Reconciliation of Funds from operations to Cash provided by operating activities

Capital Power uses funds from operations to measure the Company's ability to generate funds from current operations. Changes in working capital are primarily made up of intercompany payables and receivables between the Company and EPCOR and are not representative of how working capital is managed by the Company in this period of transition. Therefore, the Company uses funds from operations as its primary operating cash flow measure. The Company measures its interest in cash flows by excluding the non-controlling interest in EPCOR Power L.P.'s cash flows. A reconciliation of (i) funds from operations and (ii) funds from operations excluding non-controlling interests in EPCOR Power L.P., to cash provided by operating activities is as follows:

($M)	**Q3/09**
Funds from operations excluding non-controlling interests in EPCOR Power L.P.	**$70**
Funds from operations due to non-controlling interests in EPCOR Power L.P.	23
Funds from operations	93
Change in non-cash operating working capital	(40)
Cash provided by operating activities	**$53**