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Whistler

Brian Vaasjo
President & CEO

Cautionary statement regarding forward-looking information

Capital Power Corporation

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 are disclosed on pages 16-17 of this presentation and in our disclosure documents filed with securities regulators on SEDAR (www.sedar.com).

Overview of Capital Power

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- New company formed in July/09 from EPCOR Utilities Inc.'s spin-off of its power generation business
- Canadian-based independent power producer (IPP) operating in North America
- Corporate strategy is to generate a growing stream of cash flow supporting secure dividends and disciplined growth
- Business model involves cash flow generation from both a balance of long-term contracts and merchant components, supported by an investment grade credit rating
- Disciplined growth through a prudent expansion strategy supported by development pipeline and construction expertise

Vision: **to be one of North America's most respected, reliable and competitive power generators**

Goal: **to triple the size to 10,000 MWs by 2020 on a progressively accretive basis**

Corporate strengths

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Large, high quality generation portfolio	One of Canada's largest IPPs with interests in 31 facilities totaling ~3,500 MW of owned and/or operated generation capacity; geographic, fuel source and counterparty diversification
Modern fleet with very good operating history	Q3/09 average plant availability of 95%; average facility age of only 12 years; long remaining average useful lives
Financial strength with access to capital	Strong balance sheet; commitment to maintain investment grade credit rating providing access to capital
Long-term contracts provide predictable cash flows	Remaining average contract life of 11 years; ~90% of expected merchant generation in Alberta sold on a forward basis through 2010
Solid platform for growth	Numerous development opportunities at varying stages of development and planning; solid track record of execution on opportunities

Large, high quality generation portfolio

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Directly Owned

- **Alberta Contracted**
  Two Facilities
  820 MW[(1)]
  (820 MW)[(2)]
- **Alberta Commercial**
  - **Six Facilities**[(3)]
    943 MW[(1)]
    (695 MW)[(2)]
  - **Two PPAs**
    470 MW[(1)]
    (470 MW)[(2)]
- **ON/BC Contracted**
  Three Facilities
  80 MW[(1)]
  (80 MW)[(2)]

30.6% LP Interest

- **Capital Power Income L.P.**
  20 Facilities
  1,668 MW[(1)]
  (472 MW)[(2)]

(1) Capacity owned and/or operated
(2) Capital Power Corporation capacity owned
(3) Includes 100 MW for Unit 3 of Clover Bar Energy Centre that went into service in December, 2009

Strategic North American platform

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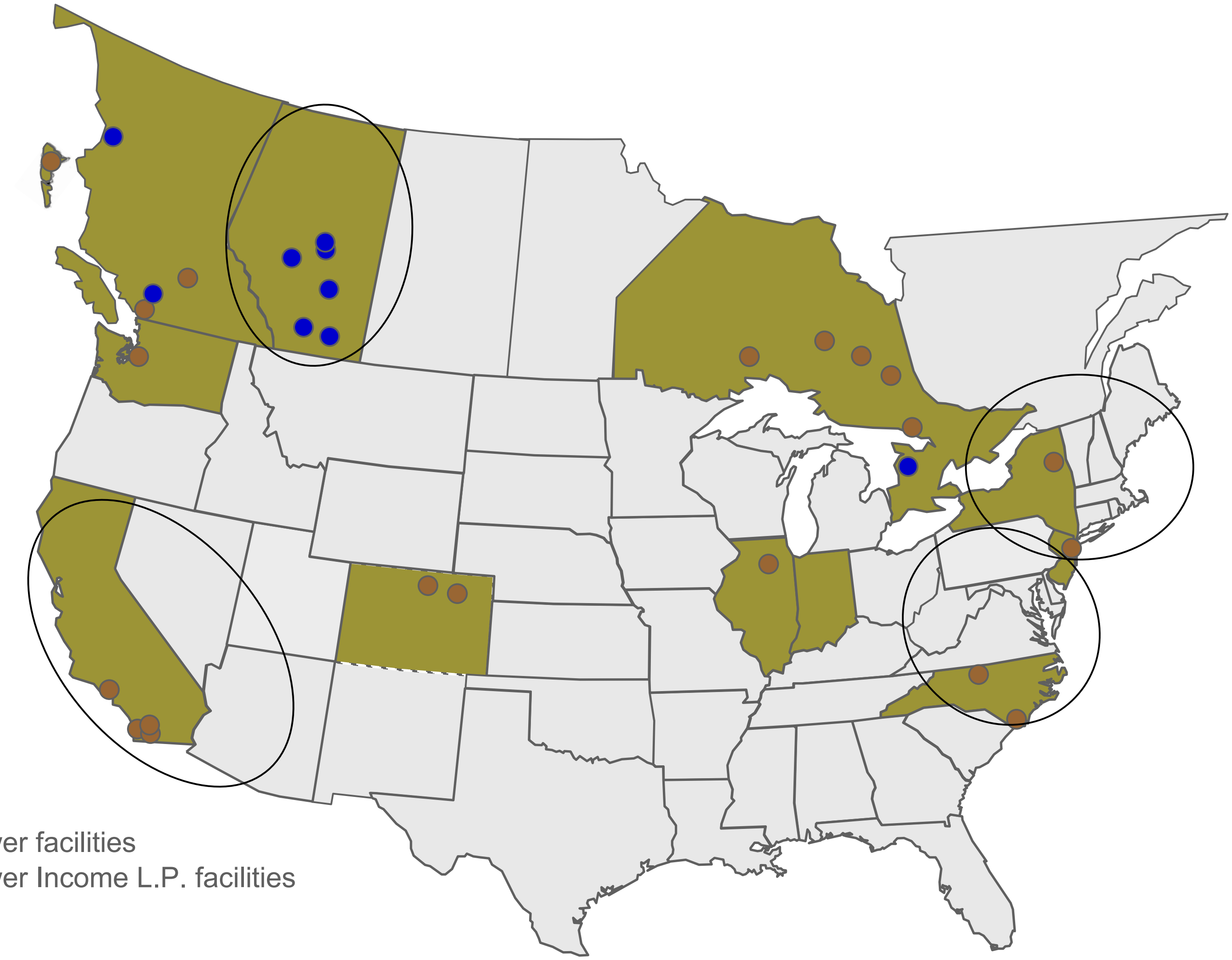
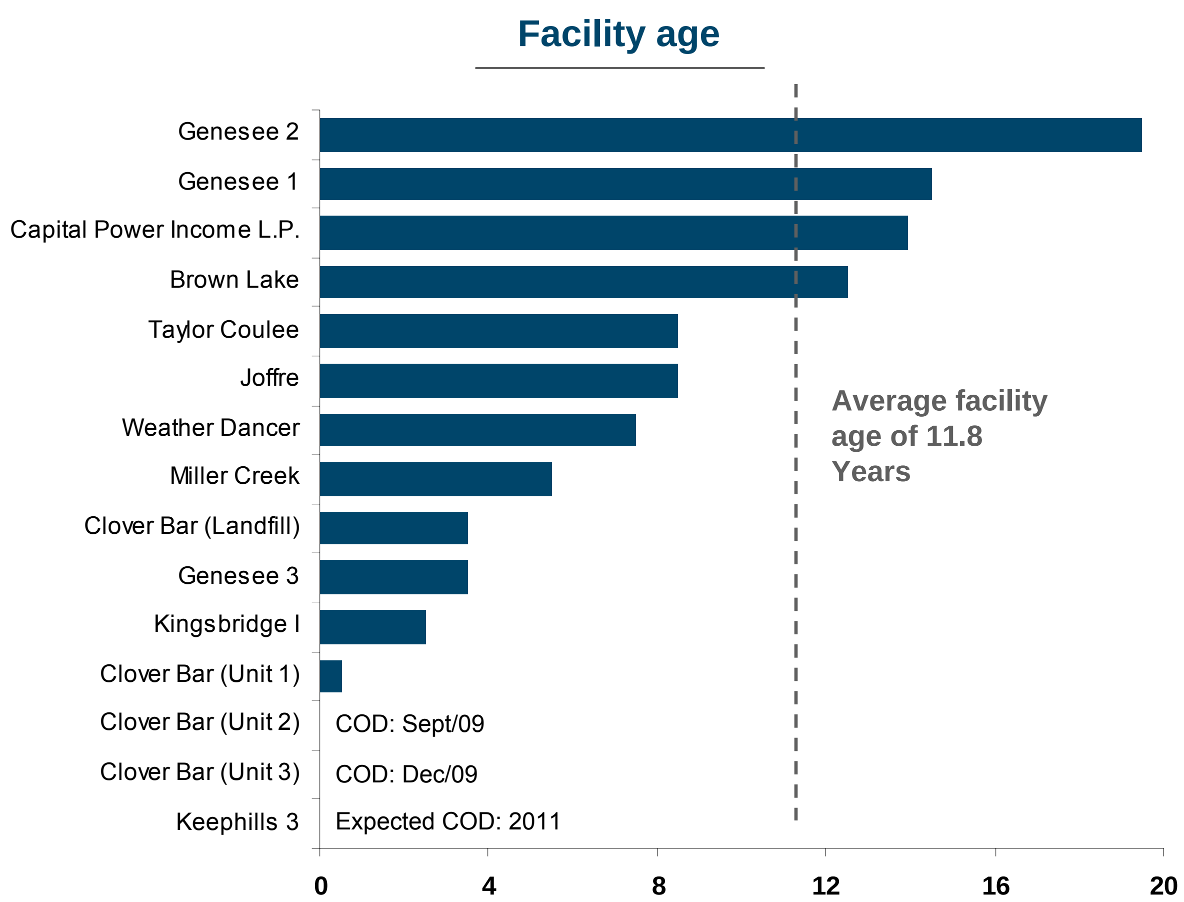


- Capital Power facilities
- Capital Power Income L.P. facilities

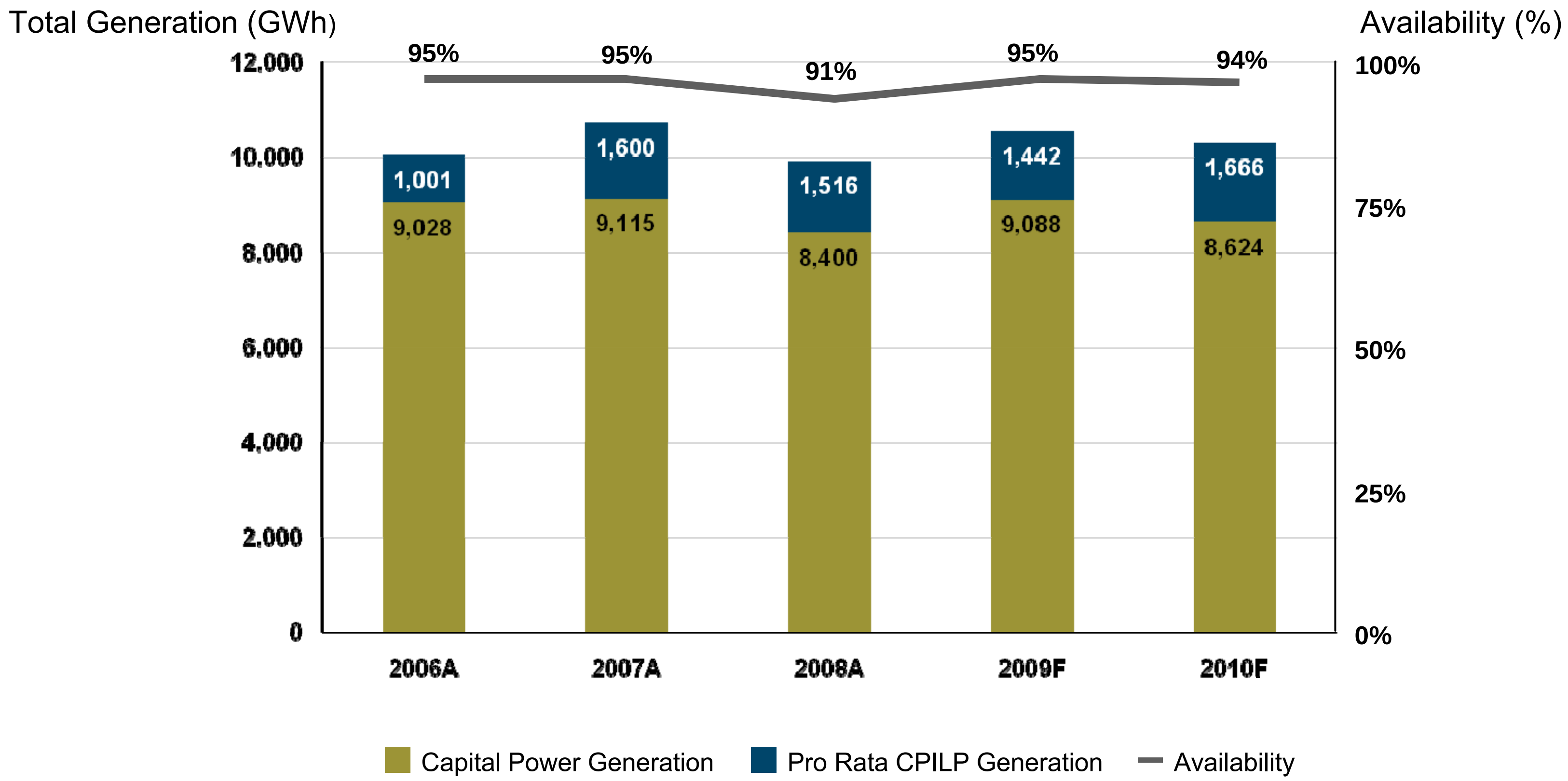
Modern fleet

- Modern fleet with average facility age of only 12 years; three new units on line in late 2009 and 2011



Strong operating history, fleet availability

- Very good operating performance history with high plant availability in 94% - 95% range



Financial strength and access to capital

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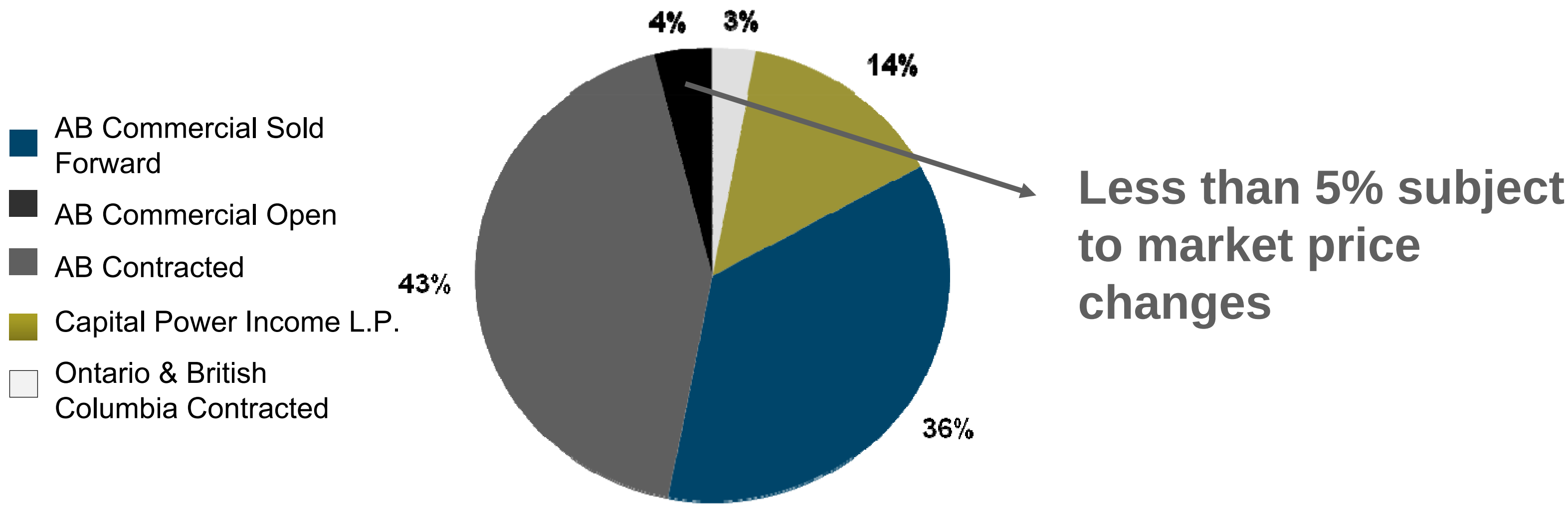
- Strong balance sheet with investment grade credit rating of BBB (S&P / DBRS)
  - $1.2 billion in credit facilities
  - consolidated assets of ~$4.9 billion with only ~$1.8 billion in long-term debt
  - non-consolidated basis ~$3.5 billion of assets with only $950M in long-term debt
  - net debt / total capitalization of ~35%
  - supports long term sustainability of dividend

- Continuous access to capital is key to sustainable growth and shareholder value
  - maintain strong investment grade credit ratings
  - access to competitive cost of capital to fund growth
  - significant differentiator from many U.S. IPPs

Predictable 2010 cash flows with future upside

- 2010 forecasted operating margin



Based on Capital Power Income L.P. on a 30.6% ownership basis

- Sensitivity analysis to +/- $10/MWh change in Alberta power prices
  - 2010: +/- $5M to operating margin
  - 2011: +/- $40M to operating margin
  - 2012: +/- $60M to operating margin

Portfolio optimization

- Capital Power's merchant production is > 90% hedged for 2010 at prices above the current forward curve

	% Contracted	Contract Price	Current Forward Prices Oct 26, 2009	Forecast Price
2010	>90 %	~$65	$45 – $50	$60 - $65
2011	45 - 50 %	~$70	$50 – $55	$60 – $75
2012	15 - 20 %	$75 - $80	$55 – $60	$65 – $80

- Newly commissioned Clover Bar units significantly enhance our capability to physically manage our Alberta electricity exposures and provides opportunity to participate in a rising power market

- Sale of Battle River PPA reduces our 2010 exposure to Alberta electricity market

Financial outlook

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2010 versus 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
- Lower operating margin at G3 from scheduled outage
- No significant transition costs in 2010 for reorganization
- Over 90% of Alberta commercial portfolio hedged in 2010
- Addition of Clover Bar units
  - Units 2 & 3 – full year of operations after commissioning in Q3/09 and Dec/09, respectively

2010 EPS expected to be roughly in line with 2009 (annualized) EPS excluding mark-to-market gains/losses and Battle River PPA gain

Outstanding platform for growth

Development

- Pursue selected target markets
- Numerous development opportunities at various stages
- Near term opportunities for contracted cash flows
- MW additions: 200 MW in 2009 and 248 MW in Q2/11

Acquisitions

- Very disciplined and patient approach
- Focus on large natural gas facilities

Existing Asset Opportunities

- Facility expansions and enhancements
- ~1,000 MW[1] of merchant capacity in Alberta
- 820 MW under Genesee PPAs, opportunity in 2020

(1) Capital Power's pro-rata ownership interest in generating capacity from six Alberta commercial facilities and Sundance / Battle River PPAs

2010 corporate priorities

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- Operational targets
  - Plant availability of ≥ 94%
  - Sustaining capex of $60M
- Construction / development objectives
  - CPC's share of final costs for Keephills 3 project at ≤ $955M with completion by Q2/11
  - Commit at least $500M to capital opportunities that meet or exceed our target rate of return
- Financial
  - 2010 EPS expected to be roughly in line with 2009 (annualized) EPS excluding mark-to-market gains/losses and Battle River PPA gain
  - Repay $245M of existing debt due in 2010
- Investor Relations
  - Robust investor relations program with commitment to enhanced disclosure transparency

Deliver total shareholder return greater than the average of peer group

Investment thesis

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- Growth in North American power industry will continue over the long term
- Positive long-term fundamentals for the Alberta power market
  - Capital Power most highly levered to Alberta power prices
  - prices in Alberta are expected to be amongst the first to recover in North America based on supply/demand balance
- Capital Power well positioned as economy recovers
  - current low power price environment expected to improve
  - ~50% of operating margins generated from long term contracted plants
  - minimal exposure to Alberta power prices in 2010 as ~90% of uncontracted production is hedged
  - merchant position in 2011-2012 provides upside
  - strong balance sheet with modest leverage and excellent liquidity to capitalize on opportunities
- Clover Bar and Keephills 3 will materially contribute to cash flows in 2010/11
- Investors rewarded with an attractive yield of ~6% with significant upside

Forward-looking statement

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Certain information in this presentation and in oral answers to questions 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.

Forward-looking information in this presentation includes, among other things, information relating to: (i) expected timing of commercial operation and project costs of Keephills 3 and expectations regarding total project costs of Clover Bar Energy Centre Unit 3; (ii) expectations relating to electrical demand and reserve margins in Alberta; (iii) forecast realized prices for the Company's merchant production; (iv) expectation regarding the timing of the sale of Battle River PPA and the expectation that the sale reduces the Company's 2010 exposure to the Alberta electricity market; (v) expectations regarding the availability of growth development and acquisition opportunities, and their size, expenditure requirements, timing and financing; (vi) the goal to triple the size (MW) of the Company by 2020 on a progressively accretive basis; (vii) expectations regarding plant availabilities in 2010; (viii) expectations regarding the percentage of operating margin in 2010 that will be attributed to various segments of the Company's operations; (ix) expectations for the use of the Company's committed bank credit facilities; (x) expectations regarding future financial strength, dividend stability, availability of capital, repayment of existing debt, balance sheet capacity, predictability of financial results, and access to capital, including new issues of longer term debt; (xi) the expected impact of the further reduction in the Company's interest in the Battle River PPA and of Clover Bar and Keephills 3 coming on line, including on earnings per share; (xii) expectations for Alberta spot power prices and heat rates and their impact on the Company; (xiii) expectation regarding the hedge position of the Alberta commercial portfolio and its impact on the Company's exposure to changes in power prices; (xiv) the Company's estimated sensitivity to Alberta power prices; (xv) the expected annual spending for growth and maintenance capital and other capital for the Company excluding Capital Power Income L.P.; (xvi) expectation that the two maintenance outages scheduled in 2010 at the Genesee site will reduce operating margin, and the expected amount of operating expense for the two outages; (xvii) the expectation of significant cash flow upside, particularly in 2011 when Keephills 3 comes on line; and (xviii) the expectation that earnings per share in 2010 will be roughly in line with 2009 (annualized) earnings per share excluding mark-to-market gains/losses and Battle River PPA gain.

These statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate. The material factors and assumptions used to develop these forward-looking statements include, but are not limited to: (i) the operation of the Company's facilities; (ii) power plant availability, including those subject to acquired PPAs;

Forward-looking statement (cont'd)

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(iii) the Company's financial position and credit facilities; (iv) the Company's assessment of commodity and power markets; (v) the Company's assessment of the markets and regulatory environments in which it operates; (vi) weather; (vii) availability and cost of labour and management resources; (viii) performance of contractors and suppliers; (ix) availability and cost of financing; (x) foreign exchange rates; (xi) management's analysis of applicable tax legislation; (xii) that currently applicable and proposed tax laws will not change and will be implemented; (xiii) currently applicable and proposed environmental regulations will be implemented; (xiv) counterparties will perform their obligations; (xv) renewal and terms of PPAs; (xvi) ability to successfully integrate and realize benefits of its acquisitions; (xvii) ability to implement strategic initiatives which will yield the expected benefits; and (xviii) the Company's assessment of capital markets and ability to complete future share offerings.

Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results and experience to differ materially from the Company's expectations. Such risks and uncertainties include, but are not limited to risks relating to: (i) operation of the Company's facilities; (ii) power plant availability and performance; (iii) unanticipated maintenance and other expenditures; (iv) availability and price of energy commodities; (v) electricity load settlement; (vi) regulatory and government decisions including changes to environmental, financial reporting and tax legislation; (vii) weather and economic conditions; (viii) competitive pressures; (ix) construction; (x) availability and cost of financing; (xi) foreign exchange; (xii) availability and cost of labour, equipment and management resources; (xiii) performance of counterparties, partners, contractors and suppliers in fulfilling their obligations to the Company; (xiv) developments in the North American capital markets; (xv) compliance with financial covenants; (xvi) ability to identify and successfully realize the benefits of acquisitions and investments; (xvii) the tax attributes of and implications of any acquisitions; and (xviii) other factors and assumptions discussed in the section entitled Risk Factors in other documents filed with provincial securities commissions in Canada. If any such risks actually occur, they could materially adversely affect the Company's business, financial condition or results of operations. In that case the trading price of the Company's common shares could decline, perhaps materially.

Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Forward-looking statements are provided for the purpose of providing information about management's current expectations, and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

Additional information

Investor Relations
5th Floor, TD Tower
10088 - 102 Ave.
Edmonton, Alberta
T5J 2Z1

(780) 392-5305
(866) 896-4636 (toll-free)

investor@capitalpower.com
www.capitalpower.com