

CIBC INSTITUTIONAL INVESTOR CONFERENCE, WHISTLER

BRIAN VAASJO, PRESIDENT & CEO

JANUARY 21, 2011



Forward-looking Information

Cautionary statement

Certain information in today's presentation and in responses to questions contain 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.

Please refer to our disclosure documents filed with securities regulators on SEDAR, which contain 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.

Capital Power Overview

- Canadian-based, growth-oriented independent power producer (IPP) operating in North America
- Trading on the TSX (CPX) with market cap of ~\$1.9B (fully diluted)
- Consistent strategy
- Business model:



Corporate Strengths

Goal: to triple size to 10,000 megawatts by 2020 on a consistently accretive basis

Solid platform for sustainable growth

Financial strength with access to capital

Proven operating and construction history

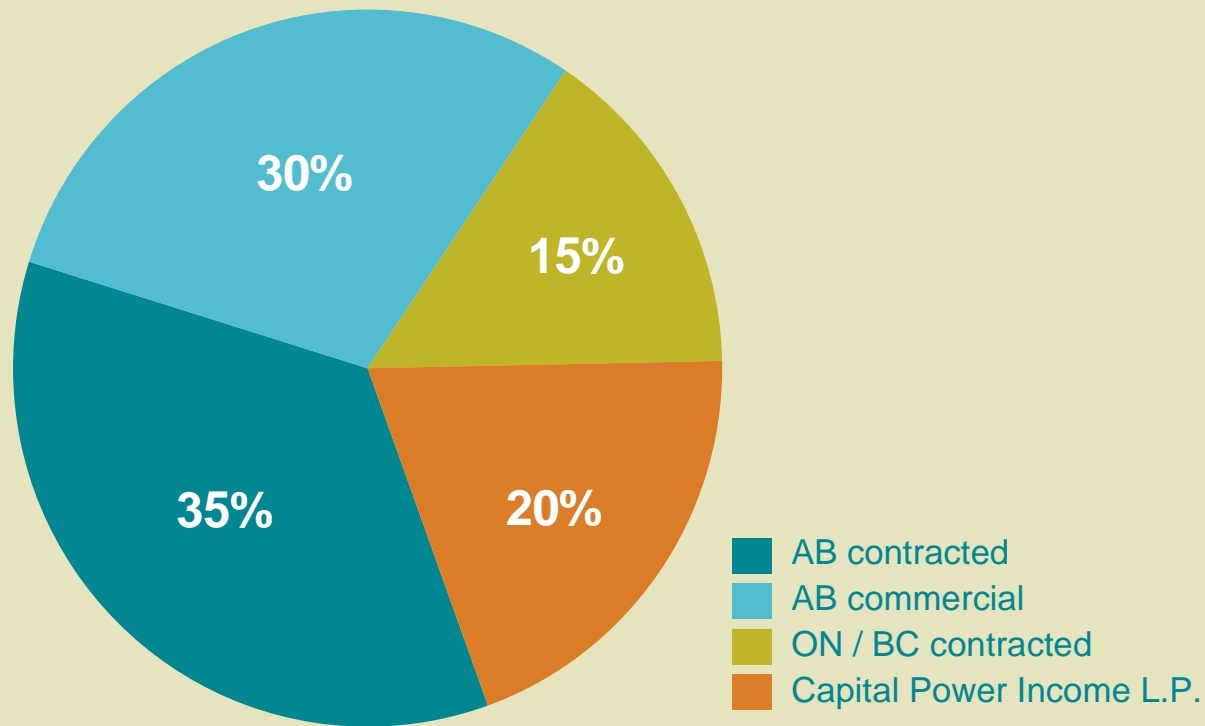
Young and modern fleet

Large, high quality generation portfolio

Large, High Quality Generation Portfolio

Interests in 32 facilities (nearly 3,800 MW)⁽¹⁾

Segmented owned capacity by MW⁽²⁾

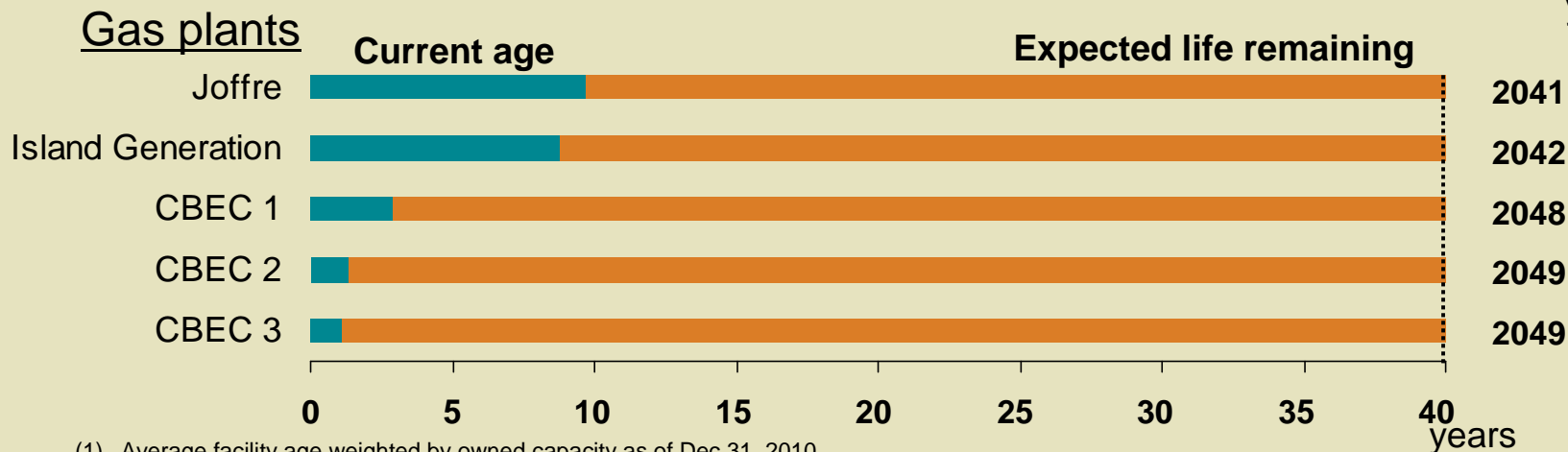
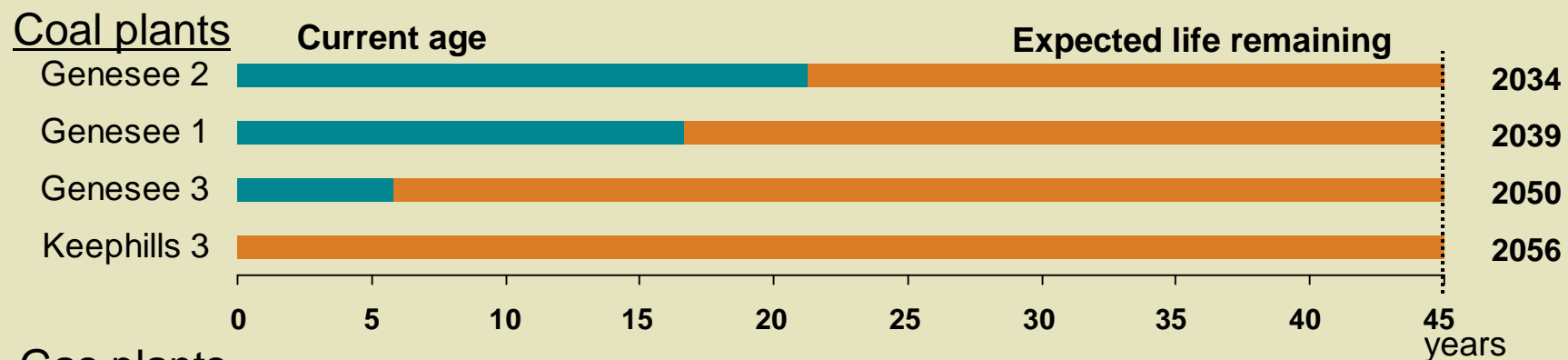


(1) Capacity owned and /or operated; excludes Sundance PPA (371 MW)

(2) Owned capacity of 2,327 MW as of Dec 31/10 including pro-rata 29.6% ownership of CPILP; excludes Sundance PPA (371 MW)

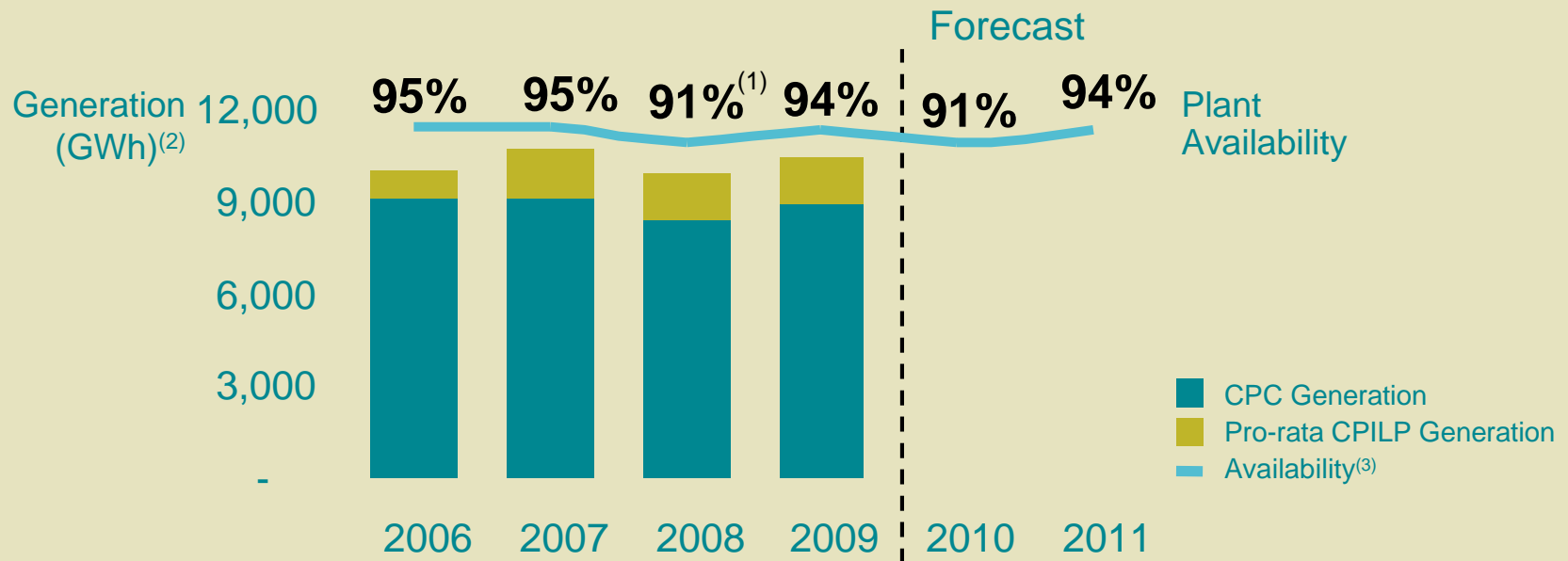
Young And Modern Fleet

- Young fleet with average facility age of only 13 years⁽¹⁾
- 3 new projects (495 MW) with COD in 2011-12
- Kingsbridge I is ~5 years old with expected life remaining of ~15 years



(1) Average facility age weighted by owned capacity as of Dec 31, 2010

Strong Operating History, Fleet Availability

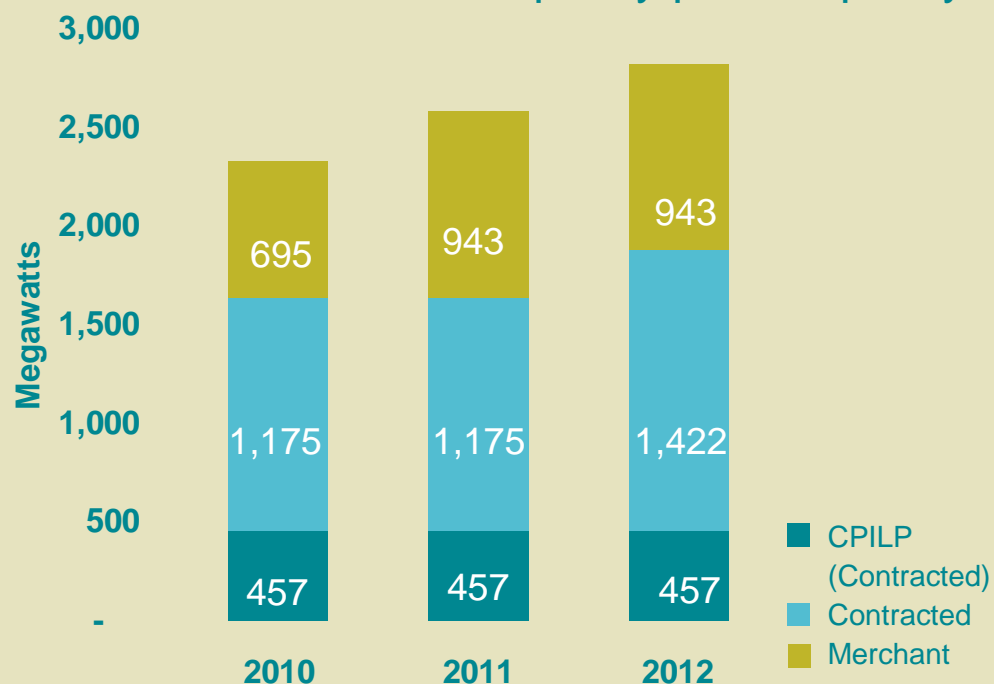


Proven operating performance history with high plant availability

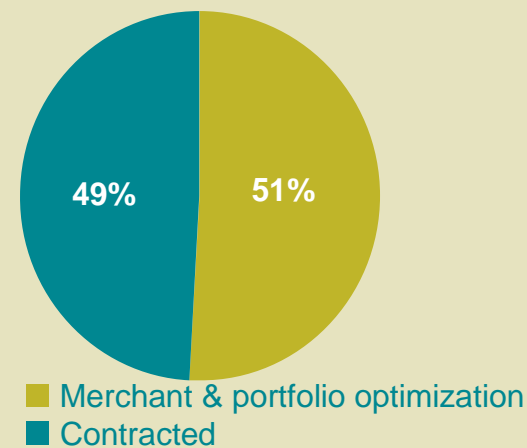
- (1) Lower availability in 2008 primarily due to a 39-day outage at Genesee 3 from a blade failure and planned outages at all three Genesee facilities
- (2) Pro-rata CPILP generation ownership of 30.6% in 2006-2008 and 30.5% in 2009
- (3) 2010 & 2011 plant availability forecast excludes CPILP; 2006-2009 actual availability includes CPILP

Long-Term Contracts & Merchant Position

Contracted / merchant split by plant capacity⁽¹⁾



Operating Margin Split⁽²⁾



Target 50% contracted cash flow provides solid platform

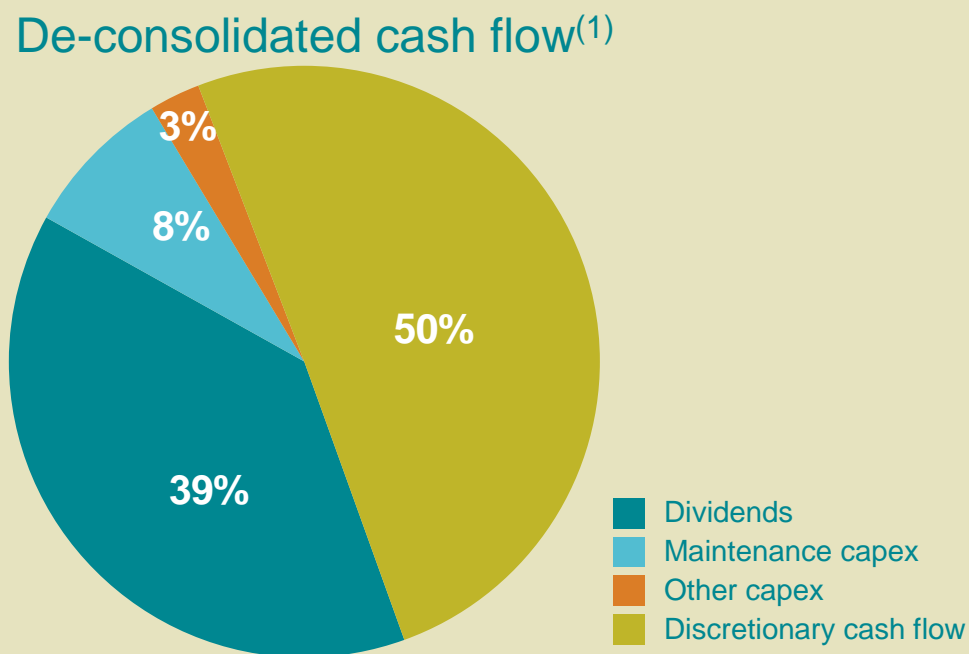
As portfolio grows, maintain balance between merchant and contracted facilities

(1) Megawatts based on owned capacity; ownership in Capital Power Income L.P. held constant at 29.6% for illustration purposes

(2) Sep 2010 YTD Operating margin excluding unrealized changes in fair value of derivatives, FX and natural gas contracts and Interplant category transaction eliminations. Pro-rata CPILP generation ownership of 29.8%; other portfolio activities included with merchant & portfolio optimization

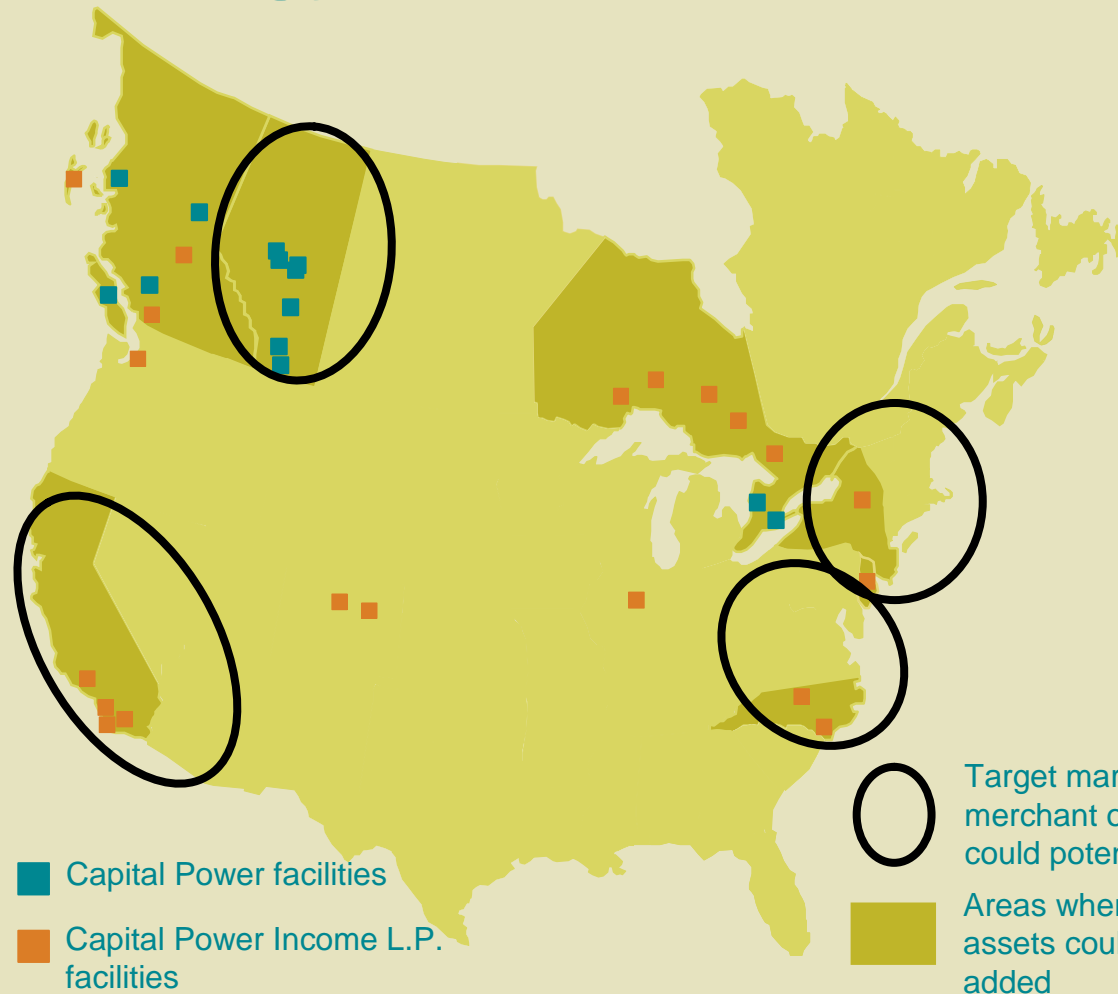
Financial Strength with Access to Capital

- Strong balance sheet with BBB investment grade credit rating (S&P/DBRS)
 - Maintain investment grade credit rating
- Continuous access to capital essential to sustainable growth and to increase shareholder value
 - Provides financial flexibility to capitalize on opportunities
- Successful issuances of \$300M MTN and \$125M of preferred shares
- Secondary offering of \$221M of common shares by EPCOR in Dec/10 increases liquidity
- Discretionary cash flow represents 50% of Funds From Operations⁽¹⁾



(1) Based on 12 month trailing Funds From Operations excluding non-controlling interest in CPILP ended Sep 30, 2010

North American Platform & Growth Strategy



- Significant growth through acquisitions and development
- Maintain discipline on:
 - Geography
 - Size
 - Fuel type
 - Economics

■ Capital Power facilities
■ Capital Power Income L.P. facilities

○ Target markets where merchant or contracted assets could potentially be added
■ Areas where contracted assets could potentially be added

Building Momentum

Keephills 3 Project Update



Major milestone first fire, December 10, 2010

- 495 MW coal-fired generating plant
- 50% partnership with TransAlta
- CPC responsible for construction
- TransAlta responsible for operations
- COD planned in Q2/11



Steam blow, December, 2010

Building Momentum

2010 Growth Announcements

	Acquisitions	Contracted Development	
	Island Generation	Quality Wind	Port Dover & Nanticoke
Location	Campbell River, BC	Tumbler Ridge, BC	Norfolk & Haldimand, ON
Fuel Type	Natural Gas	Wind	Wind
Size	275 MW	142 MW	105 MW
Costs	~\$207M	~\$455M	~\$340M
COD	2002	Before end of 2012	Q4, 2012
Contract & Counterparty	12-year (remaining) EPA (BC Hydro)	25-year EPA (BC Hydro)	20-year PPA, \$135/MWh (Ontario Power Authority)
Status	Transaction closed Oct. 19, 2010	Construction activities started, EPC contracts in place	Awaiting completion of Ontario's Renewable Energy Approval process

- Financial targets (unlevered, after-tax IRR)
 - 11% for uncontracted / merchant assets and 9% for contracted assets
 - Project returns may be higher or lower depending on cost of capital and risk
 - Accretive to EPS

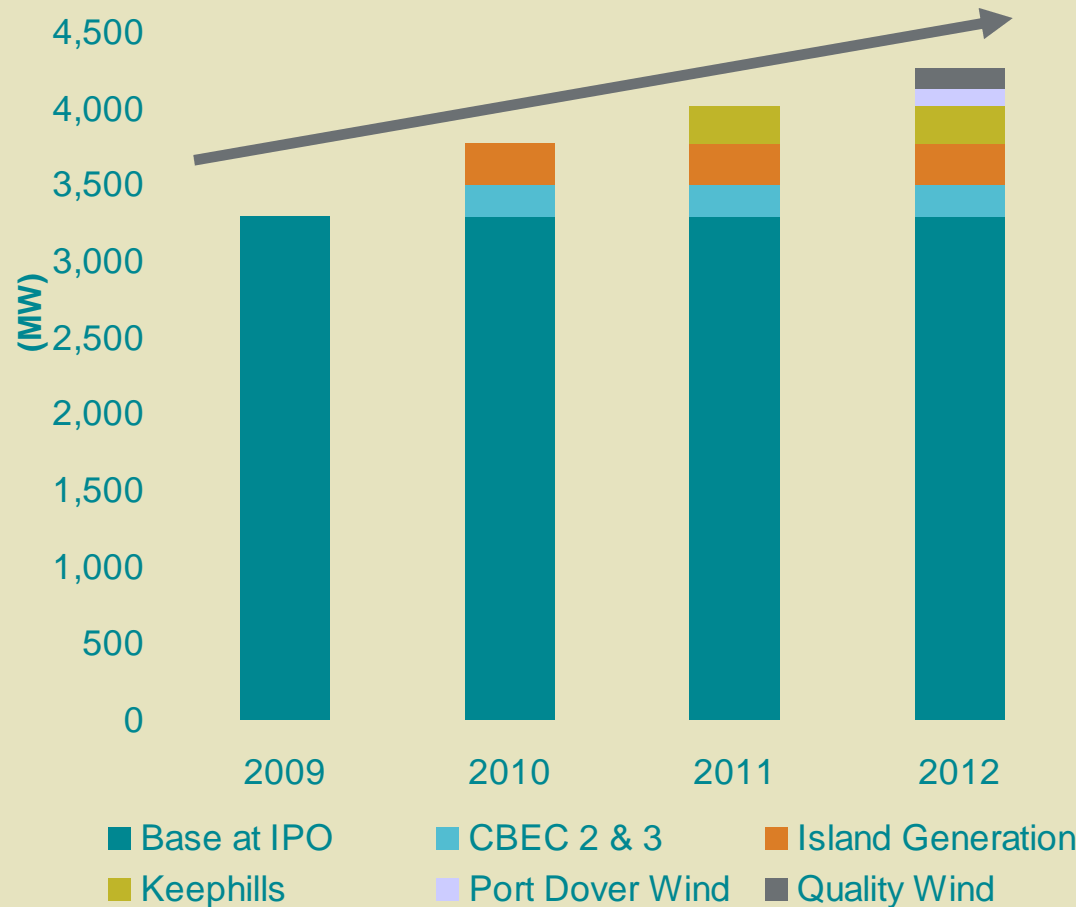
Building Momentum

Growth Opportunities

Stage	Project	Size (MW)	\$M	Fuel	Status
Most Advanced	Kingsbridge II	260	\$800	Wind	Bid Submitted
	Pioneer		TBD	Carbon Capture and Storage	Underway
	BC Biomass	50 - 70	\$400	Biomass	Bid Submitted
	Halkirk	150	TBD	Wind	Underway
Developing	BC Wind	500	\$1,100	Wind	Sites Developed
	Ontario	250	\$500	Natural Gas	Site
Other	California	300	\$460	Natural Gas	Active
	U.S. NE	500	\$650	Natural Gas	Active
	U.S. NE	265	\$250	Natural Gas	Active

Execution Of Growth Strategy

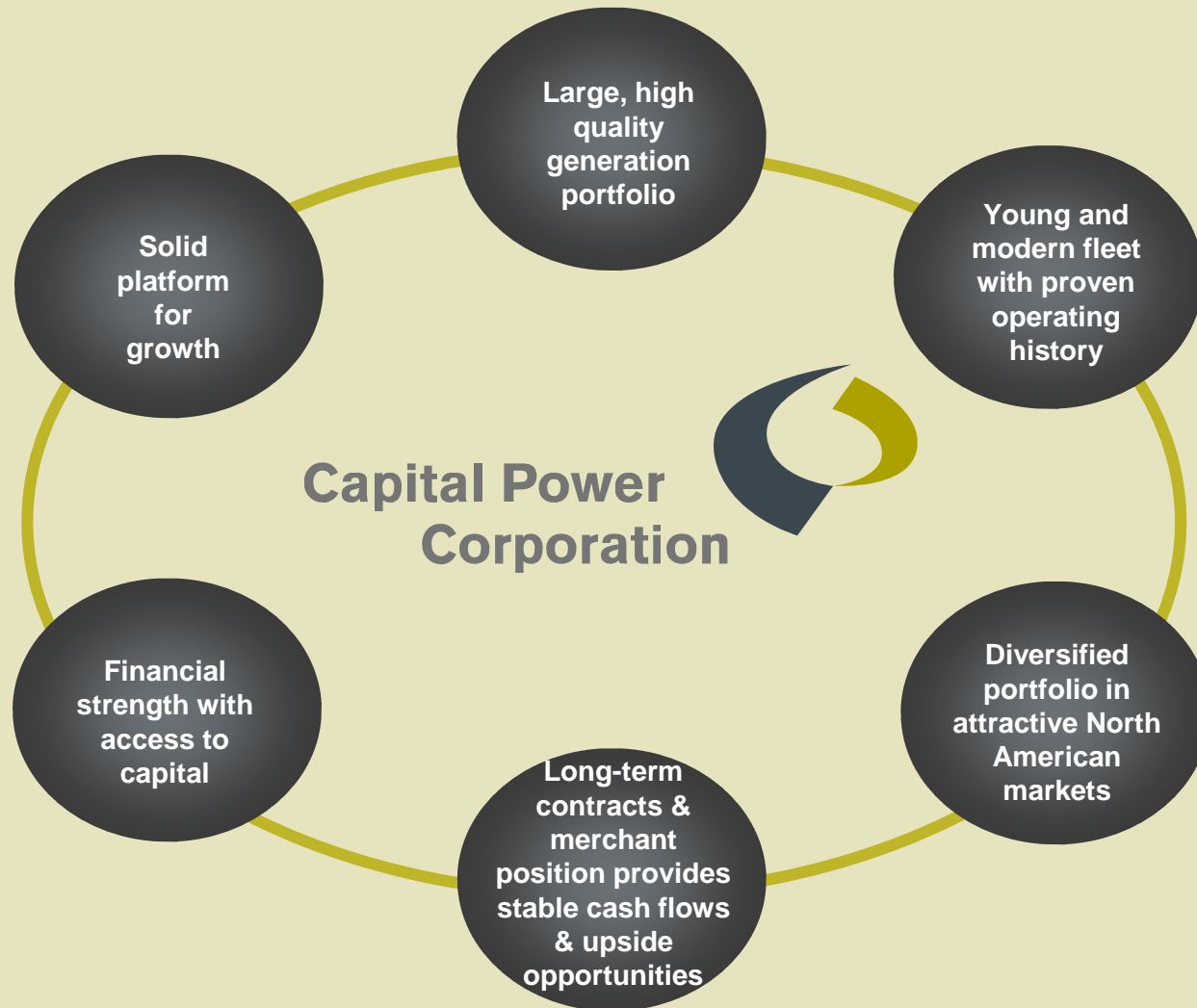
Confirmed capacity growth



Since Capital Power's IPO launch in mid-2009, 970 MW of new capacity has been added or placed into development

Significant growth expected in 2011 with \$1.5B committed capital target

Investment Highlights Summary



Contact Information

Investor Relations

(780) 392-5305

(866) 896-4636 (toll-free)

investor@capitalpower.com

www.capitalpower.com