Investor Meetings

Brian Vaasjo, President & CEO
Stuart Lee, SVP & CFO

February, 2011

Capital Power Corporation

Forward-looking information

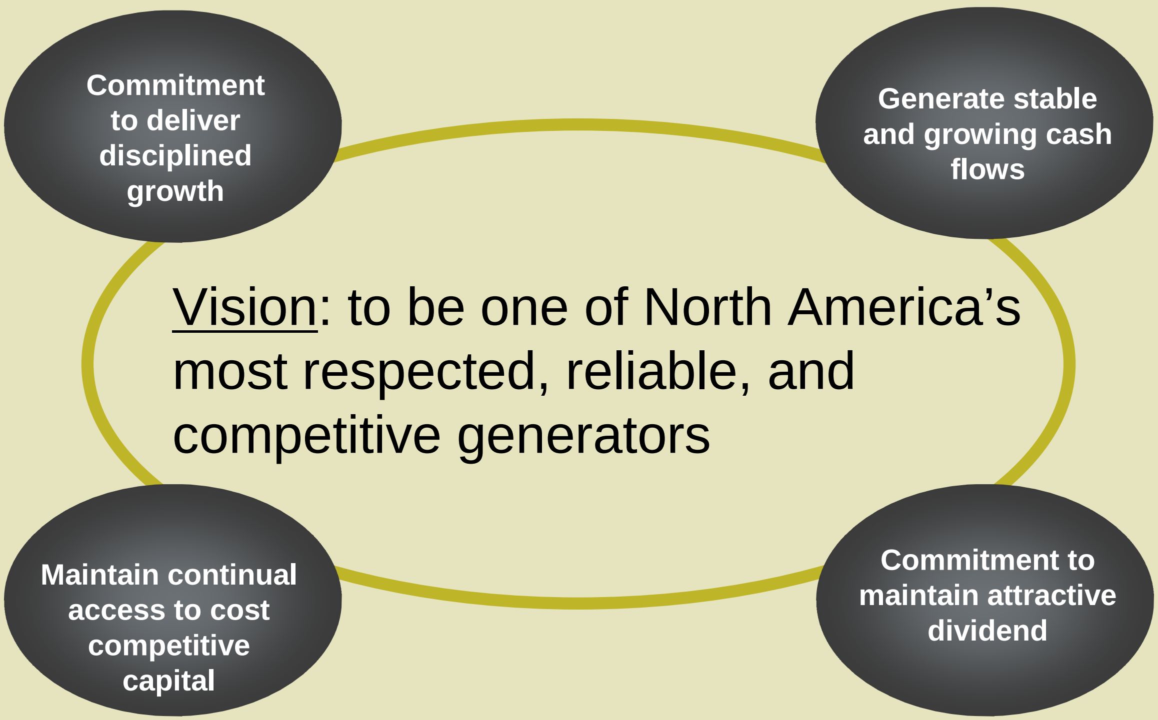
Cautionary statement

Certain information in this 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

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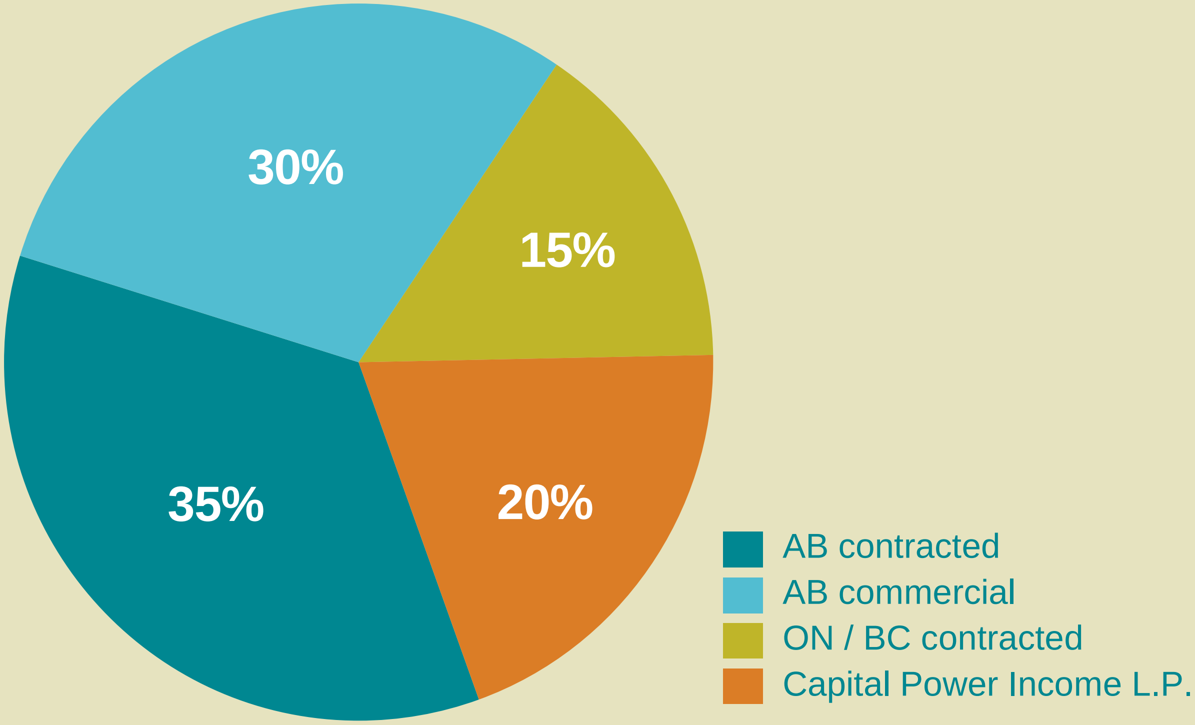
Large, high quality generation portfolio

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

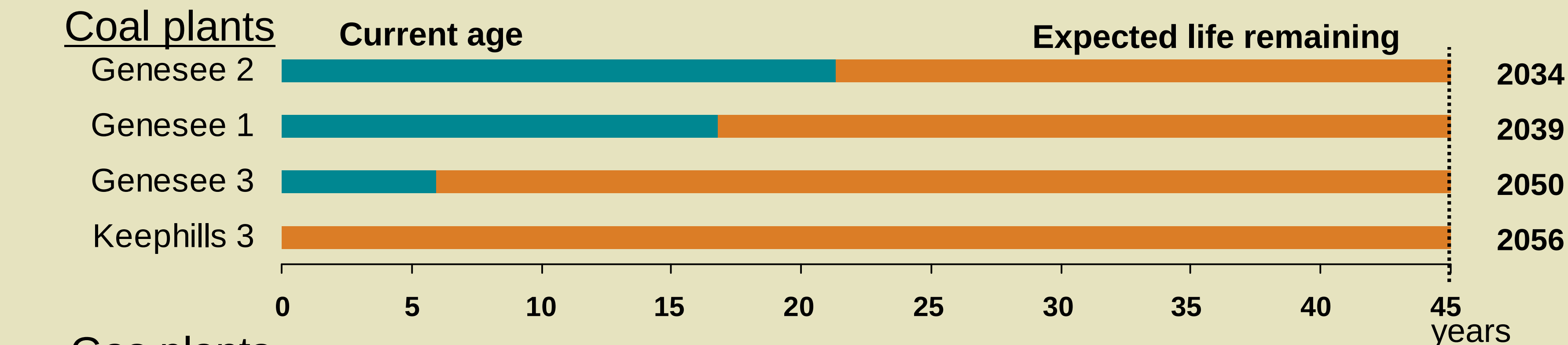
Segmented owned capacity by MW[2]

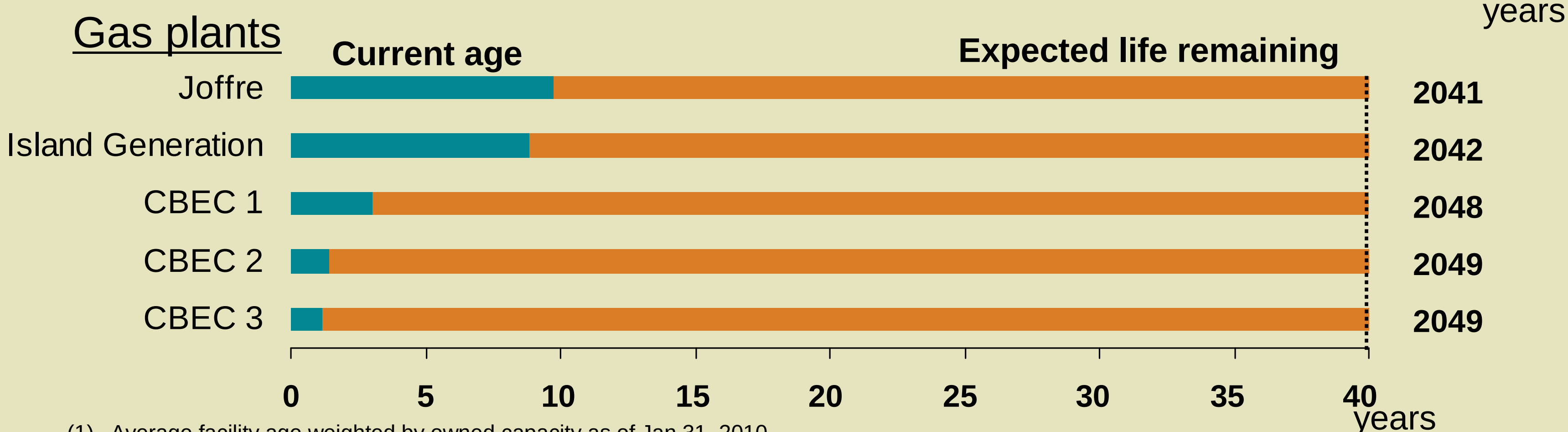


(1) Capacity owned and /or operated; excludes Sundance PPA (371 MW)
(2) Owned capacity of 2,327 MW as of Dec 31/10 including pro-rata 29.6% ownership of CPILP; excludes Sundance PPA (371 MW)

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 Jan 31, 2010

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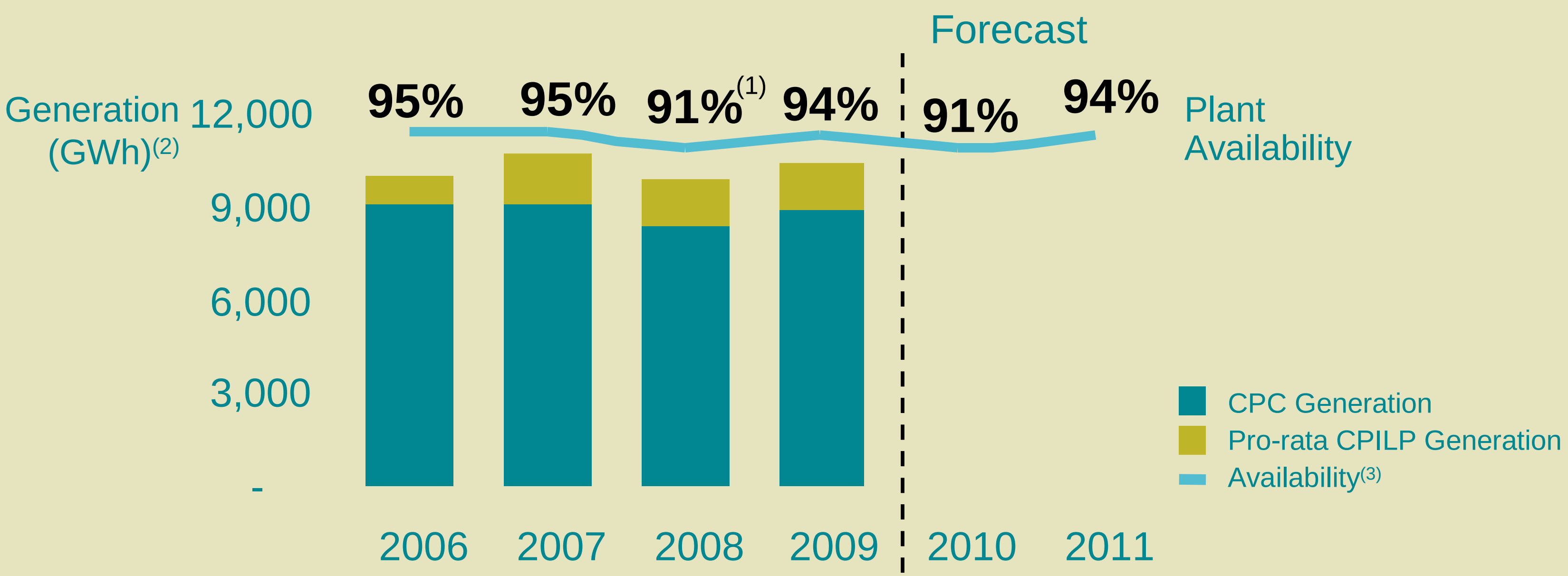
Strong operating history, fleet availability

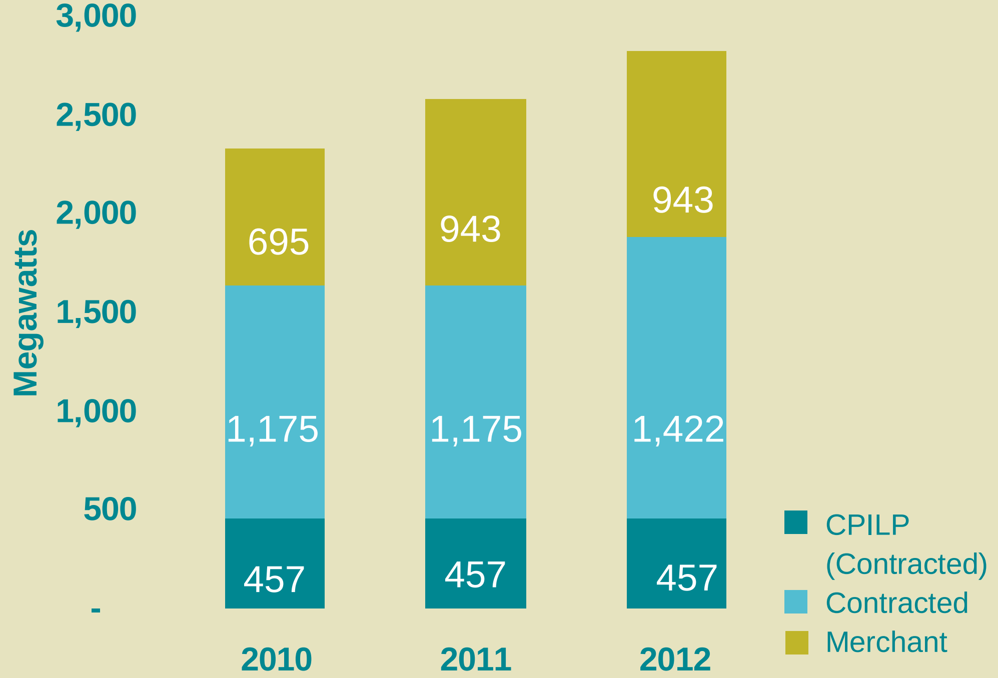


Proven operating performance history with high plant availability

(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

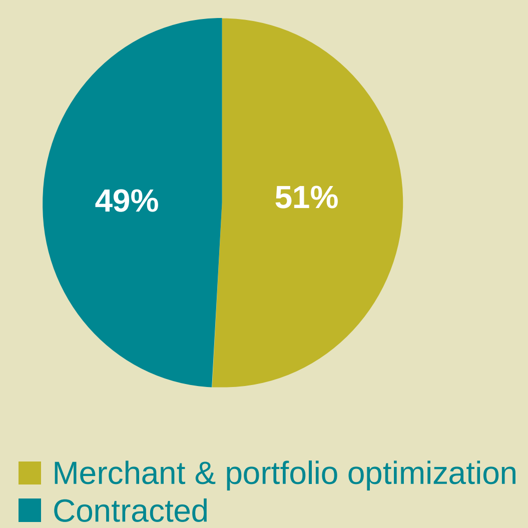
Long-term contracts & merchant position

Contracted / merchant split by plant capacity[1]



As portfolio grows, maintain balance between merchant and contracted facilities

Operating margin split[2]



Target 50% contracted cash flow provides solid platform

(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 strategy

- Investment grade minimum BBB credit rating to access debt markets
- Stable dividend with growth over time
- Maintain economic discipline for growth and acquisitions (targeted 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 risks
  - Accretive to EPS
- Effectively manage commodity, foreign exchange & interest rate risks
- Strong liquidity
- Well spread out debt maturities that are supported by asset lives
- Financial flexibility to utilize various forms of capital in structure

Maintain ongoing access to cost competitive capital to fund sustainable growth throughout business cycle

Strong financial base

- Debt to capital ratio ~35% (non-consolidated basis)
- Consolidated assets of ~$5.0B with only ~$1.8B[(1)] in long-term debt
- Filed base shelf prospectus in Ap/10, positioning the Company to fund growth plans through the issuance of up to $1B in equity and $1B in debt
  - Issued $300M 10-year MTN in Nov/10, yield 5.27%
  - Issued $125M in preferred shares in Dec/10, yield 4.6%
- $221M secondary offering of common shares by EPCOR in Dec/10 increases liquidity
  - 42% increase in public float shares to 31M shares
  - Getting close to S&P/TSX Composite Index inclusion

Significant financial flexibility from conservative financial base

(1) As of Sep 30, 2010

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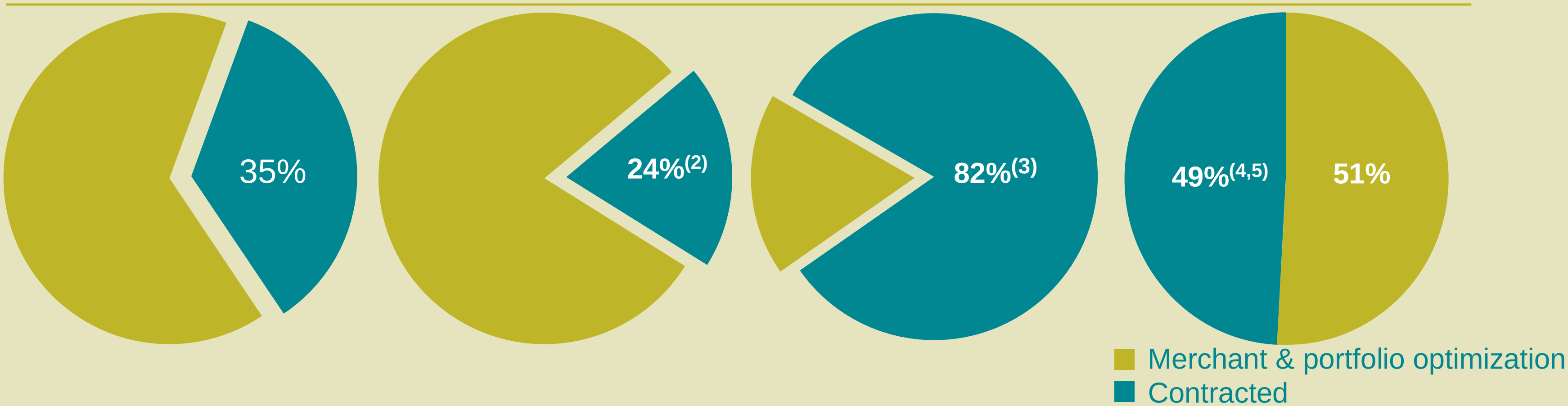
Financial ratio targets

Debt to capital ratio[1]	FFO to total debt ratio	Dividend	Operating margin split
Targets			
40% - 50%	Minimum 20%	60% - 70% long term payout ratio (consistent with peers)	50% contracted vs. merchant
As of September 30, 2010			

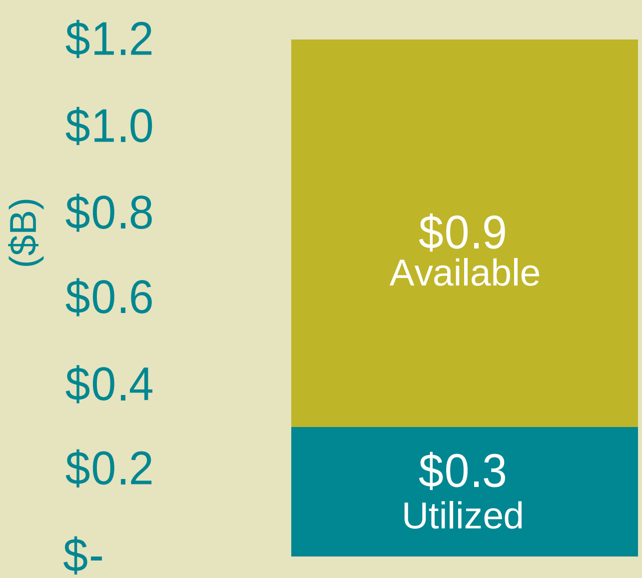


(1) Ratio calculated on on a consolidated basis except for Capital Power Income L.P. which is excluded for on the equity basis
(2) Funds from operations for trailing 12 months divided by total debt
(3) Dividends declared divided by normalized earnings per share YTD Sep 30, 2010
(4) YTD Operating margin excluding unrealized changes in fair value of derivatives, FX and natural gas contracts and Interplant category transaction eliminations
(5) Pro-rata CPILP generation ownership of 29.8%; other portfolio activities included with merchant & portfolio optimization

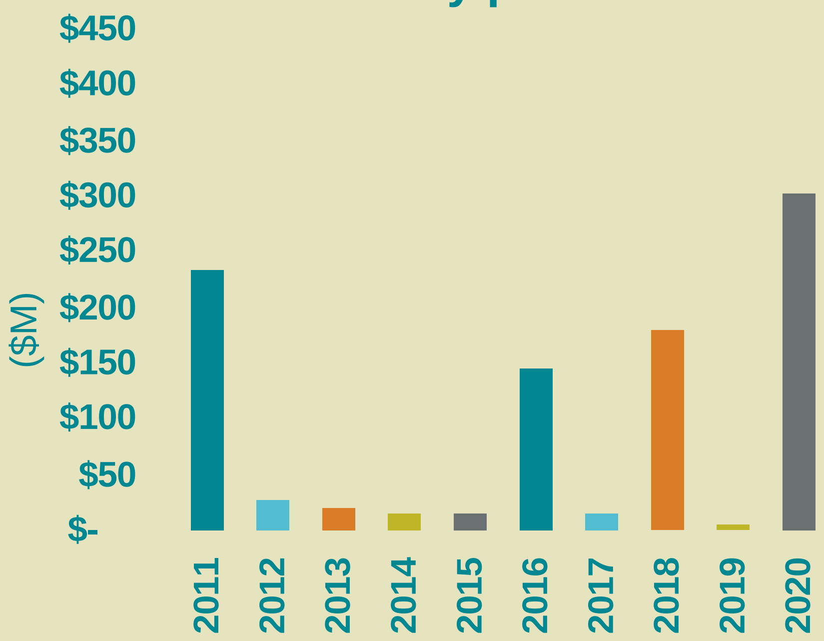
Liquidity & debt maturities

- $1.2B in credit facilities with terms out to 2013 with $0.9B available
- Debt maturity profile very manageable
- Asset base will support new issues of longer term debt

Credit facilities(1)



Debt maturity profile(2)



(1) Pro-forma as of Nov 30, 2010 excluding CPILP and includes proceeds from $125M preferred share offering
(2) Reflects debt with fixed maturity dates as of Nov 30, 2010

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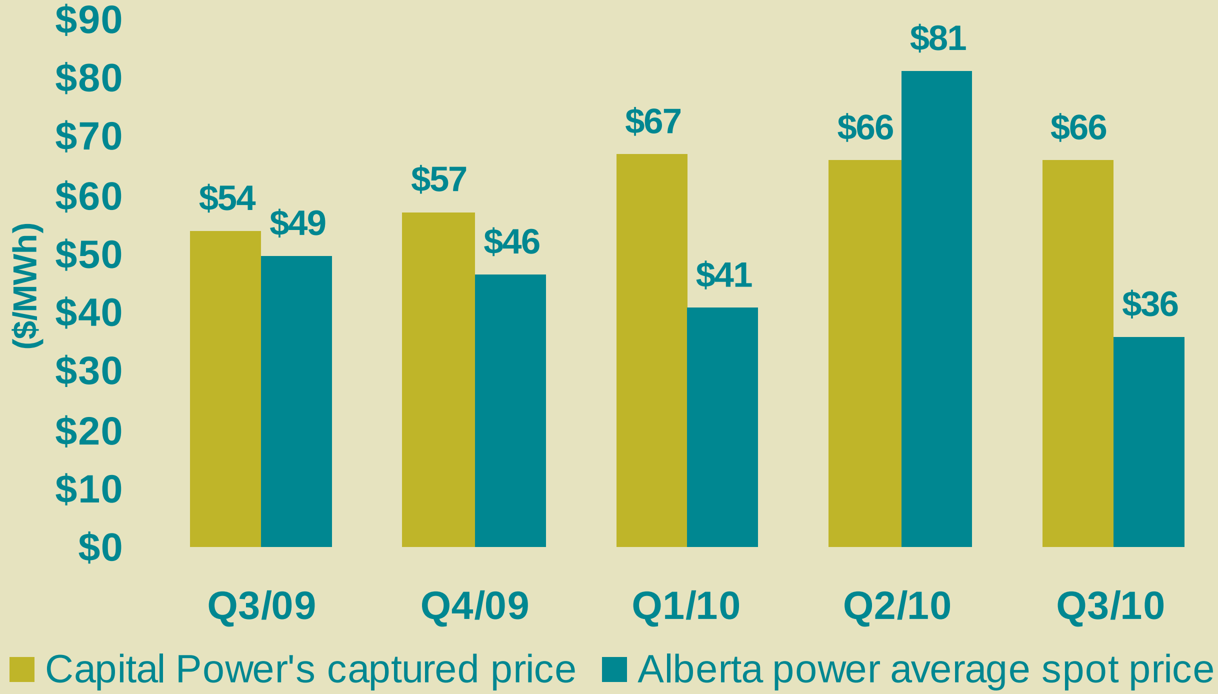
Alberta power prices

Portfolio optimization value creation



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Alberta power price sensitivity[1]

	2011	2012	2013
Hedged positions (% contracted)			
	~65%	~30%	~15%
Contracted prices			
	Mid-$60/MWh	Mid-$60/MWh	High-$60/MWh

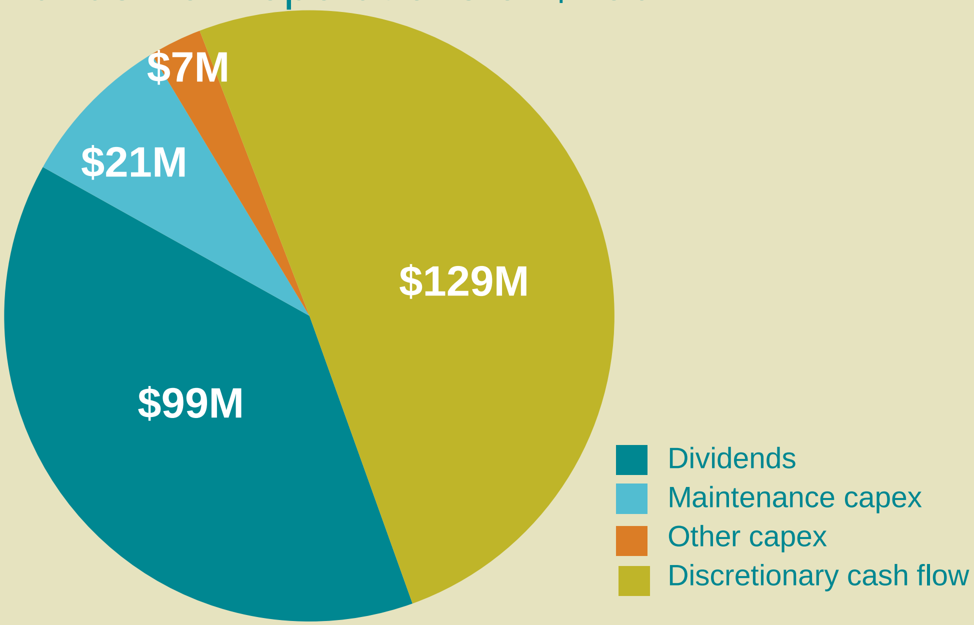
- Sensitivity analysis to +/- $1/MWh change in Alberta power prices
  - 2011: +/- $2M to operating margin
  - 2012: +/- $5M to operating margin
  - 2013: +/- $6M to operating margin

(1) As disclosed in our January 14th, 2011 press release, "Capital Power Provides 2011 Financial and Operating Targets"

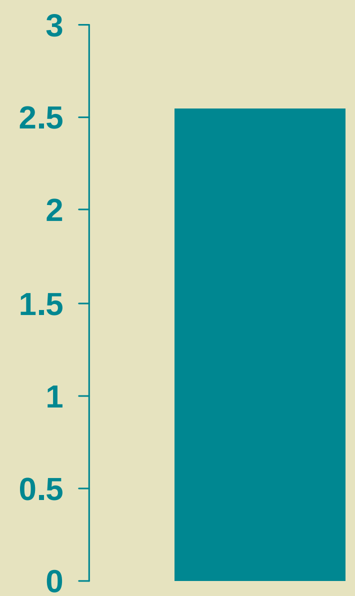
Cash flow – trailing 12 months

- Generating significant discretionary cash flow net of dividends and maintenance capex
  - Discretionary cash flow represents 50% of Funds from operations(1)
  - At bottom of commodity cycle with 25% of capital in construction projects
  - Substantial future cash flows from Keephills 3 in Q2/11

Funds from operations of $256M(1)



Dividend coverage ratio



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

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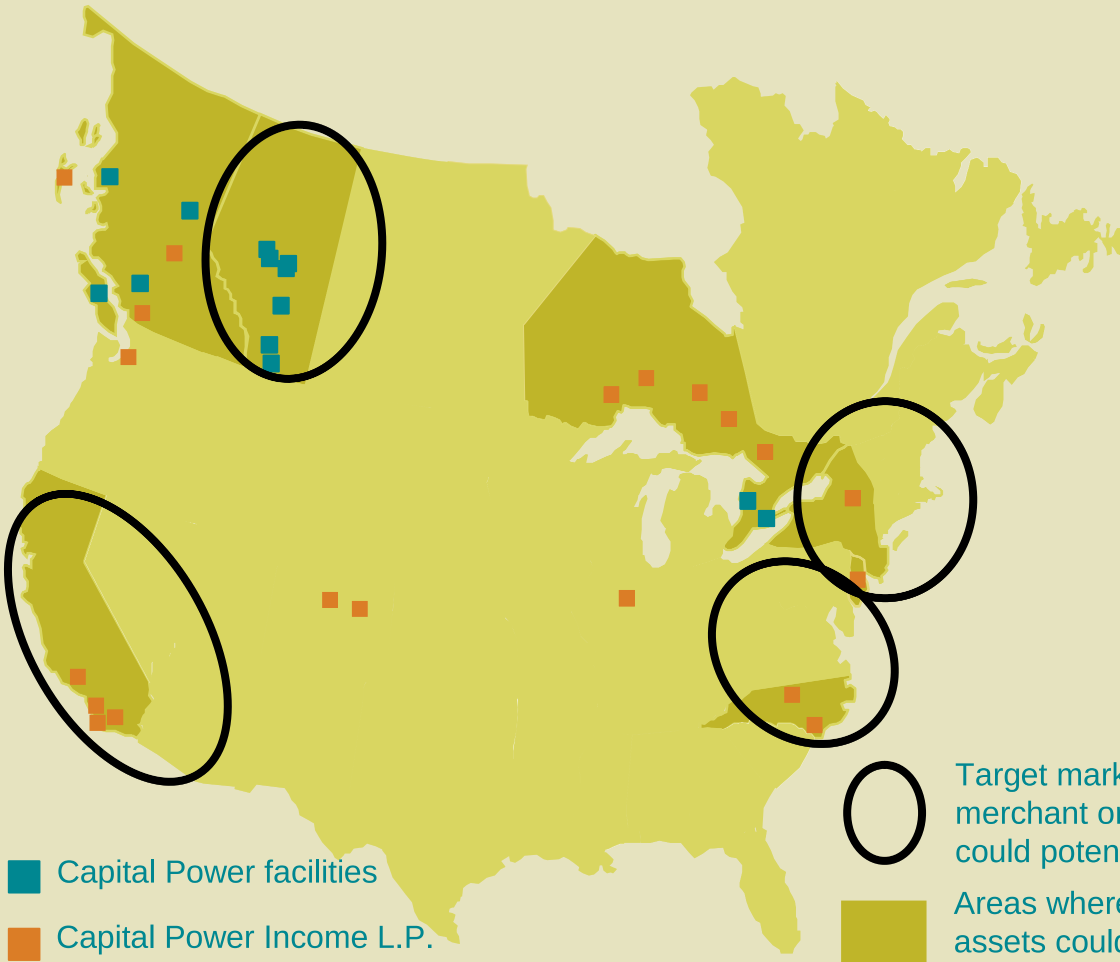
Financial outlook

- Currently experiencing bottom of an economic cycle and expect this will continue through 2011
- Expect significant upside as power prices recover in 2012
- Announced acquisition and development projects in 2010 have long term contracts
- Maintenance of investment grade credit rating important to execution of the long-term strategy

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

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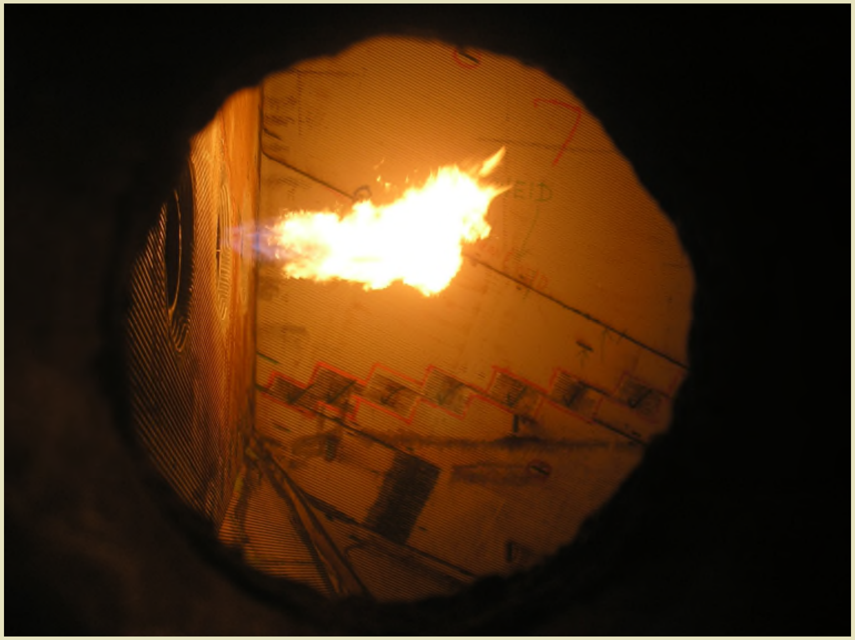
Building momentum
Keephills 3 project update



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

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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

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 unsuccessful
	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

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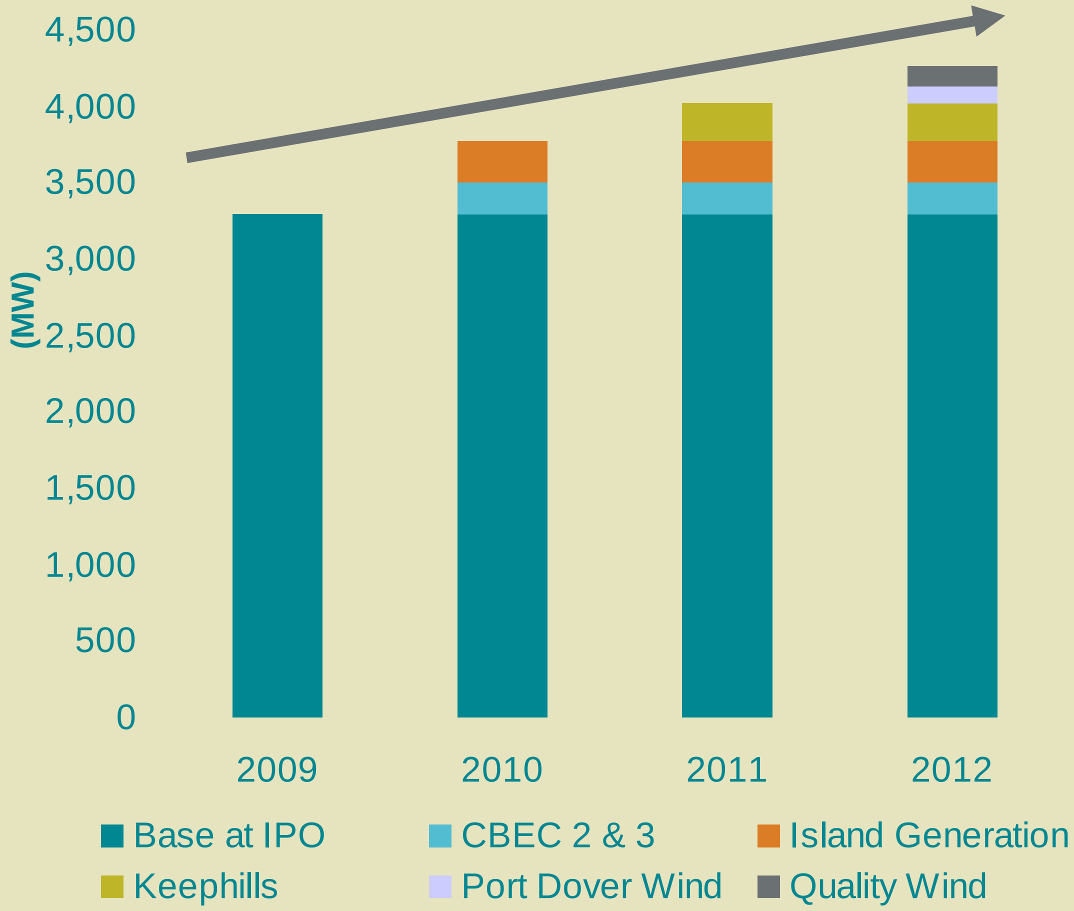
Execution Of growth strategy

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

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2011 Corporate priorities

Operational targets

≥ 94%	CPC capacity-weighted plant availability (one Genesee turnaround planned in 2011)
≤ $40M	Maintenance capital (plant maintenance and Genesee mine extension)

Development and construction targets

≥ $1.5B	Capital committed to acquisitions or developments that are in line with our target rates of return
≤ $955M	CPC's final costs for Keephills 3; COD Q2 2011
On time On budget	Development progress for Quality Wind and Port Dover & Nanticoke wind projects (both COD 2012)

2011 Corporate priorities (Cont'd)

Financial targets[1,2]

~$1.20	Normalized EPS (comparable to original guidance for 2010)
Modestly higher than 2010	Funds from operations Cash flow per share
Modest improvement from 2010	Dividend coverage ratio (based on current dividend level)

Overall investment performance

Capital Power seeks to deliver Total Shareholder Return that exceeds the median of CPC's peer group

(1) Based on a forecasted average Alberta power price of $50/MWh.
(2) Financial targets based on Canadian generally accepted accounting principles (GAAP) and will be updated under International Financial Reporting Standards (IFRS) in the second quarter, 2011.

Investment highlights summary

Large, high quality generation portfolio

Solid platform for growth

Young and modern fleet with proven operating history

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Financial strength with access to capital

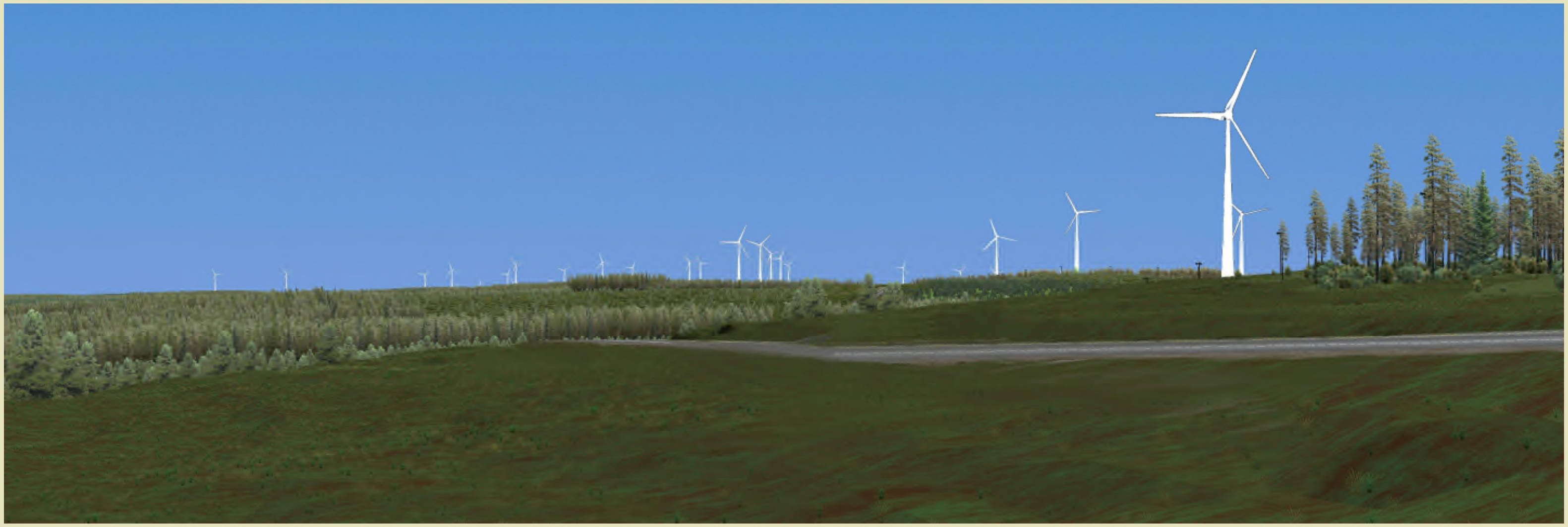
Diversified portfolio in attractive North American markets

Long-term contracts & merchant position provides stable cash flows & upside opportunities

Appendix

Capital expenditures

2011E Sustaining capex	$M	2011E Growth capex	$M
Plant maintenance capex	$25	Keephills 3	~$25
Mine capex	$12	Quality Wind	~$180
Information Technology	$13	Port Dover Nanticoke	~$95
Other	$20		
Total sustaining capex	$70		



Quality Wind - Artist Rendering

Appendix

Alberta power market

- Alberta (AB) has competitive wholesale energy and ancillary services market operated by the Alberta Electric System Operator (AESO)
- Entire province is a single zone where prices are determined by the bid price of the marginal unit needed to balance demand and supply in real-time
- No capacity market – power generators must recover all costs through energy revenues
- AB expected to grow above-national average rates due to the impact of oil sands activity
- Capital stock turnover expected to drive major coal retirements with upward impact on prices 2015 onwards
- As coal retires, natural gas will be increasingly on the margin
- AB power prices currently at trough levels with expectation of recovery in medium term

Forward-looking information

Certain information in this presentation is forward-looking within the meaning of Canadian securities laws as it relates to anticipated financial and operating 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 includes, among other things, information relating to: (i) expectations that Capital Power's 2010 Normalized Earnings Per Share will be in the same range as or comparable to $1.20; (ii) expectations that 2011 operating availability at Capital Power's facilities will be 94%; (iii) Capital Power's 2011 corporate priorities and business targets; (iv) expectations that, for 2010, the Company will deliver 91% operating availability at its plants and normalized earnings and cash flow meeting or exceeding targets; (v) expectations regarding contributions from new operations in 2011 (including, without limiting the generality of the foregoing, contributions from Island Generation and Keephills 3); (vi) expectations regarding cash flow and earnings in 2011; (vii) expectations regarding power prices and the impact of power prices on the Company's financial performance (including, but not limited to, contributions from operations, cash flow and earnings); (viii) expectations regarding forecasted average Alberta spot power prices; (ix) expectations regarding Capital Power's normalized earnings per share, and the impact of power prices thereon (including, but not limited to, impacts on the Company's unhedged position, the profitability of peaking facilities, availability incentive revenues and cash flow from the Keephills 3 facility); (x) expectations that funds from operations and cash flow in 2011 will be higher than in 2010; (xi) expectations that the dividend coverage ratio will improve; (xii) expectations regarding the impact of Keephills 3 coming on-line, and expectations that Keephills 3 will come on-line in the second quarter of 2011; (xiii) expectations that the Alberta power market will recover and regarding when such recovery will occur; (xiv) expectations that power prices will increase or improve and that the Company will benefit therefrom; (xv) expectations regarding the impact of power price changes on Capital Power's operating margin; (xvi) expectations regarding the impact of power prices on the Company's unhedged position, the profitability of peaking facilities, and availability incentive revenues from Genesee units 1 and 2; (xvii) expectations that the Company will continue to create value through portfolio optimization activities; (xviii) expectations regarding the hedging of the Company's Alberta Commercial Portfolio; (xix) expectations that Alberta power prices will be near the bottom of the market when Keephills 3 comes on-line; (xx) expectations that Keephills 3 will generate positive incremental cash flow but will be

Forward-looking information (cont'd)

dilutive to earnings per share; (xxi) expectations regarding the impact on earnings of a full year of operations of the Island Generation facility and one scheduled maintenance outage for the Genesee units; (xxii) expectations that improved earnings will mostly offset reductions to normalized earnings per share; (xxiii) expectations that there will only be one maintenance outage, scheduled or unscheduled, in 2011; and (xiv) expectations regarding the updating of the Company's 2011 financial targets pursuant to IFRS.

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 and dispatch; (iii) the Company's financial position and credit facilities and sources of funding; (iv) the Company's assessment of commodity and power markets, including forecast Alberta power prices; (v) the Company's assessment of the markets and regulatory environments in which it operates; (vi) the Company's assessment of economic conditions; (vii) weather; (viii) availability and cost of labour and management resources; (ix) performance of contractors and suppliers; (x) availability and cost of financing; (xi) foreign exchange rates; (xii) management's analysis of applicable tax legislation; (xiii) the currently applicable and proposed tax laws will not change and will be implemented; (xiv) currently applicable and proposed environmental regulations will be implemented; (xv) counterparties will perform their obligations; (xvi) renewal and terms of PPAs; (xvii) ability to successfully integrate and realize benefits of its acquisitions; (xviii) ability to implement strategic initiatives which will yield the expected benefits; (xix) ability to obtain necessary regulatory approvals for development projects; (xx) the Company's assessment of capital markets and ability to complete future share and debt offerings; (xxi) locations of projects and the areas of which they will be developed, including the availability and use of certain optioned lands; (xxii) costs of construction and development; (xxiii) no change in Capital Power's investment in Capital Power Income L.P.

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 and

Forward-looking information (cont'd)

uncertainties 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) economic and market conditions, including in the markets served by Capital Power's facilities; (xx) construction; (xi) availability and cost of financing; (xii) foreign exchange rates; (xiii) availability and cost of labour, equipment and management resources; (xiv) performance of counterparties, partners, contractors and suppliers in fulfilling their obligations to the Company, (xv) developments in the North American capital markets; (xvi) compliance with financial covenants; (xvii) ability to successfully realize the benefits of acquisitions and investments; (xviii) the outcome of the strategic alternatives review of Capital Power Income L.P., and any transaction that may result therefrom; and (xix) the tax attributes of and implications of any acquisitions. 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.

Investor Relations contacts

Randy Mah

Senior Manager

(780) 392-5305

rmah@capitalpower.com

www.capitalpower.com

Chris Williams

Senior Analyst

(780) 392-5105

cwilliams@capitalpower.com

www.capitalpower.com