



Investor Meetings

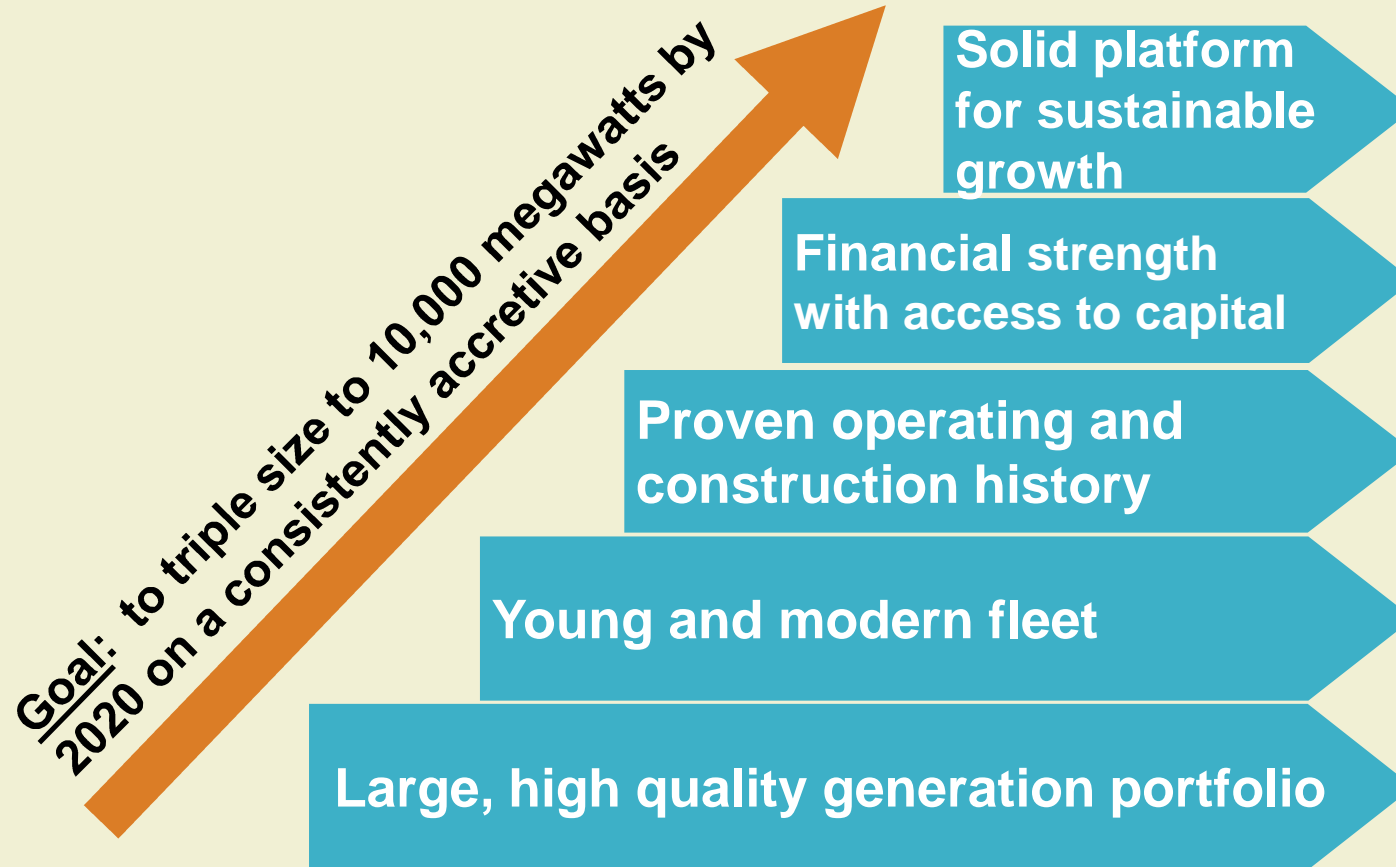
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November, 2011

Capital Power overview

- Canadian-based, growth-oriented independent power producer (IPP) operating in North America
- Spin-off of power generation assets from EPCOR / IPO in July 2009
- CPX listed on Toronto stock exchange
 - Added to S&P/TSX Composite Index in June 2011
 - Market cap of ~\$2.5B (fully diluted)⁽¹⁾
 - Average daily trading volume of ~135K shares (2011 YTD)
- Following divestiture of Capital Power Income L.P. (TSX: CPA.UN) in Nov/11, current ownership interest in 15 facilities with more than 3,300 MW
- Proven operating history - average plant availability of 93% from 2008-2010
- Business model: stable and growing cash flow from a balanced portfolio of long-term contracts and merchant components, supported by access to capital including an investment grade credit rating
- Disciplined growth through a prudent expansion strategy supported by development pipeline and proven construction expertise

(1) As of Oct 31/11

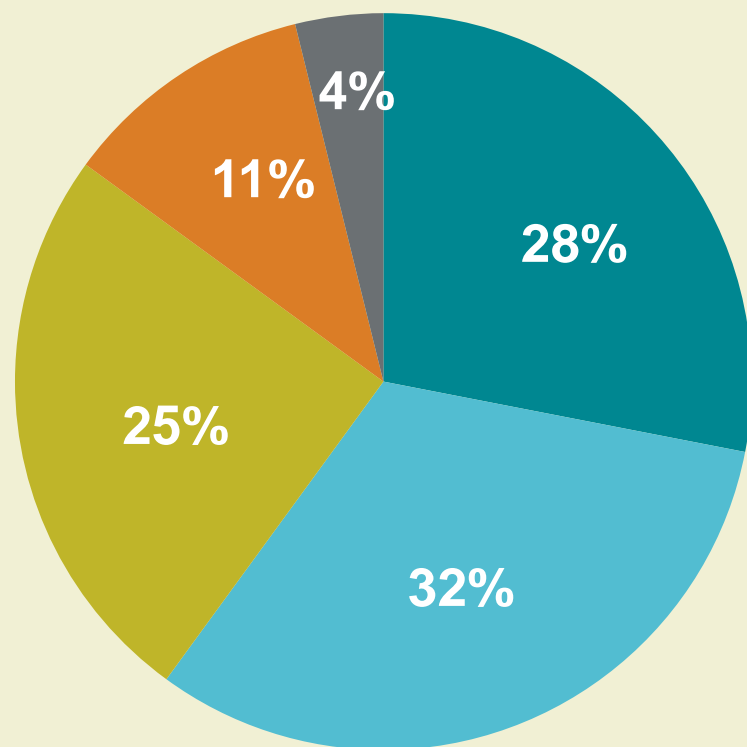
Corporate strengths



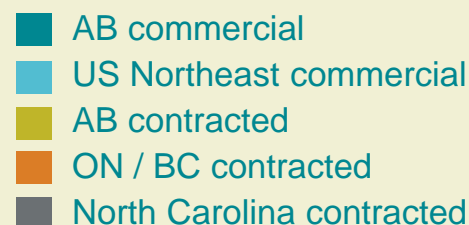
Large, high quality generation portfolio

Interests in 15 facilities, more than 3,300 MW⁽¹⁾

Segmented owned capacity by MW⁽¹⁾



- Additional facilities to come on line
 - 3 wind projects (397 MW) located in BC, AB, and ON with expected CODs in 2012 & 2013
 - 1 wind project (90 MW net) in ON with expected COD in 2014



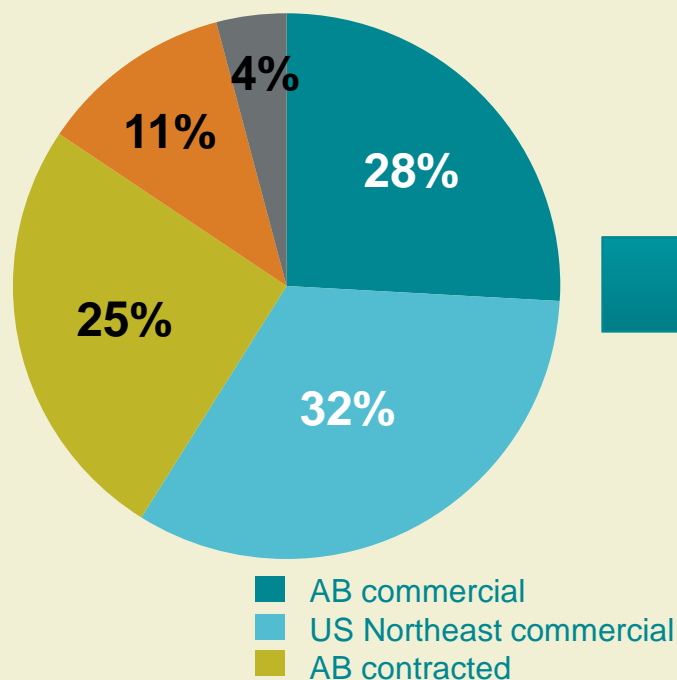
(1) Owned capacity as of Nov 6/11; excludes Sundance PPA (371 MW)

Expected segmented owned capacity

Current:

15 facilities (3,308 MW⁽¹⁾)

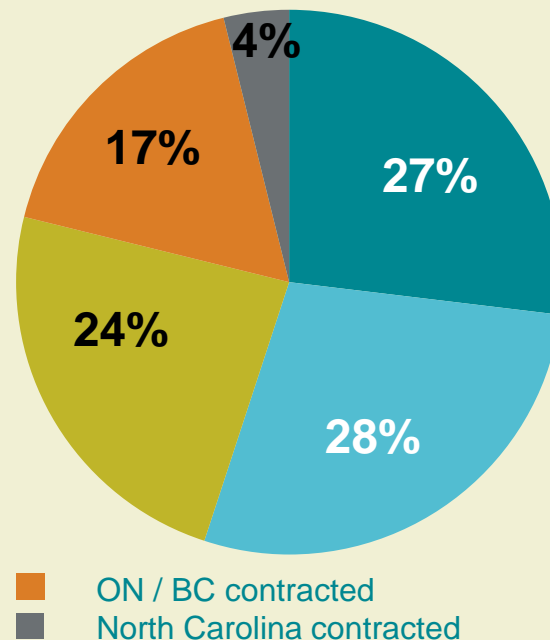
- 40% contracted



By 2014 year-end:

17 facilities (3,755 MW⁽²⁾)

- 45% contracted



Contracted portion of owned MW capacity will increase to 45% after divestiture of hydro facilities and addition of 4 new wind projects

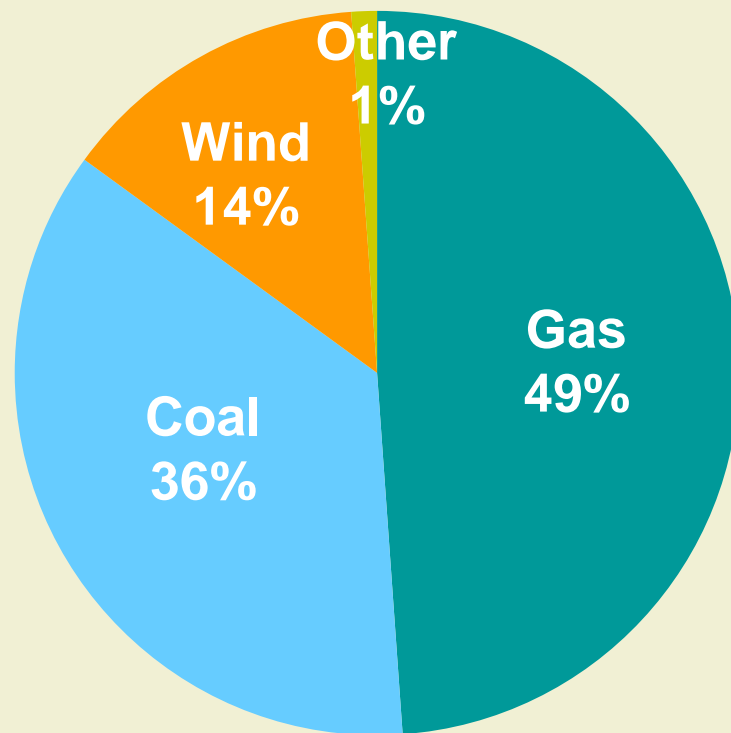
(1) Owned capacity as of Nov 6/11; excludes Sundance PPA (371 MW)

(2) Owned capacity as of Nov 6/11 based on existing plants plus committed development projects and assuming divestiture of small hydro facilities

Technology focus (2014)

17 facilities (3,755 MW⁽¹⁾)

Segmented by owned capacity⁽¹⁾

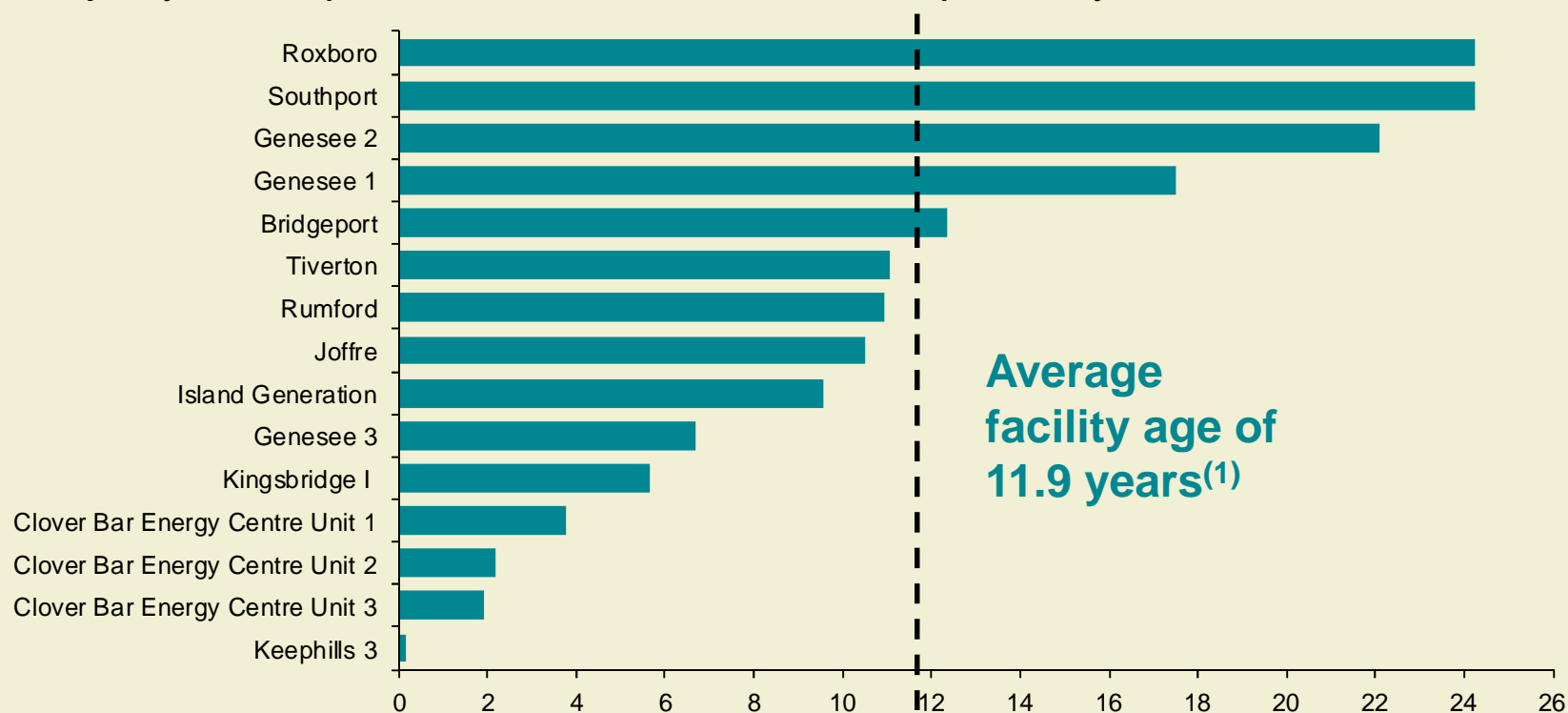


- Expect to divest 3 small hydro plants (53 MW total) in the near term; 1 of the hydro plants already divested in Nov/11
- Expected future growth from natural gas facilities (contracted & merchant) and renewables (contracted)
- Exploring solar development and acquisition projects in US Southwest market

(1) Owned capacity as of Nov 6/11 based on existing plants plus committed development projects and assuming divestiture of small hydro facilities

Modern fleet

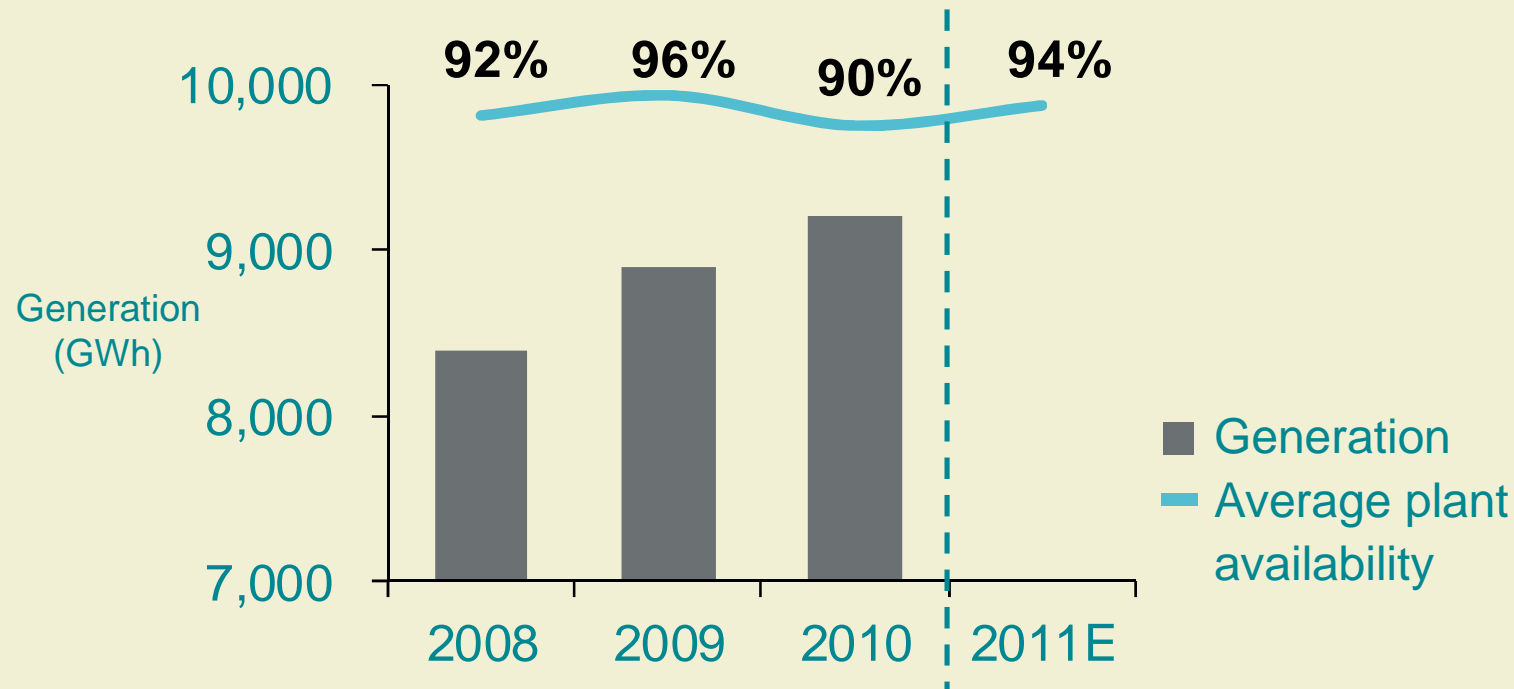
- Current fleet with average facility age of ~12 years will become younger after 4 new projects (487 MW) begin commercial operations in 2012 - 2014
- Coal-fired generating facilities, which have historically represented the majority of the portfolio, have useful lives of up to 45 years



(1) Average facility age weighted by owned capacity as of Nov 6/11 - based on existing facilities and assuming divestiture of hydro facilities

Proven operating history

Historical operating performance



3-year average plant availability of 93%

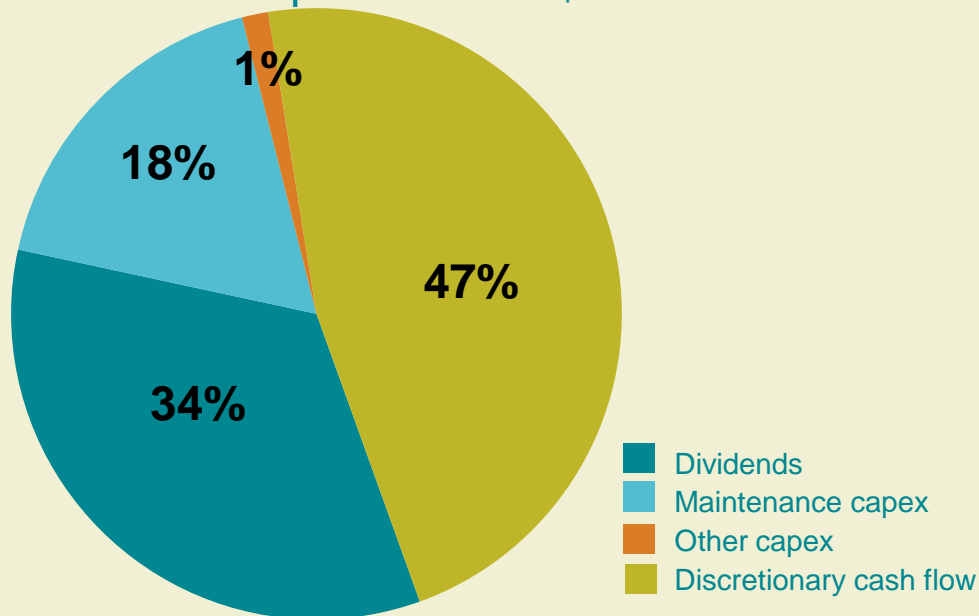
Proven construction capability

- Foundation of proven capability and processes in construction
- Significant experience in the construction and operation of both thermal (coal, natural gas) and renewable (wind, biomass, small hydro) facilities
- Capital Power (predecessor EPCOR Utilities Inc.) led construction of 7 facilities (1,560 MW) including Genesee 3 and Keephills 3 in past 10 years
 - Genesee 3, one of the very few large construction projects built in Alberta over the last six years that was on time and on budget
 - Keephills 3, the most technologically advanced coal-fired plant ever built in Canada, completed Sep 1/11 with final expected capital costs of ~\$955M for CPC's share of the project
 - Have measured well in terms of construction costs and schedules despite an overheated Alberta market when large capital projects >\$500M overran budgets by 40% or more
- Developing 4 wind projects (487 MW) located in BC, AB and ON with expected commercial operation dates in 2012-14

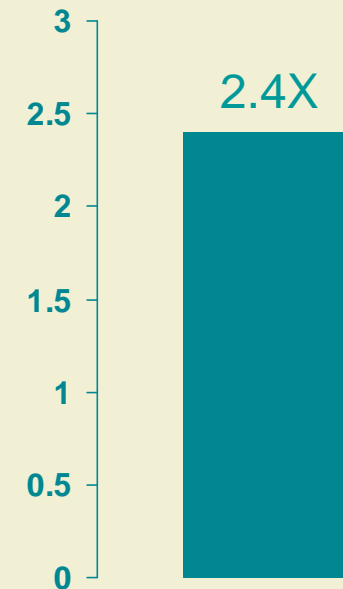
Strong cash flow generation

- Generating significant discretionary cash flow net of dividends and maintenance capex
 - Discretionary cash flow represents 47% of Funds from operations
 - Substantial future cash flows from new Keephills 3 that began COD in Sep/11 and from four wind projects online in 2012-14

Funds from operations of \$322M⁽¹⁾



Dividend coverage ratio⁽¹⁾



(1) Based on 12 month trailing FFO (excluding non-controlling interest in CPILP) ending Sep 30/11

Financial strength and access to capital

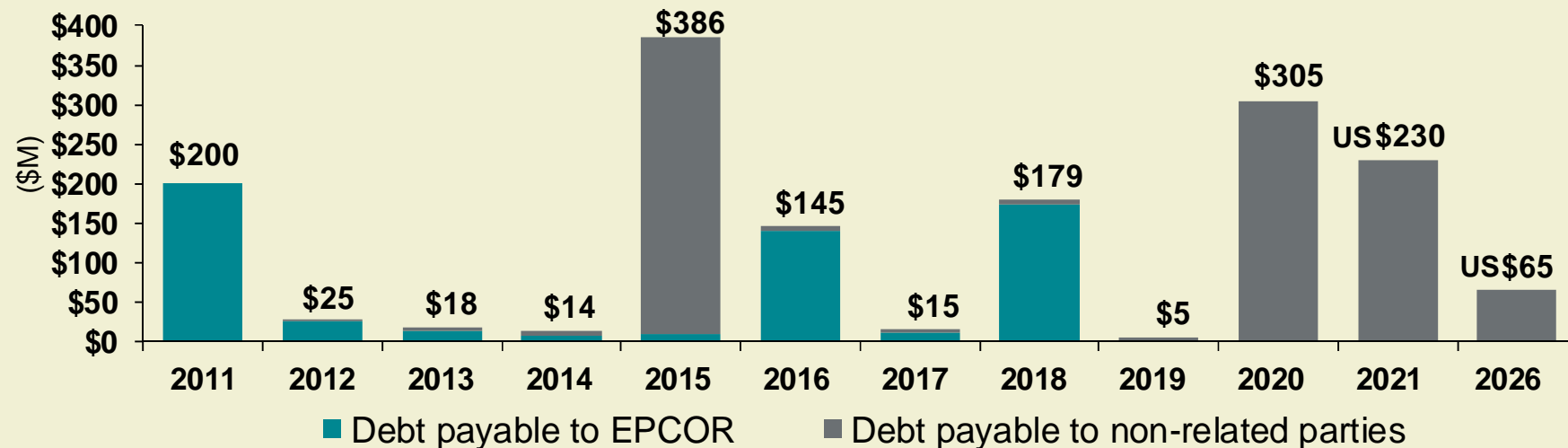
- Investment grade minimum BBB credit rating to access debt markets
 - Current BBB credit rating from S&P and DBRS
 - Access to competitive cost of capital to fund growth
 - Significant differentiator from many U.S. IPPs
- Strong balance sheet
 - Debt-to-capitalization ratio⁽¹⁾ of 39%
 - Assets⁽¹⁾ of ~\$4.7B with ~\$1.6B of long-term debt⁽¹⁾
 - CPLP has \$1.2B in credit facilities, of which ~\$0.8B available
- Financial ratio targets
 - Minimum 20% FFO/Debt
 - Debt to Capitalization of 40% - 50%
- Stable dividend with growth over time

(1) All figures as of Sep 30/11. Capital Power Income L.P. accounted for on an equity basis.

Successful capital markets financings

- For 2011 YTD, raised ~\$1.1B in gross proceeds (44% equity / 56% debt) to fund growth
- Well spread-out debt maturities are supported by long asset lives

Debt maturity schedule⁽¹⁾



(1) All figures as of Sep 30/11

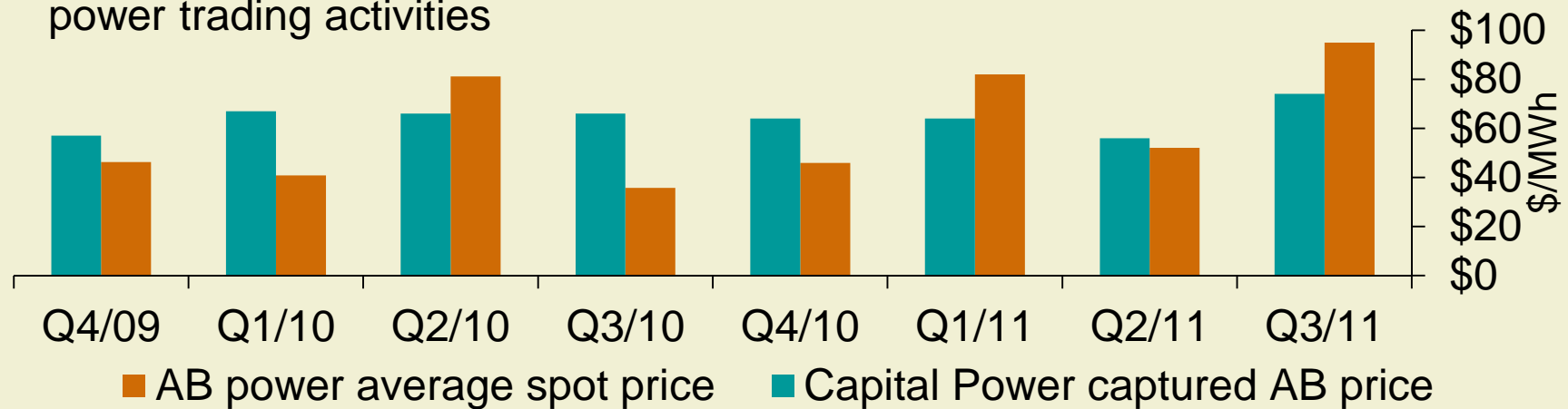
Growth from Alberta power market

- Alberta (AB) has a competitive wholesale energy and ancillary services market operated by the Alberta Electric System Operator (AESO); market has an installed generation capacity of ~13,000 MW
- No capacity market – power generators must recover all costs through revenue earned in AB's energy and ancillary services market
- Entire province is a single zone where power prices are determined by the bid price of the incremental power generator (i.e. one with the highest cost of generation) that is dispatched to balance demand and supply in real-time
- AB's economy expected to grow above national average rate due to the impact of continued oil sands development activities that is a fundamental driver to increasing power demand
- AESO estimates both peak and energy growth will increase on average at around 4.8% annually from 2012-16⁽¹⁾

(1) AESO Future Demand and Energy Outlook, February 2010

Capturing upside from AB power prices

- Hedging positions based primarily on generation from Genesee 3 baseload coal plant, output from the Sundance PPA and includes Keephills 3 (COD Sep 1/11)
- Actively trading (portfolio optimization) throughout various time periods to create incremental value to portfolio
- CPX's realized AB power price have on average exceeded spot power prices by ~\$4.40/MWh over the past 2 years through forward contract sales and power trading activities



Achieved realized prices above spot prices in 5 out of the last 8 quarters

Alberta portfolio hedged position

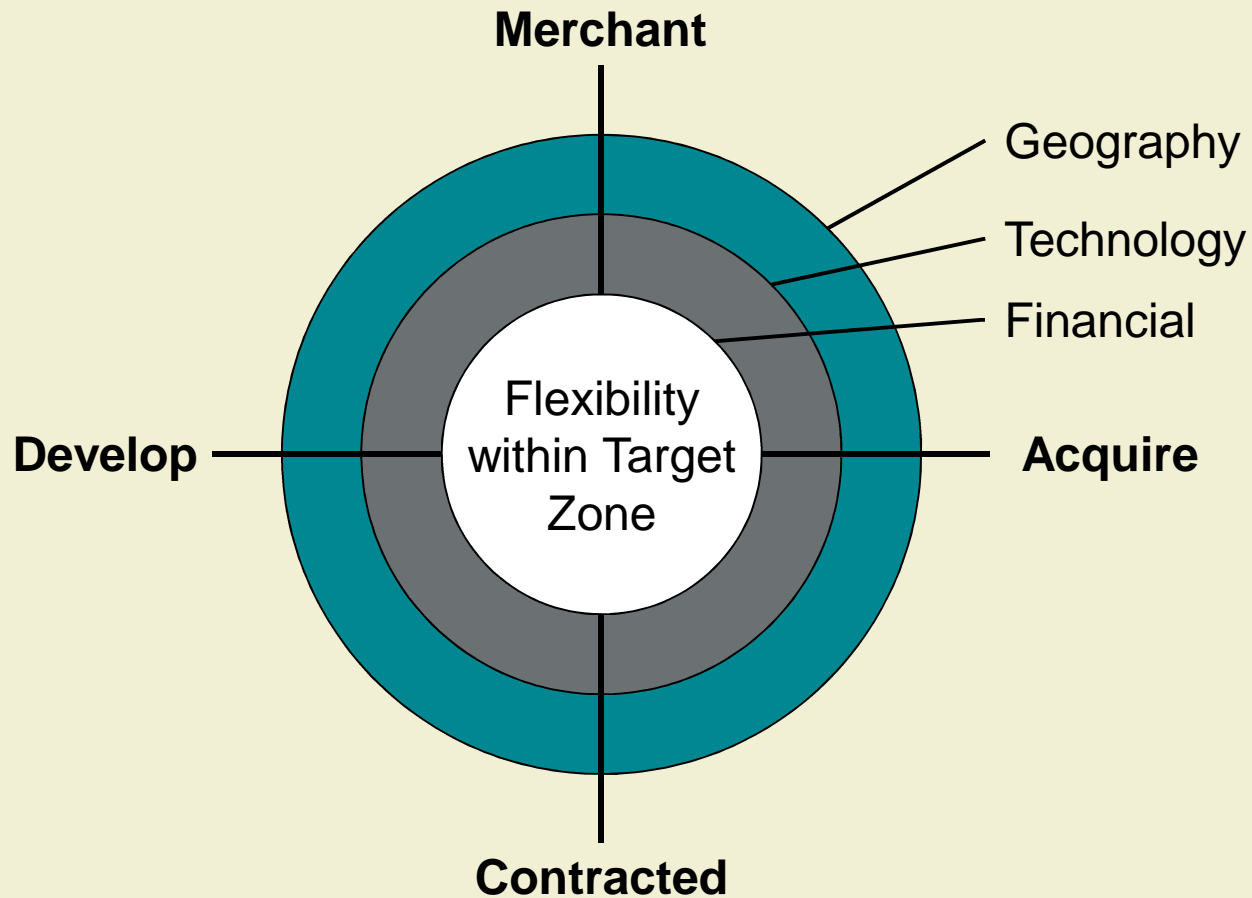
- Hedged positions as of Sep 30/11

Oct - Dec 2011	2012	2013
Hedged positions (% hedged)		
~70%	~43%	~16%
Average hedged prices		
Mid-\$60/MWh	Mid-\$60/MWh	Mid-\$60/MWh

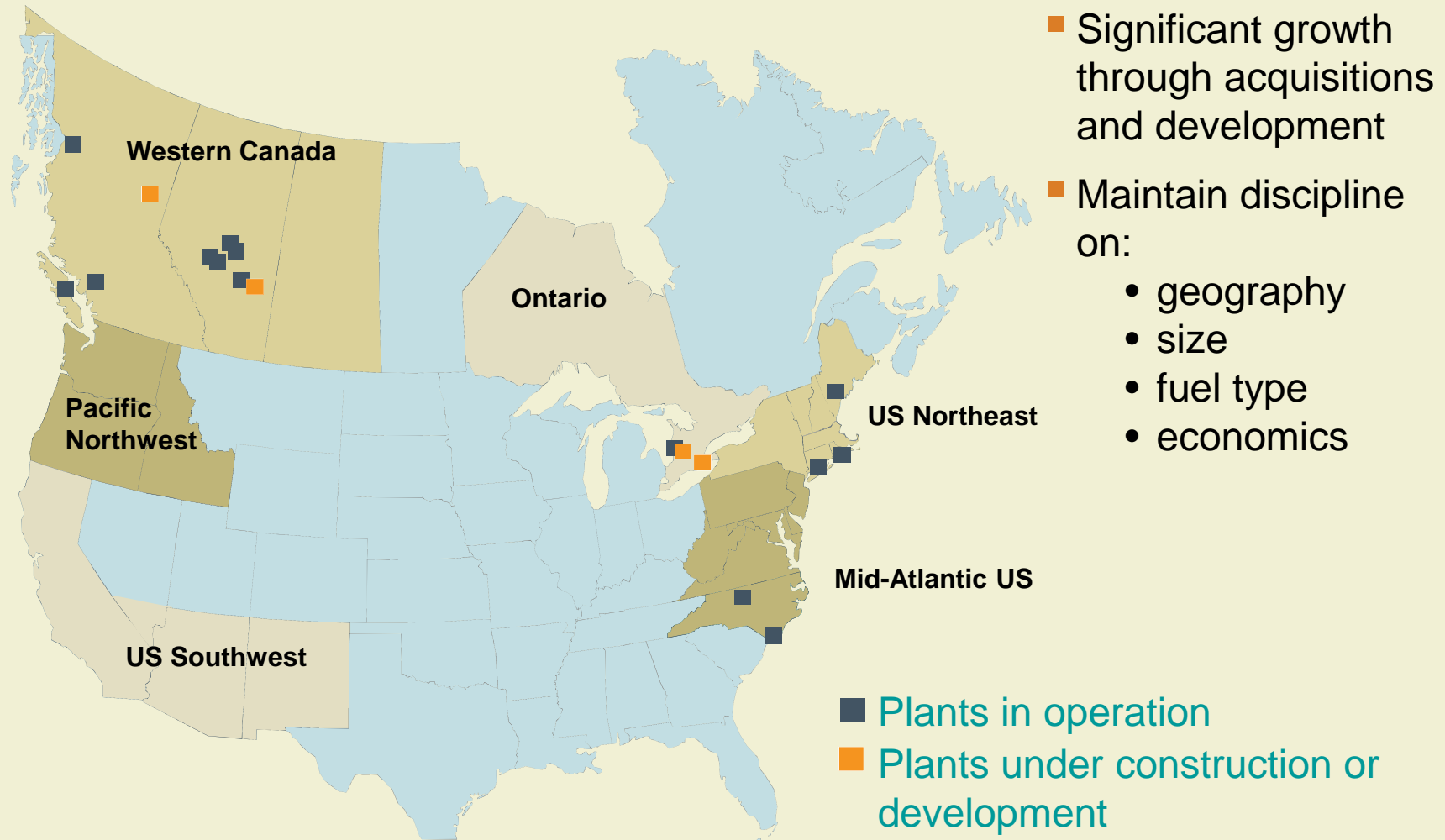
Large unhedged positions in 2012-13 to capture upside from rising power prices



Investment strategy for growth



North American footprint & growth strategy



2011 Growth announcements

- Launched presence in US Northeast market with the acquisition of 3 natural gas plants (1,069 MW total) in New England

	Rumford	Tiverton	Bridgeport
Location	Rumford, Maine	Tiverton, Rhode Island	Bridgeport, Connecticut
Fuel Type	Natural Gas	Natural Gas	Natural Gas
Size	270 MW (Winter Capacity)	279 MW (Winter Capacity)	520 MW
Costs	~US\$315M		~US\$355M
COD	2000	2000	1999



Acquisition of Halkirk Wind



- Announced 100% acquisition of the Halkirk Wind LP from Greengate Power Corporation in Jun/11
- 150 MW wind development project located east of Red Deer, AB
- 20-year fixed-price agreement with Pacific Gas & Electric Company for the purchase of Renewable Energy Certificates (RECs) representing ~40% to 45% of total revenues
- Total capital cost expected to be \$357M, including acquisition costs (\$33M)
- Commercial operation expected in H2-12

Halkirk is a hybrid opportunity that combines a base of contracted revenue from a creditworthy counterparty with the upside of Alberta's merchant power market

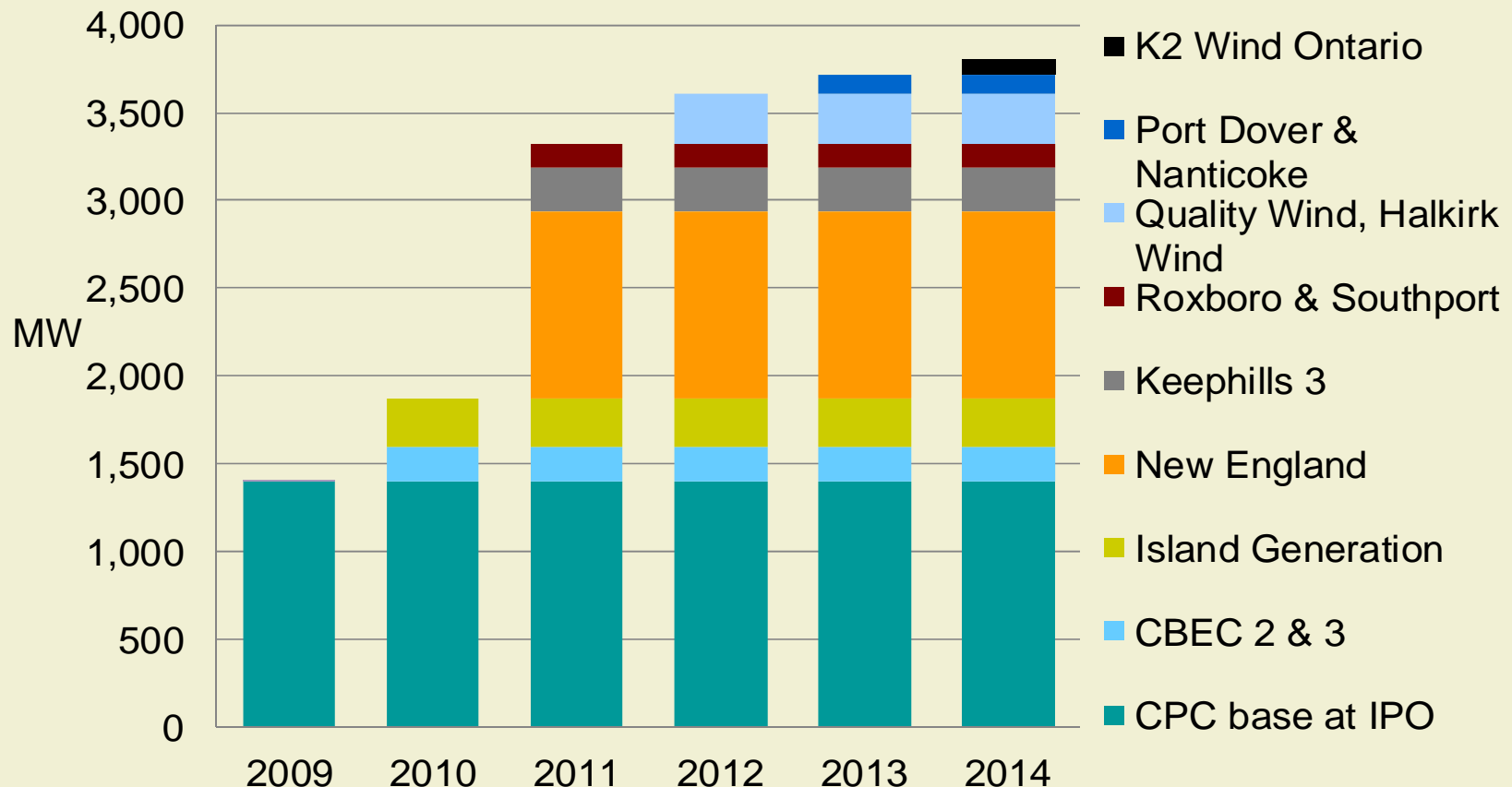
Development of K2 Wind Ontario

- Capital Power, Samsung Renewable Energy Inc., and Pattern Renewable Holdings Canada announced a limited partnership agreement on Aug 3/11 for the development, construction and operation of K2 Wind Ontario
 - Equal economic interest in the project by three partners
- 270 MW wind development project located in southwestern Ontario near CPC's Kingsbridge I facility
- 20-year PPA with Ontario Power Authority for \$135/MWh
- Expected capital cost of \$750M - \$900M
- Construction expected to begin in 2013 with commercial operation in 2014



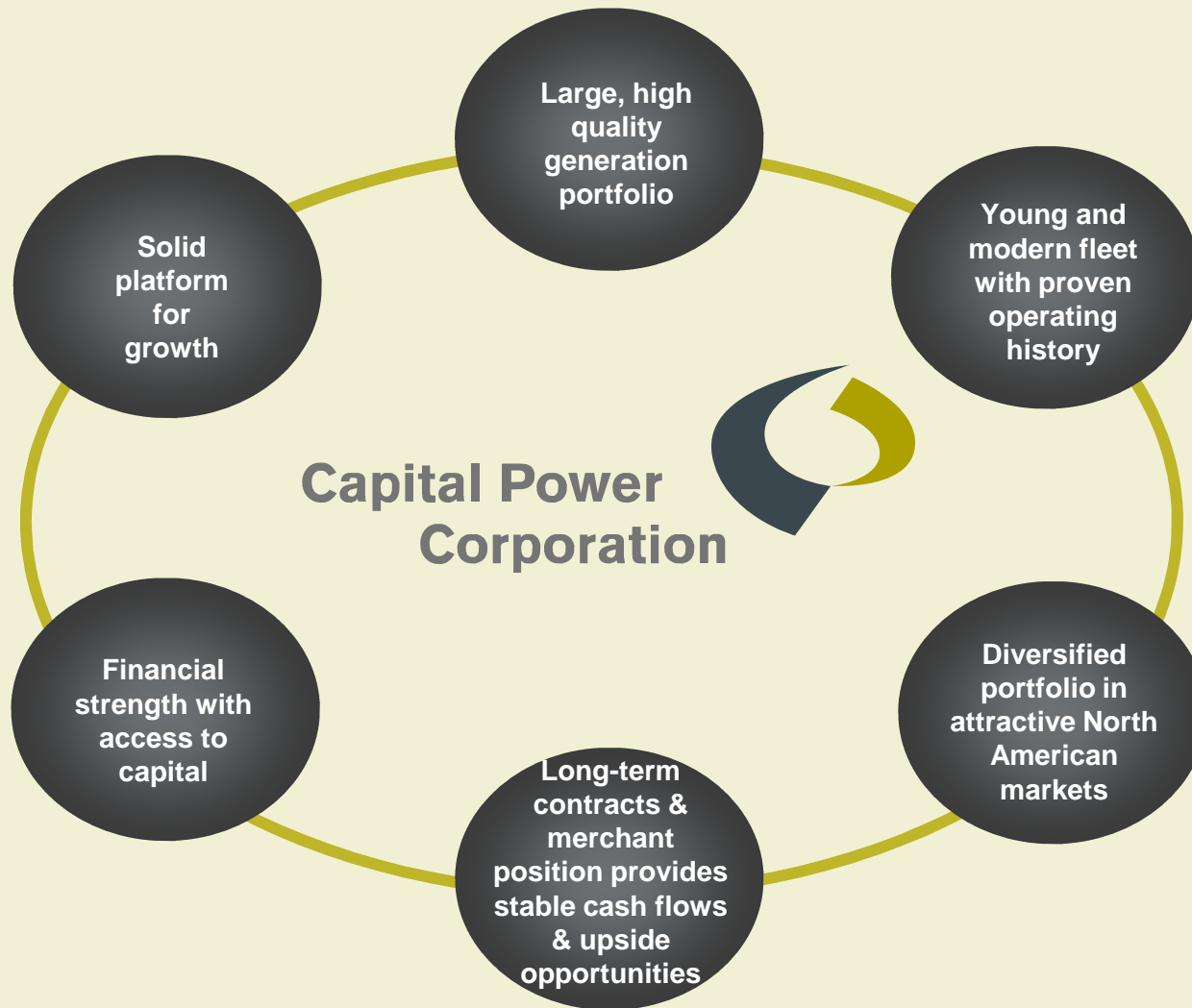
Capital Power's growth⁽¹⁾

Since 2009 IPO, ~2,400 MW (173% increase) have been added or currently being developed



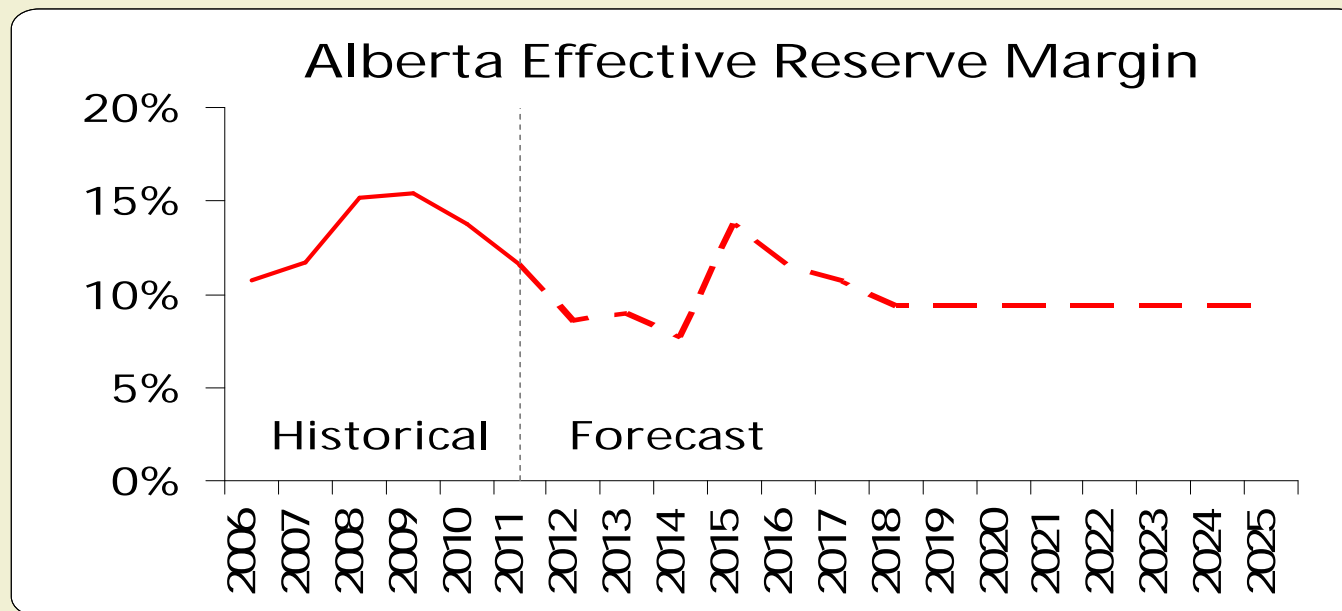
(1) Based on MW capacity owned and/or operated plus committed projects.

Investment highlights summary



AB reserve margin forecast

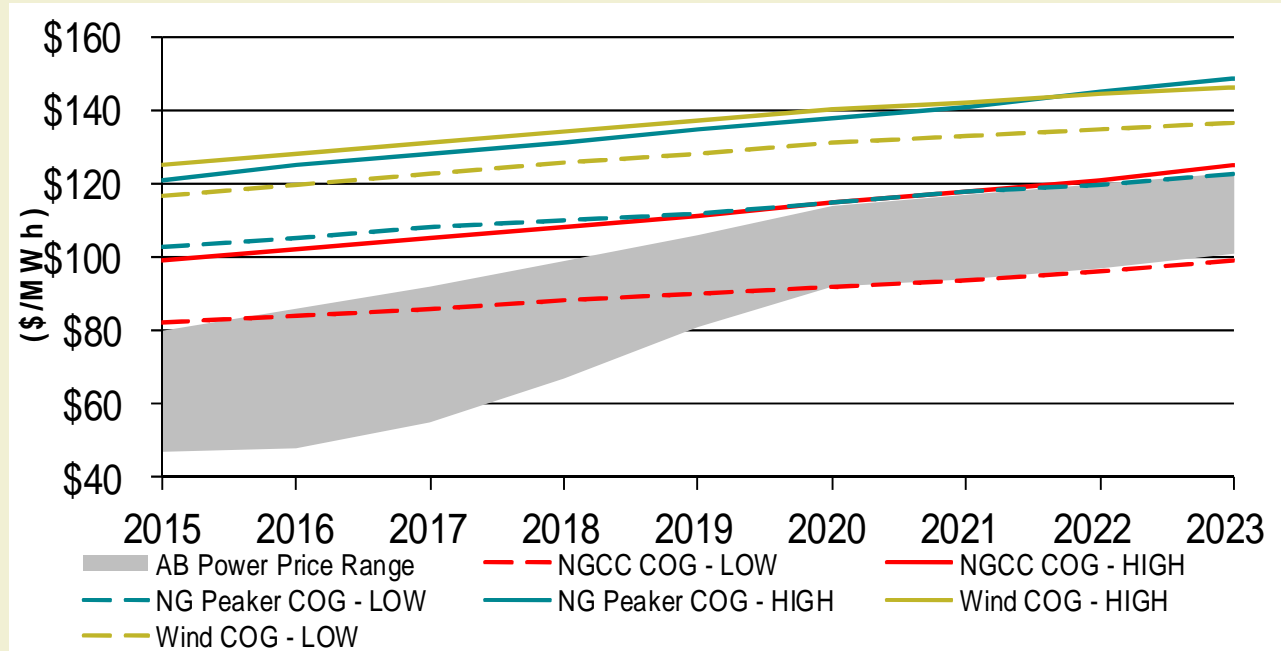
- Supply-demand balance (reserve margin) expected to be tight until Shepard (800 MW) COD in 2015, and then gradually tighten through the early 2020s
 - Bringing significant upside to power prices in AB market
- When AB net reserve margin falls below 10%, new generation will typically be economic
- Significant opportunities in the late decade or early 2020s for developers of generation as coal unit retirements kick in



Source: Internal forecast - June 2011

AB cost of generation (COG)

- Sustained higher power prices are required to incent new builds
- Current market fairly well-supplied, significantly tighter now due to shutdown of Sundance 1 & 2 & COD of Keephills 3



Source: Internal forecast – June 2011

- After Shepard COD in 2015, additional generation not economic until the very late decade or early 2020s
- New generation likely to be baseload NGCC to replace retiring coal units
- Wind development not economic in AB without RECs
- If Capital Stock Turnover proceeds, market likely to be relatively balanced through the 2020s as coal plant retirements balanced by NGCC additions

AB power market (new builds/retirements)⁽¹⁾

- New builds/retirements (major projects of 100+ MW) over the next 5 years based on internal assumptions

Project	Capacity (MW)	Developer	Type	COD year
Halkirk	150	Capital Power	Wind	2012
Blackspring Ridge I Wind	300	Greengate Power Corp	Wind	2013
Bonnybrook	177	Enmax	Cogeneration	2013
Shepard Energy Centre	800	Enmax	Combined cycle	2015

Facility	Capacity (MW)	Owner	Type	Retirement year
Sundance 1	280	TransAlta	Coal steam	2011
Sundance 2	280	TransAlta	Coal steam	2011

(1) Internal forecast - June 2011

Summary of assets

	Genesee 1	Genesee 2	Genesee 3	Keephills 3	Joffre	<u>Clover Bar</u> <u>Energy</u> <u>Centre</u>	<u>Clover Bar</u> <u>Landfill</u>
	Alberta Contracted		Alberta Commercial				
Electric Capacity	410 MW	410 MW	495 MW	495 MW	480 MW	243 MW	4.8 MW
% owned / operated	100 / 100	100 / 100	50 / 100	50 / 0	40 / 0	100 / 100	100 / 100
Location	Warburg, Alberta	Warburg, Alberta	Warburg, Alberta	Warburg, Alberta	Joffre, Alberta	Edmonton, Alberta	Edmonton, Alberta
Fuel	Coal	Coal	Coal	Coal	Natural gas	Natural gas	Landfill gas
Commercial Operations	1994	1989	2005	2011	2000	Unit 1 - 2008 Unit 2&3 - 2009	2005
PPA Expiry	2020	2020	Merchant	Merchant	Merchant	Merchant	Merchant

Summary of assets (cont'd)

	<u>Kingsbridge 1</u>	<u>Miller Creek</u>	<u>Brown Lake</u>	<u>Island Generation</u>	<u>Tiverton</u>	<u>Rumford</u>	<u>Bridgeport</u>
	Ontario & British Columbia Contracted				US Northeast Commercial		
Electric Capacity	40 MW	33 MW	7 MW	275 MW	279 MW	270 MW	520 MW
% owned / operated	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100	100 / 100
Location	Goderich, Ontario	Pemberton, BC	Near Prince Rupert, BC	Campbell River, BC	Tiverton, Rhode Island	Rumford, Maine	Bridgeport, Connecticut
Fuel	Wind	Hydro	Hydro	Natural gas	Natural gas	Natural gas	Natural gas
Commercial Operations	2006, 2001	2003	1996	2002	2000	2000	1999
PPA Expiry	2026 / 2027	2023, extendible to 2033 at BCH's option	2016	2022	Merchant	Merchant	Merchant

Summary of assets (cont'd)

	Southport	Roxboro
	North Carolina Contracted	
Electric Capacity	88 MW	46 MW
% owned / operated	100 / 100	100 / 100
Location	Southport, North Carolina	Roxboro, North Carolina
Fuel	Coal, tire-derived + wood waste CHP	Coal, tire-derived + wood waste CHP
Commercial Operations	1987	1987
PPA Expiry	2021	2021

(1) CHP means combined heat and power

Appendix

Summary of projects under development

	<u>Halkirk</u>	<u>K2 Wind Ontario</u>	<u>Quality Wind</u>	<u>Port Dover & Nanticoke</u>
	Alberta Commercial & Contracted	Ontario & British Columbia Contracted		
Electric Capacity	150 MW	270 MW	142 MW	105 MW
% owned / operated	100 / 100	33.3% owned	100 / 100	100 / 100
Location	Halkirk, Alberta	Goderich, Ontario	Near Tumbler Ridge, BC	Located in an area that covers the counties of Norfolk and Haldimand, Ontario
Fuel	Wind	Wind	Wind	Wind
Expected Commercial Operations	2012	2014	2012	2013
PPA Expiry	~40% - 45% of total revenues from 20-year REC sale agreement / Merchant	20-year PPA with Ontario Power Authority for \$135/MWh	25-year EPA from BC Hydro	20-year PPA with Ontario Power Authority for \$135/MWh

Forward-looking information

Certain information in this presentation 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. By their nature, such statements are subject to significant risk, assumptions and uncertainties, which could cause Capital Power's actual results and experience to be materially different than the anticipated results.

Forward-looking information in this presentation includes, among other things, information relating to: (i) expectations for the Company's sources of capital and use, adequacy and availability of committed bank credit facilities and potential future borrowings; (ii) the Company's cash requirements for 2011, including interest and principal repayments, capital expenditures, distributions and dividends; (iii) expectations regarding future growth and emerging opportunities in the Company's target markets including the focus on certain technologies; (iv) expectations regarding allocated capital to be committed in 2011; (v) expectations regarding the Company's operational performance, including plant availability average and capital expenditures for maintenance of plants and Genesee mine; (vi) expectations regarding full year financial performance for 2011, including normalized earnings per share, funds from operations excluding non-controlling interests in CPILP, cash flow per share, and dividend coverage ratio; (vii) expected impact on capitalization and full year depreciation as a result of maintenance costs which are capitalized under IFRS; (viii) expected impact on depreciation as a result of the extension of in useful life of the Genesee and Keephills 3 plants; (ix) expected impact on 2011 EBITDA and additional unrealized gains to be recognized upon settlement of the remaining heat rate options as a result of the three New England plant acquisitions; (x) expectations regarding the future pricing and market fundamentals in the New England market and the expected impact on the Company's earnings; (xi) expected impact on financing costs due to the issuance of the medium-term notes debentures in April 2011 and the private placement of senior notes in June 2011; (xii) expected total capital project costs and capital expenditures as well as expected project completion dates and expected payments under contractual obligations; (xiii) expectations regarding the total project cost of the Halkirk wind project; (xiv) expectations regarding the final project cost for Keephills 3; (xv) expectations regarding timing of spending on the Quality Wind and Port Dover & Nanticoke project and the impact on the commercial operation date and total project cost; (xvi) expectations regarding Alberta power prices for 2011; (xvii) expectations regarding the date that construction would begin and commercial operation date of the K2 wind project, the total cost of the project and method of funding the project, the project's generation capacity, the area of development, the ability to obtain corporate and regulatory approvals; the partners economic interest in the project at commercial operation; finalization of the project's turbine model and supplier; and each partner's contribution to the project; (xviii) expected funding of the Quality Wind, Port Dover & Nanticoke, and Halkirk wind projects during construction and once completed while maintaining overall leverage in the range of 40% - 50%; and (xix) expectations regarding the impact of CSAPR on the Company and the allocation of emission credits to the North Carolina plants.

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, including Sundance which is subject to an acquired PPA; (iii) the Company's financial position and credit facilities and

Forward-looking information (cont'd)

sources of funding; (iv) the Company's assessment of commodity and power markets, including power prices and forward power prices for 2011; (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) 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; (xviii) ability to obtain necessary regulatory approvals for development projects; (xix) the Company's assessment of capital markets, common share ownership distribution, and ability to complete future share and debt offerings; (xx) locations of projects and the areas of which they will be developed, including the availability and use of certain optioned lands; (xxi) costs of construction and development; (xxii) current risk management strategies including hedges will be in place; (xxiii) total cash requirements; (xxiv) carrying amounts of assets held for sale; (xxv) ability to obtain corporate and regulatory approvals for the K2 project; and (xxvi) factors and assumptions noted under Outlook in respect of the forward looking statements and information noted in that section.

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, including unplanned plant outages at facilities of other market participants; (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 successfully realize the benefits of acquisitions, investments and divestitures; (xvii) the tax attributes of and implications of any acquisitions; (xviii) the completion of the K2 project; (xix) ability to secure new contracts and terms of such contracts; (xx) risks and uncertainties noted under Outlook in respect of the forward looking information and statements noted in that section. See also Business Risks section in this MD&A and also as disclosed in the Company's December 31, 2010 annual MD&A. 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.

This presentation includes the following updates to previously disclosed forward-looking statements in the MD&A: (i) the full year sustaining capital estimate has been updated to add \$8 million for land purchases for the Genesee mine; (ii) expectations regarding normalized earnings per share have been updated to include revised expectations regarding Alberta power prices in 2011 and the impact of the loss on the settlement of bond forward contracts and the pension adjustment; (iii) the outage at Clover Bar Energy Centre Unit 2 has been deferred beyond 2011; (iv) the earnings contribution from the three New England plants for 2011 has been updated due to the Company's revised pricing view on

Forward-looking information (cont'd)

the New England market, expectation of additional unrealized gains to be recognized upon settlement of the remaining heat rate options, and also to include an additional \$3 million for a Connecticut energy tax which was introduced in June 2011; (v) expectations regarding capital expenditures in relation to Quality Wind planned for 2011 has been revised due to the deferral of certain expenditures; and (vi) expectations regarding the capital expenditures for Keephills 3 has been updated to reflect expected final costs incurred on the project.

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.

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