Investor Meetings

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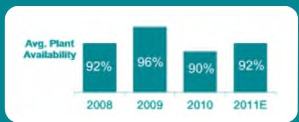
January, 2012

Capital Power overview

Growth-oriented independent power producer (IPP)

- Trading on the TSX (CPX: fully diluted market cap ~$2.4B)
- Spin-off of power generation assets from EPCOR/IPO in mid-2009

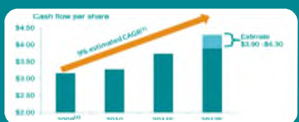


High quality generation portfolio

- Young and modern fleet with generation capacity of ~3,300 MW
- Generation from a combination of natural gas, coal, wind, and potentially solar
- Proven operating and construction history
- 4-year estimated average plant availability of 93%

Straight forward business model

- Stable and growing cash flow from a balanced portfolio of long-term contracts and merchant components, supported by an investment grade credit rating
- Focused on target markets in Western Canada (primarily AB), Ontario, US Southwest, US Northeast, and Mid-Atlantic US



Financial strength and strong cash flow generation

- BBB investment grade credit rating from S&P and DBRS
- 9% estimated CAGR of cash flow per share from 2009-2011E
- Attractive dividend yield of ~5%

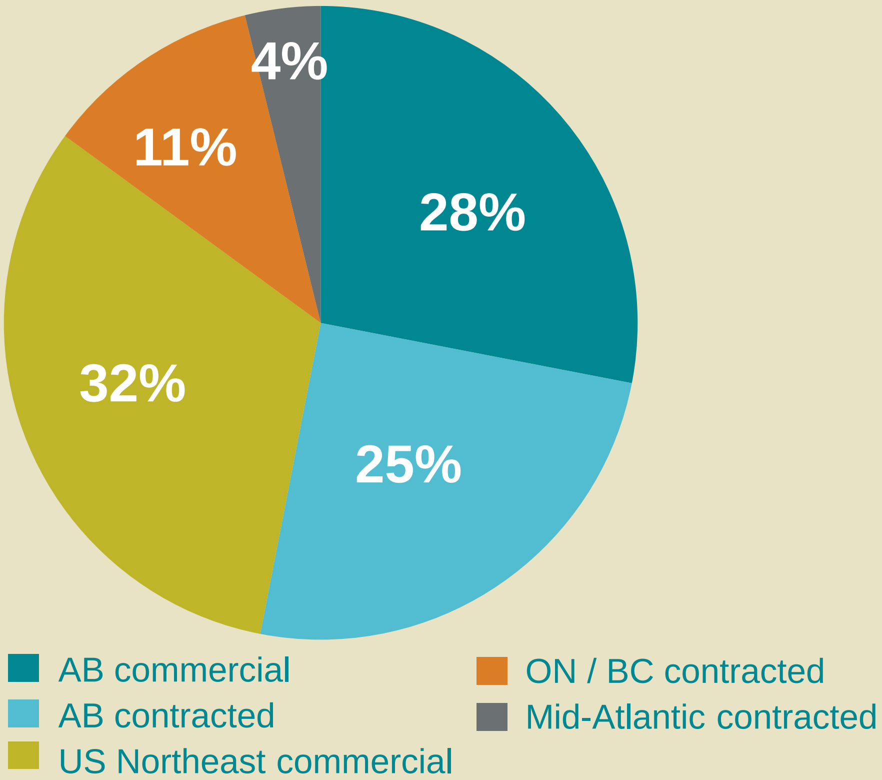
Strong exposure to attractive Alberta power market

- Large unhedged positions in 2012-14 to capture upside to AB power market prices
- 53% of owned capacity in AB power market

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

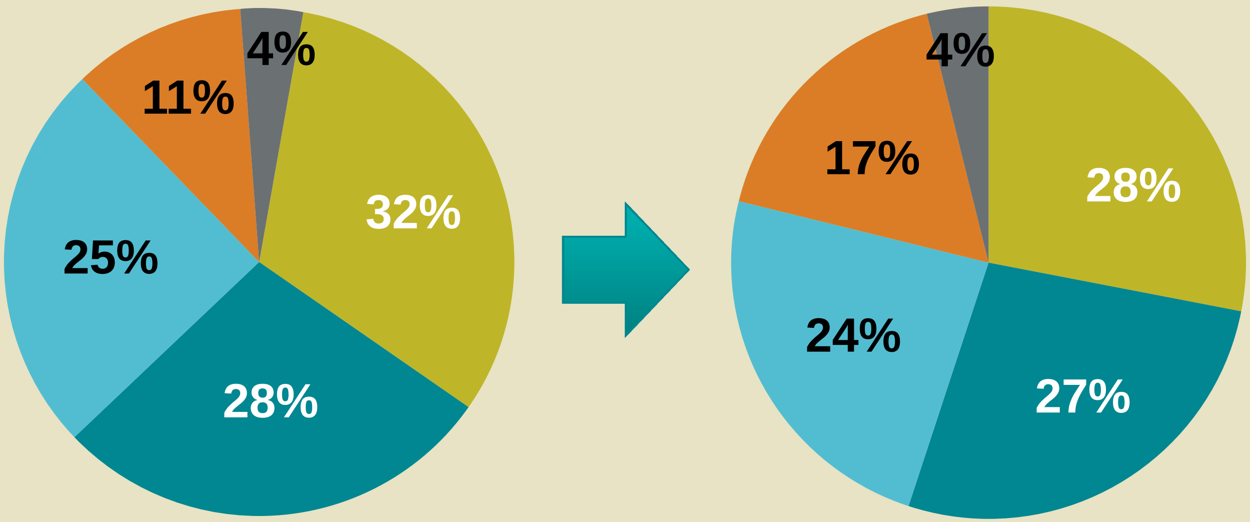
(1) Owned capacity as of Jan 4/12; excludes Sundance PPA (371 MW)

Balanced portfolio of merchant and contracted generation[1]

Continue to have strong exposure to attractive Alberta power market

Today - 2012
15 facilities (3,308 MW)
- 40% capacity contracted

Year-end 2014E
17 facilities (3,755 MW[2])
- 45% capacity contracted



AB commercial
AB contracted
US Northeast commercial
ON / BC contracted
Mid-Atlantic contracted

(1) Based on MW owned capacity
(2) Based on existing plants plus committed development projects and assuming divestiture of small hydro facilities

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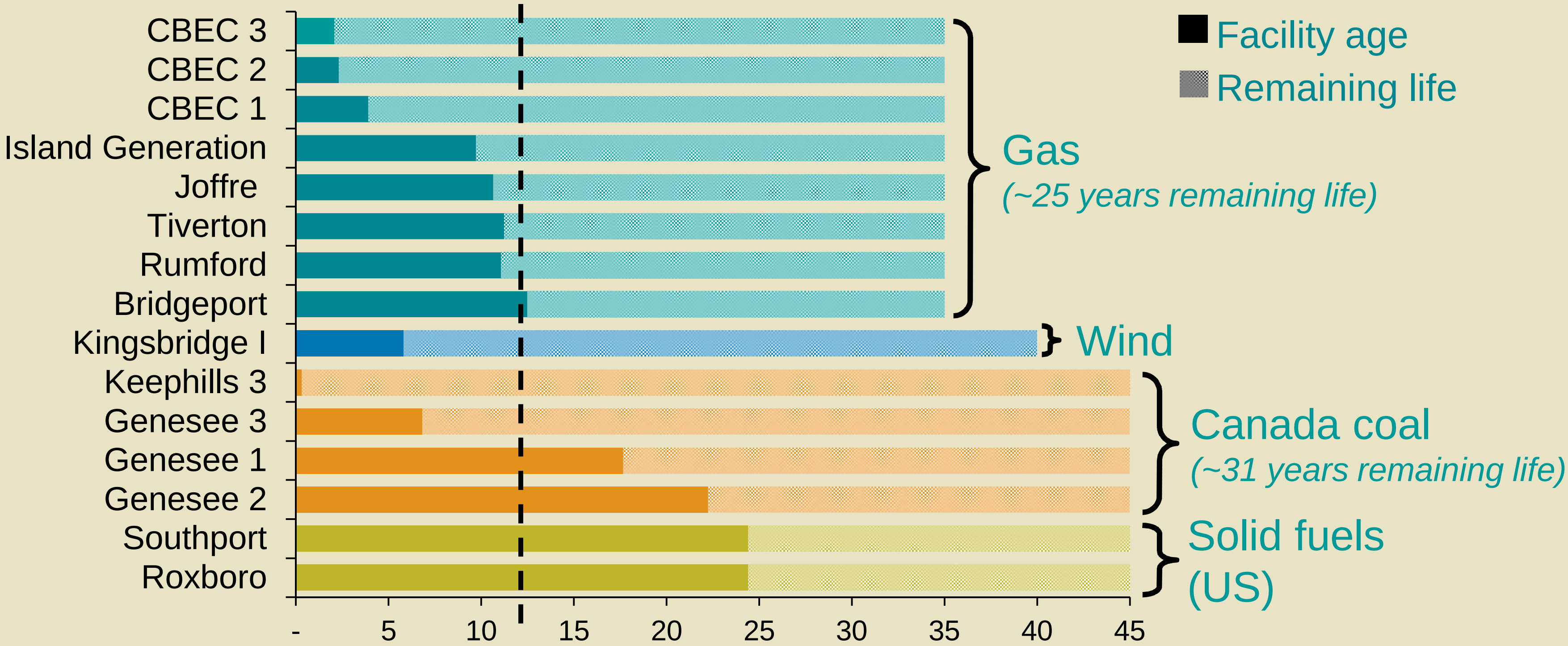
Modern fleet

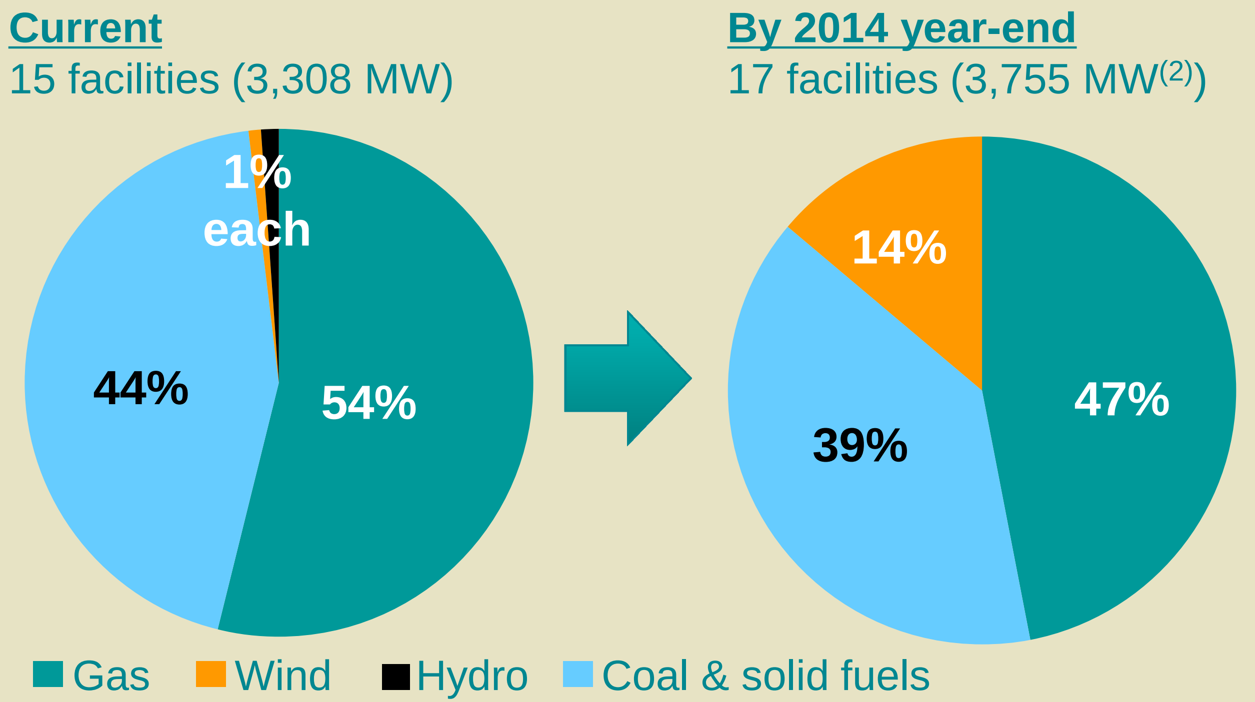
- Average weighted facility age of the current fleet is 12.1 years[1]
- 4 new projects (487 MW) begin commercial operations in 2012 - 2014



(1) Average facility age and remaining life weighted by owned capacity as of Jan 4/12 - based on existing assets and assuming divestiture of hydro facilities

Technology focus(1)

CPC's operations and growth are focused on four fuel sources: natural gas, coal, wind and solar



- Projects in development will increase owned wind capacity to 14% by 2014
- Near-term divestiture of three small hydro plants (53 MW total) on track with one completed in Nov/11

(1) Based on MW owned capacity
(2) Based on existing plants plus committed development projects and assuming divestiture of small hydro facilities

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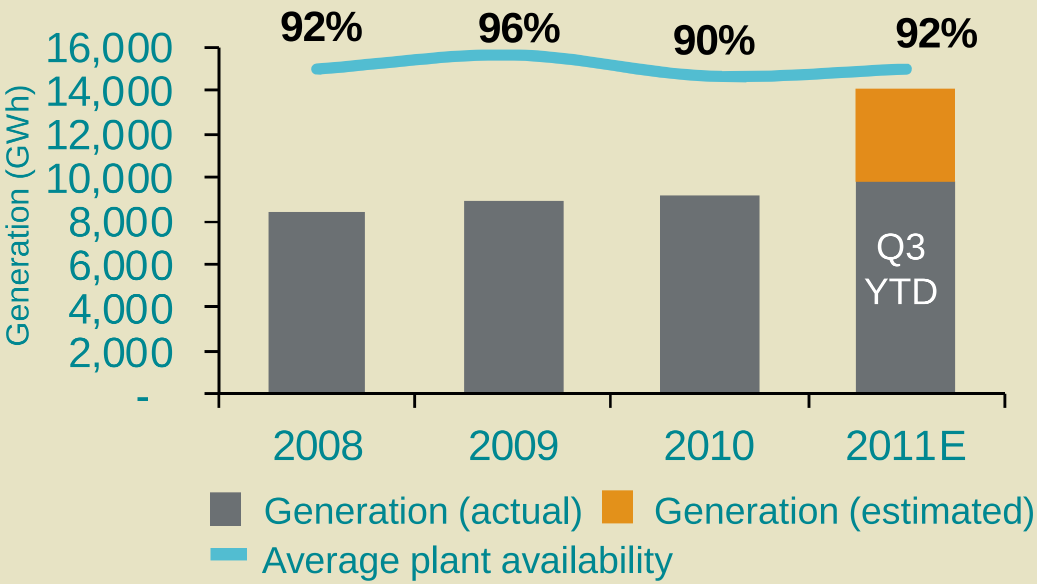
Proven operating excellence

Capital Power has maintained high operating availability over a growing fleet and production volumes

Historical and Estimated Operating Performance



- 4-year estimated average plant availability of 93%
- Canadian Electricity Association President's Award of Excellence for top-quartile safety performance

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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 costs to budget (revised 2009)
  - 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

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Financial strength and access to capital

- Current BBB investment grade credit rating from S&P and DBRS
- $900M in debt issues since IPO; at ~36%, debt to capitalization ratio(1) remains below long-term target zone

Public float growth has enhanced liquidity and equity market access

- 2.7x increase in volume of CPX public float shares since IPO
- Average trading volume of ~145K/day in 2011 has doubled from 2010
- ~$1.0B raised in equity markets since IPO; public float now 61% of ownership
- Added to S&P/TSX Composite Index in June 2011
- In 2012, no primary common share equity issuance expected other than DRIP, absent an acquisition
- Development project financing expected to be funded through MTN and preferred share issues

(1) CPILP accounted for on an equity basis

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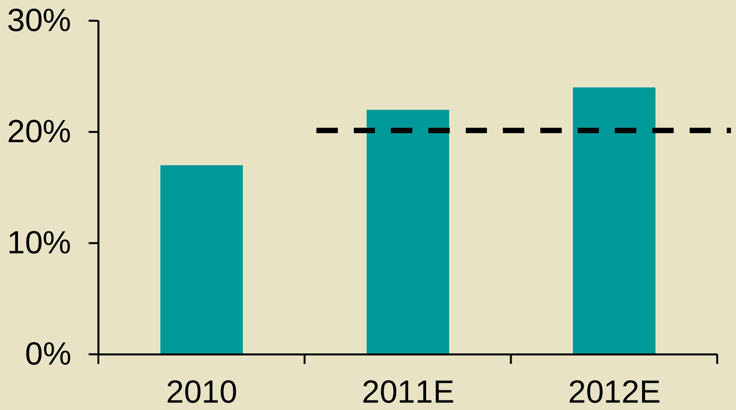
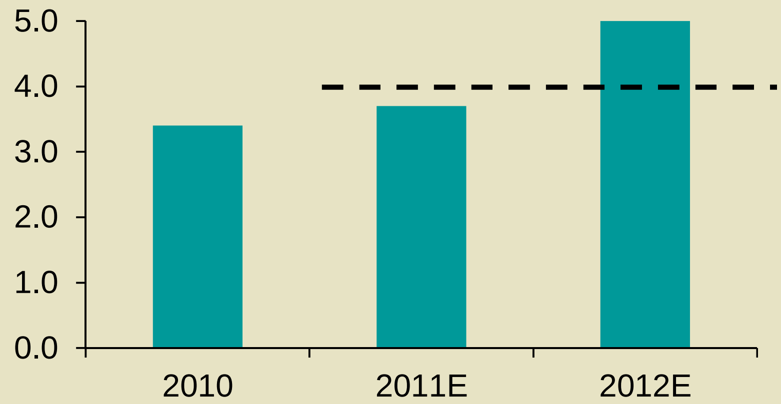
Credit rating agency metrics(1)

Expect to meet DBRS financial criteria in 2012

Cash flow/Debt

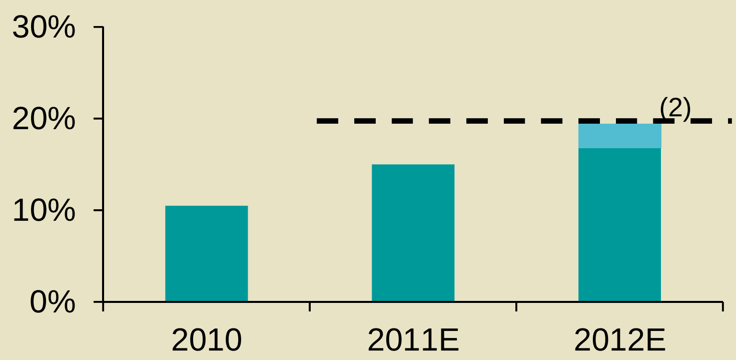


EBITDA/Interest coverage

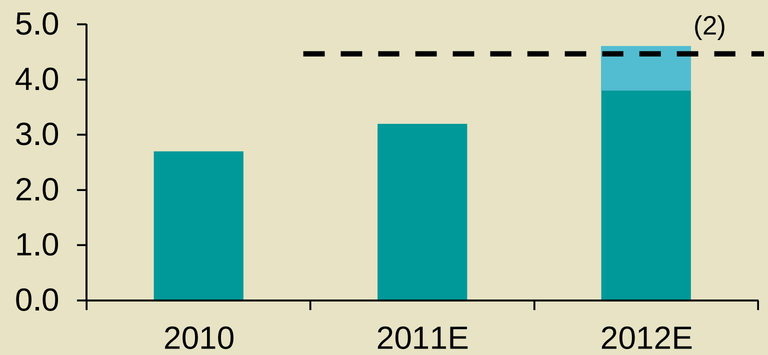


On track to meet S&P financial criteria by 2012 - 2013

AFFO/Adj. Debt



AFFO/ Adj. interest



(1) Capital Power Income L.P. accounted for on an equity basis. See Non-IFRS Financial Measures, p 29-32
(2) The light blue bar indicates the range of the ratio based on the final determination of S&P adjustments

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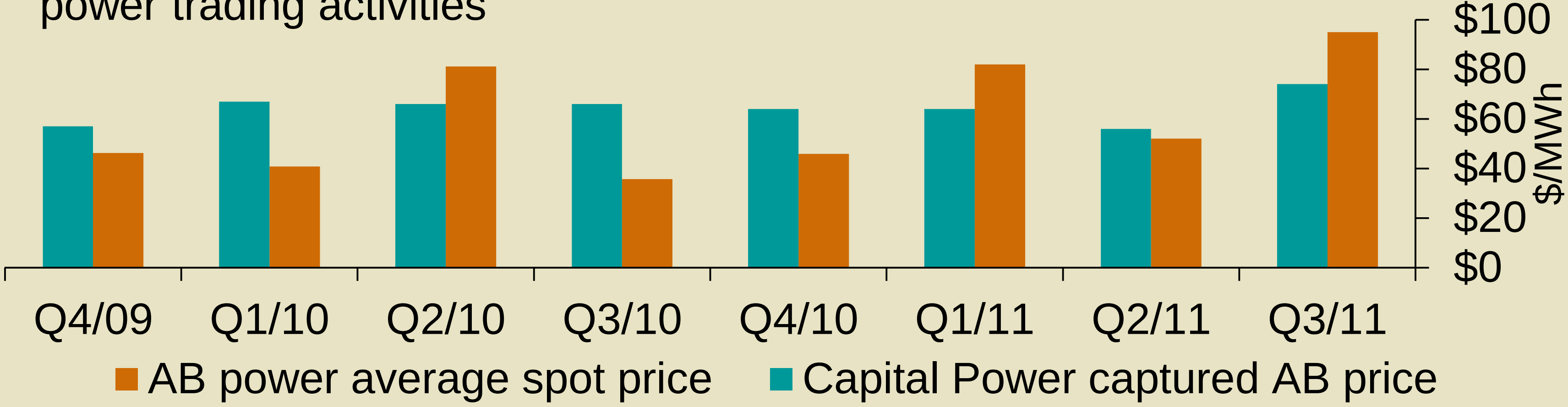
Growth from Alberta power market

- 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, Feb/10

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 hedges and sensitivity[1]

Well positioned to capture upside from rising power prices

- Alberta (baseload plants & PPA) hedged positions as of Nov 30/11

	2012	2013	2014
Hedged positions (% hedged)			
	~50%	~20%	~5%
Average hedged prices			
	Mid-$60/MWh	Mid-$60/MWh	Low-$60/MWh

- Sensitivity analysis to +/- $5/MWh change in Alberta power prices
  - 2012: +/- $19M to EBITDA
  - 2013: +/- $26M to EBITDA
  - 2014: +/- $29M to EBITDA

(1) As of Dec 8/11

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New England power price sensitivities[1]

- Sensitivity analysis to +$2.50 and -$2.50 MWh change in New England spark spreads
  - 2012: +$7M and -$6M to EBITDA
  - 2013: +$7M and -$6M to EBITDA
  - 2014: +$15M and -$13M to EBITDA
- Capacity payments represent ~40% to 45% of expected EBITDA until 2014
- Although New England facilities are merchant, expect less financial volatility with locked-in capacity payments

Expect market fundamentals in the Eastern region will normalize in future years, which will have a positive impact on the New England plants

(1) As of Dec 8/11

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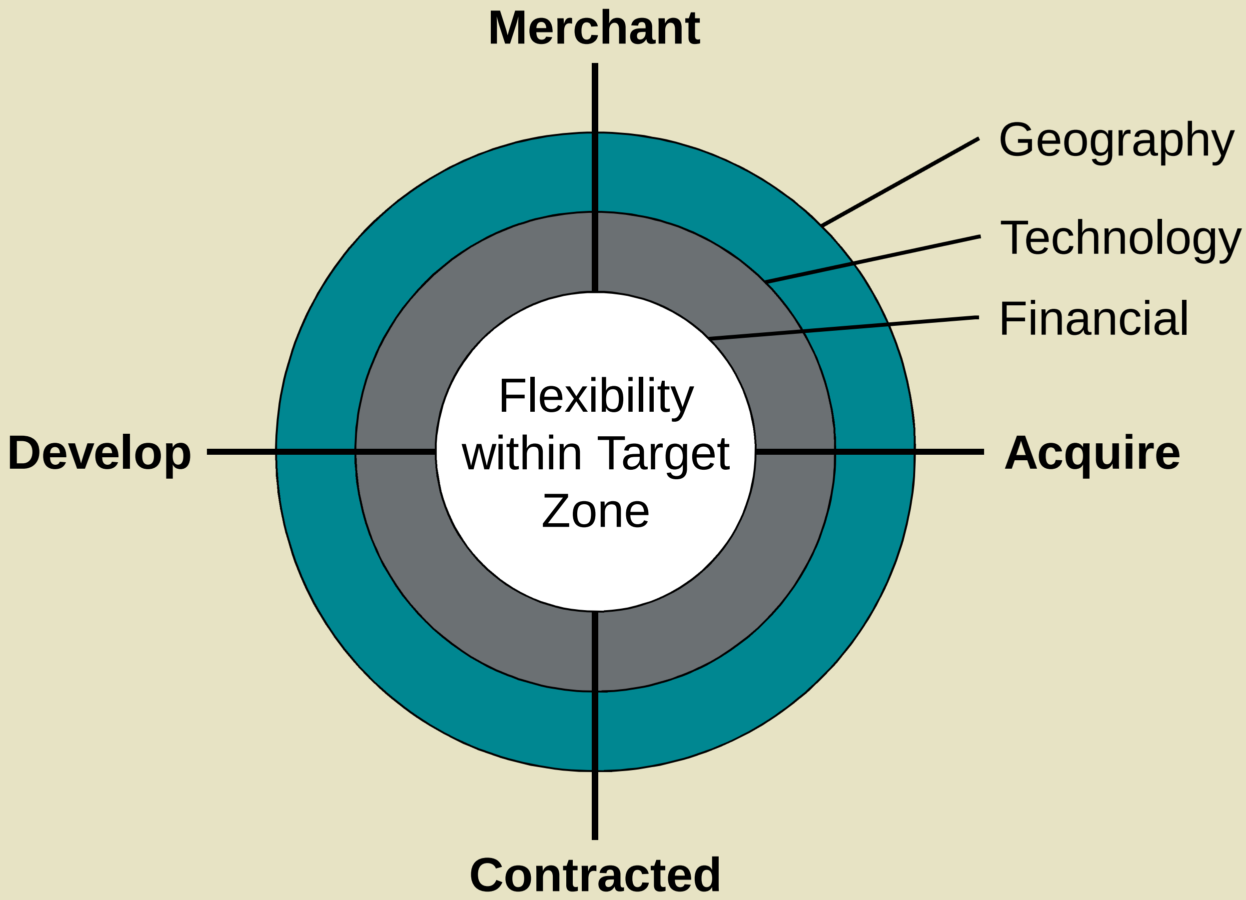
Framework for disciplined growth

Capital Power's strategy drives opportunity evaluation



North American footprint & target markets

Ownership interest in 15 facilities with more than 3,300 MW

- Developing 4 wind projects in BC, AB & ON that will add 487 MW between 2012-14
- Continue to invest in attractive AB power market (53% of owned capacity is in AB)

■ Plants in operation ■ Plants under construction or development

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Creating value through disciplined growth

Development and acquisition activity has been in-line with strategy

- Contracted assets account for 65% of growth on committed capital basis; established hub in US NE with 1,050 MW of generation assets
- Projected unlevered returns range from 9% to 11% with weighted unlevered return of 10.6%, compared to target unlevered returns of 8% for contracted and 11% for merchant. Unlevered return is well in excess of our targets and WACC
- Estimated committed capital of $750M in 2012 for projects that exceed our target returns

Acquisitions to-date are expected to exceed target returns

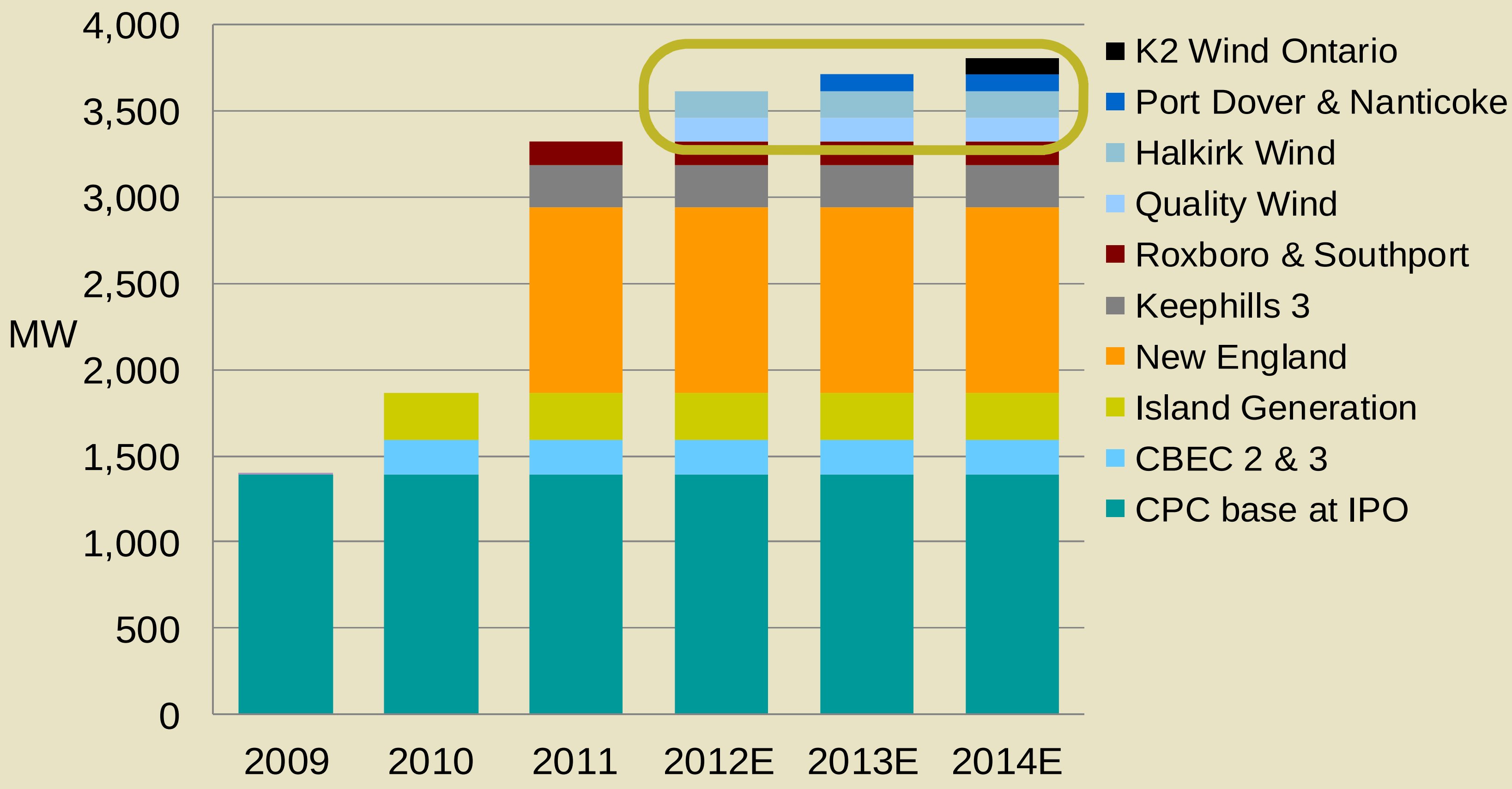
- Performance of Island Generation has exceeded expectations
- New England assets are expected to recover by 2014, and deliver above target returns

Wind developments expected to be significantly accretive

- Construction and engineering work is expected to result in lower capital costs and accelerated schedules for wind projects
- Four wind projects under development are expected to add ~$0.15/share on an earnings and cash flow basis during the first two years of operations, with associated EBITDA of $150M - $160M

Capital Power's growth(1)

487 MW of committed projects will increase contracted cash flows in 2012-2014



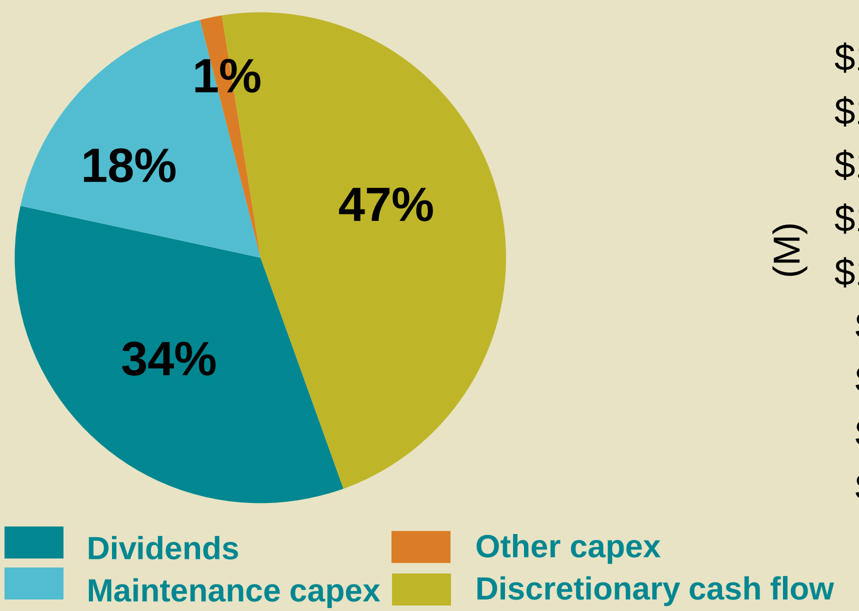
(1) Based on MW capacity owned and/or operated plus committed projects.

Strong cash flow generation

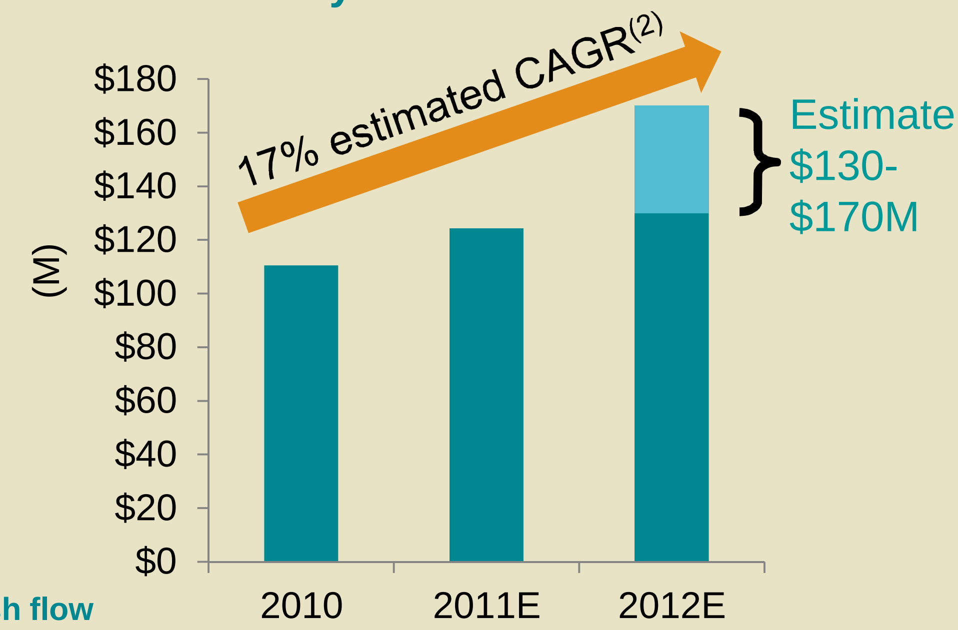
Generating significant discretionary cash flow net of dividends and maintenance capex

- Discretionary cash flow represents 47% of Funds from operations(1)
- Wind projects will add $140-$160M of EBITDA in 2014
- Keephills 3 will start generating full year cash flows in 2012

12 month trailing FFO of $322M(1)



Discretionary cash flow(1)



(1) Based on 12 month trailing FFO (excluding non-controlling interest in CPILP) ending Sep 30/11. See Non-IFRS Financial Measures, p 29-32
(2) Estimated 2-year compound annual growth rate calculated using 2010 actual and mid-point of 2012 estimated range

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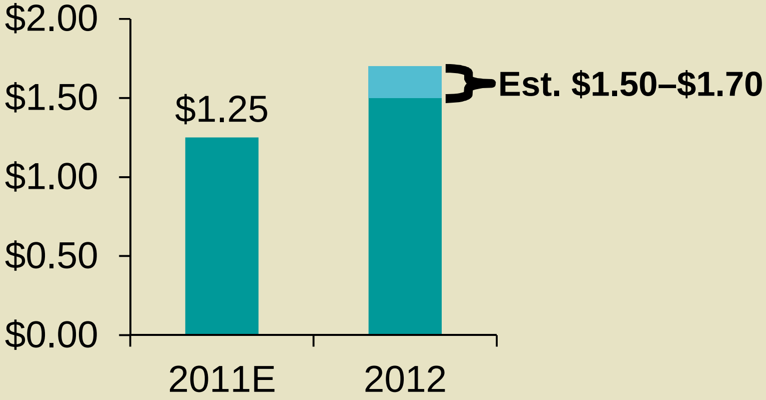
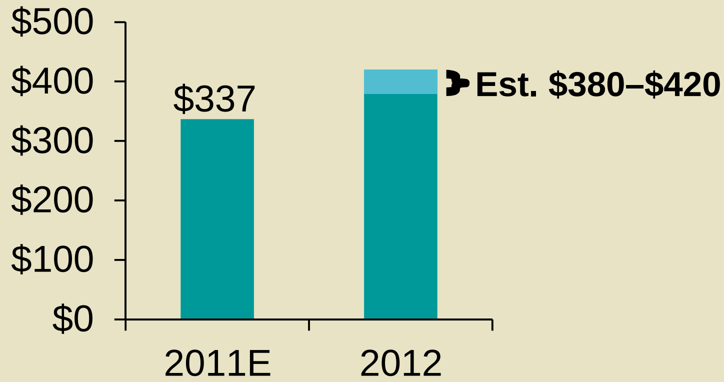
Financial targets reflect organic growth[1]

At an Alberta power price of $74/MWh, targeting normalized EPS to rise to $1.50 - $1.70, and CFPS to rise to $3.90 - $4.30

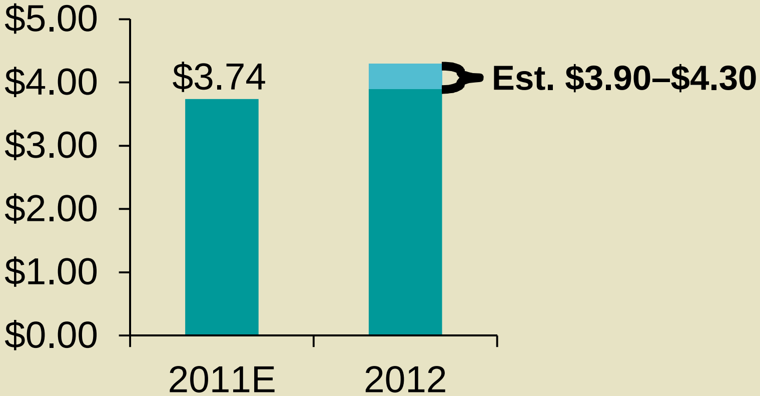
Normalized EPS targets



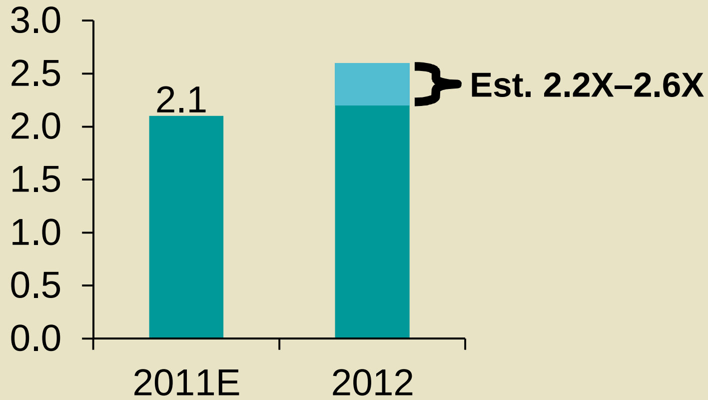
Funds from operations targets ($M)



Cash flow per share targets

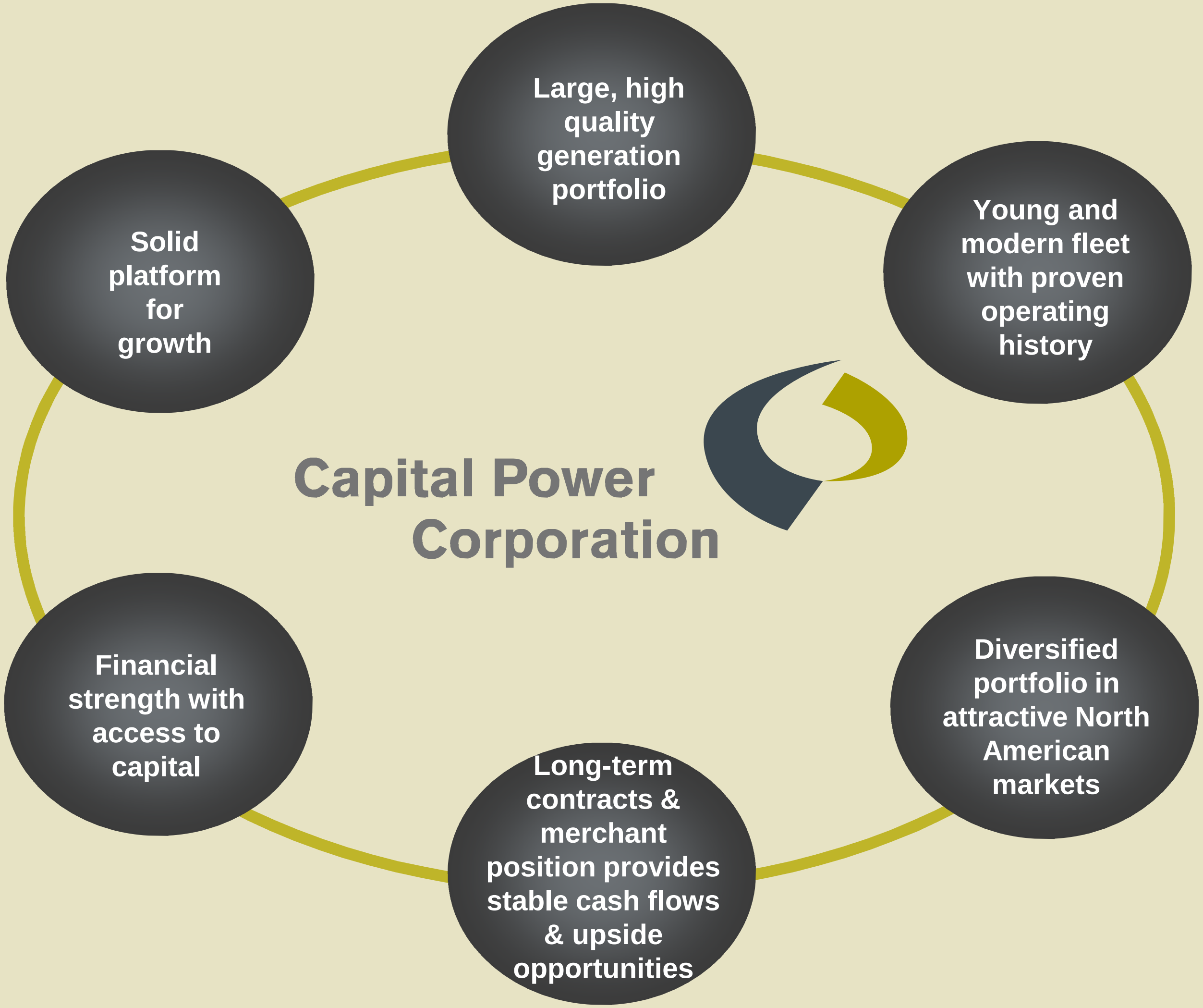


Dividend coverage ratio targets



(1) All financial measures are non-IFRS measures. See Non-IFRS Financial Measures, p 29-32

Investment highlights summary



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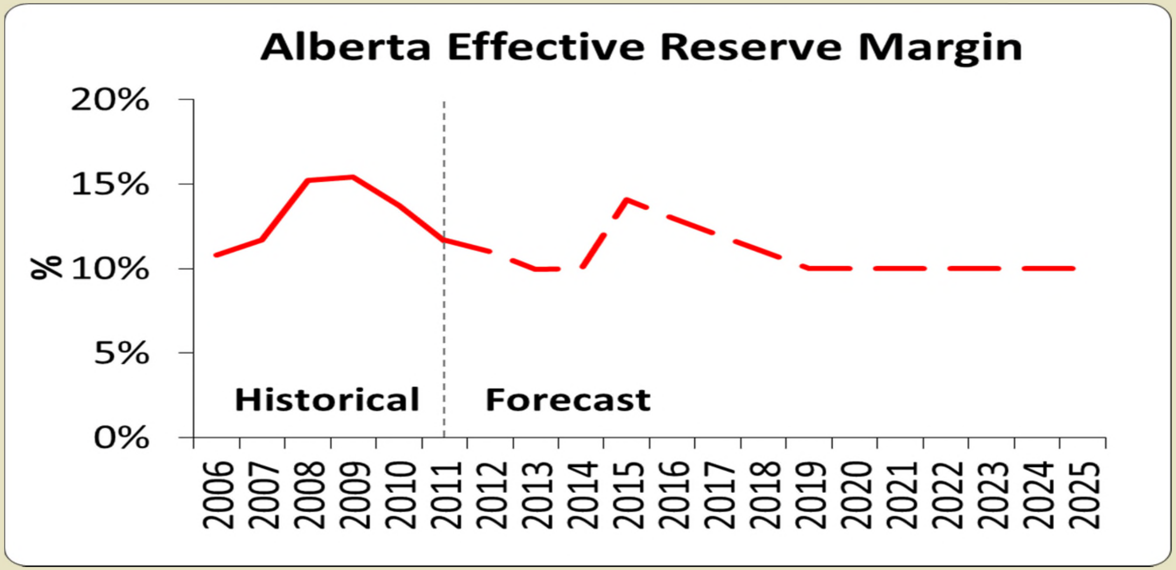
AB reserve margin forecast

- 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 - Fall 2011

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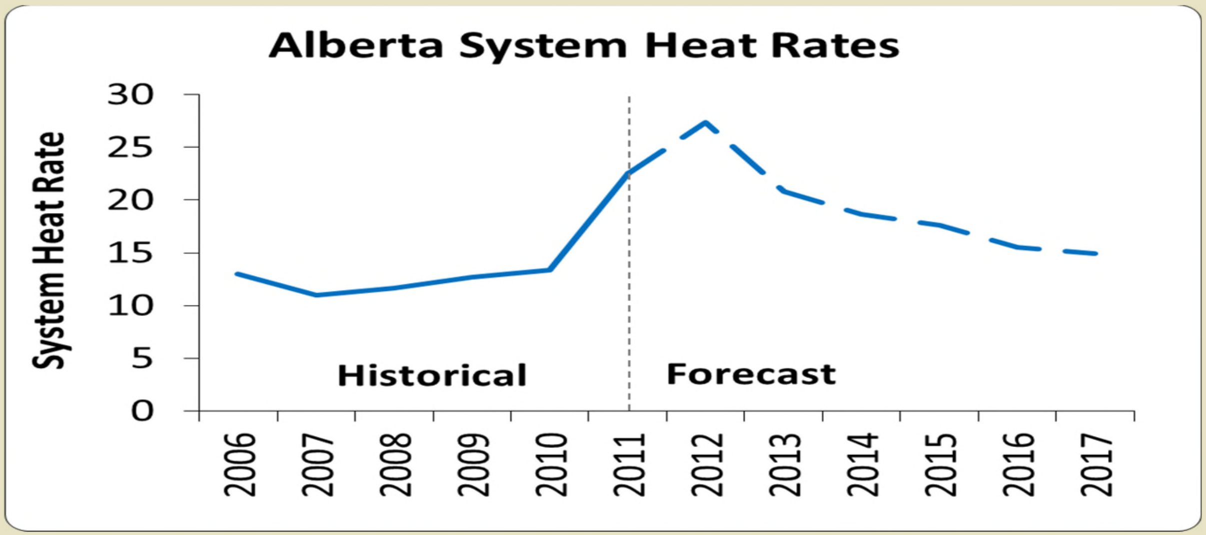
AB system heat rate forecast

- Portfolio bidding keeping prices and system heat rates high
- Alberta expected to grow at 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 generation will be increasingly on the margin
- System heat rates declining but still above historical levels



Source: Forward Prices Jan/12

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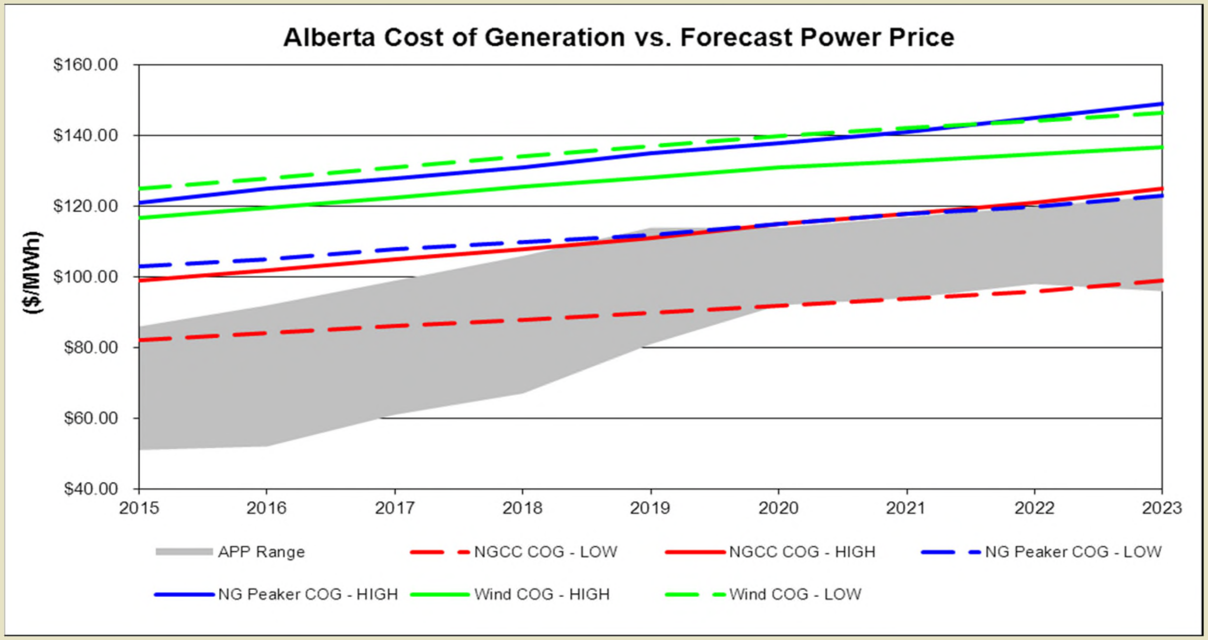
AB cost of generation (COG)

- 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 – Fall 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

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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
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 – Fall 2011

Summary of assets

	Genesee 1	Genesee 2	Genesee 3	Keephills 3	Joffre	Clover Bar Energy Centre	Clover Bar Landfill
	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

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Summary of assets (cont'd)

	Kingsbridge 1	Miller Creek	Brown Lake	Island Generation	Tiverton	Rumford	Bridgeport
	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, Conneticut
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 projects under development

	Halkirk	K2 Wind Ontario	Quality Wind	Port Dover & Nanticoke
	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	Q4/12	Construction to begin 2013 with COD in 2014	Q4/12	Q4/13
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
Expected Capital Cost	$357M, including acquisition costs ($33M)	Expected total project capex of $880M; CPC's expected capex for project is $46M	$455M	$340

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Non-IFRS financial measures

The Company uses (i) funds from operations, (ii) funds from operations excluding non-controlling interests in CPILP, (iii) cash flow per share, (iv) dividend coverage ratio as financial performance measures, (v) normalized earnings attributable to common shareholders, and (vi) normalized earnings per share. These terms are not defined financial measures according to IFRS and do not have standardized meanings prescribed by IFRS, and therefore may not be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Rather, these measures are provided to complement IFRS measures in the analysis of the Company's results of operations from management's perspective.

Funds from operations and funds from operations excluding non-controlling interests in CPILP

Capital Power uses funds from operations as a measure of the Company's ability to generate cash from its current operating activities to fund capital expenditures, debt repayments and distributions to the Company's shareholders. Funds from operations are cash provided by operating activities, including finance and current income tax expenses, and excluding changes in working capital. The Company includes interest and current income tax expenses recorded during the period, rather than interest and income taxes paid which are impacted by the timing of cash receipts and payments and are not comparable from period to period. Changes in working capital are also impacted by the timing of cash receipts and payments and are not comparable from period to period. Since the non-controlling interests in CPILP's funds from operations were approximately 70.8% at September 30, 2011 the Company uses funds from operations excluding non-controlling interests in CPILP to provide a more meaningful measure of the Company's operating cash flows.

Non-IFRS financial measures (cont'd)

A reconciliation of (i) funds from operations and (ii) funds from operations excluding non-controlling interests in CPILP, to cash flows from operating activities is as follows:

(unaudited, $millions)	Nine months ended Sept 30, 2011	Year ended Dec 31, 2010	Six months ended Dec 31, 2009[1]
Funds from operations excluding non-controlling interests in CPILP	**$ 264**	**$ 257**	**$ 124**
Funds from operations due to non-controlling interests in CPILP	70	97	47
Funds from operations	**334**	**354**	**171**
Adjustments:			
Unrealized changes in the fair value of forward bond contracts	2	(6)	-
Settlement of forward bond contracts	(12)	-	-
Miscellaneous financing charges	(6)	(10)	-
Finance expense	76	78	-
Interest paid	(44)	(58)	-
Income taxes (paid) recovered	(13)	9	-
Current income tax expense (recovery) excluding future income taxes	-	10	-
Change in non-cash operating working capital	(27)	(3)	2
Cash flows from operating activities	**$ 310**	**$ 374**	**$ 173**

Cash flow per share is calculated using the weighted average common shares of Capital Power Corporation and exchangeable common limited partnership units of CPLP that were outstanding during the period. The CPLP exchangeable common limited partnership units are exchangeable for common shares of Capital Power Corporation on a one-for-one basis.

(unaudited, $millions except cash flow per share)	Nine months ended Sept 30, 2011	Year ended Dec 31, 2010	Six months ended Dec 31, 2009[1]	Annualized Dec 31, 2009[1]
Funds from operations excluding non-controlling interests in CPILP	**$ 264**	**$ 257**	**$ 124**	**$ 248**
Weighted average common shares outstanding (millions)	40.42	21.77	21.77	21.77
Exchangeable common limited partnership units of CPLP outstanding (millions)	47.42	56.63	56.63	56.63
Weighted average shares and partnership units outstanding (millions)	87.84	78.40	78.40	78.40
Cash flow per share	**$ 3.01**	**$ 3.28**	**$ 1.58**	**$ 3.16**

(1) 2009 results have been prepared in accordance with previous CGAAP

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Non-IFRS financial measures (cont'd)

Dividend Coverage Ratio

Capital Power uses the dividend coverage ratio as a measure of the Company's ability to pay dividends and distributions to its shareholders and CPLP's exchangeable common limited partnership unitholders from funds it generates from operations. The measure is calculated as funds from operations excluding non-controlling interests in CPILP less sustaining capital expenditures divided by dividends and distributions.

(unaudited, $millions except dividend coverage ratio)	Nine months ended Sept 30, 2011	Year ended Dec 31, 2010	Six months ended Dec 31, 2009 (1)
Funds from operations excluding non-controlling interests in CPILP	**$ 264**	**$ 257**	**$ 124**
CPLP sustaining capital expenditures	(45)	(47)	(57)
CPLP's share of CPILP sustaining capital expenditures	(4)	(2)	-
Funds available for distribution	**$ 215**	**$ 208**	**$ 67**
Common share dividends	41	30	14
Distributions to exchangeable common limited partnership unitholders of CPLP	45	68	36
Total distributions for the period ended	86	98	50
Dividend coverage ratio	**2.5**	**2.1**	**1.3**

Normalized earnings and normalized earnings per share

The Company uses normalized earnings per share to measure performance by period on a comparable basis. Normalized earnings per share is based on earnings used in the calculation of earnings per share according to IFRS and adjusted for items that are not reflective of performance in the period such as fair value changes, impairment charges, unusual tax adjustments, gains and losses on disposal of assets or on unusual contracts such as the contract for maintenance of EPCOR's Rossdale plant, and the foreign exchange loss on the translation of the U.S. dollar denominated debt recognized in the third quarter of 2011. The foreign exchange gain on the translation of the New England plant assets which were financed by this U.S. debt was recognized in other comprehensive income as the operation is considered self-sustaining for accounting purposes. However, the U.S. debt is not part of the self-sustaining operation as the Company has a centralized finance function. As a result of this mismatch in the income statement, the foreign exchange loss was excluded from normalized earnings. A reconciliation of net income (loss) attributable to shareholders to normalized earnings attributable to common shareholders, and earnings (loss) per share to normalized earnings per share is as follows:

(1) 2009 results have been prepared in accordance with previous CGAAP

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Non-IFRS financial measures (cont'd)

(unaudited, $millions except earnings (loss) per share)	Nine months ended Sept 30, 2011	Year ended Dec 31, 2010	Six months ended Dec 31, 2009 [1]
Earnings (loss) per share	**$ (0.27)**	**$ 0.77**	**$ 0.97**
Net income (loss) attributable to shareholders	(7)	17	21
Preferred share dividends	(4)	-	-
Earnings (loss) attributable to common shareholders	**(11)**	**17**	**21**
Adjustments, net of tax			
Unrealized changes in fair value of CPLP's derivative instruments and natural gas held for trading	13	8	(8)
Unrealized changes in fair value of CPILP's derivative instruments	2	-	(2)
Foreign exchange losses on translation of U.S. dollar debt	2	-	-
Impact of change in non-controlling interest percentage on adjustments of previous quarters	1	1	-
Impairment loss on manager and operating contracts	30	-	-
Impact of asset impairments recognized by subsidiaries	-	(5)	-
Obligation to EPCOR for Rossdale plant	-	2	-
Acquisition loss for Island Generation acquisition	-	6	
Venture capital investment write-down	-	-	1
Income tax adjustments	(2)	2	1
	46	14	(8)
Normalized earnings attributable to common shareholders	35	31	13
Weighted average number of common shares outstanding (millions)	40.42	22.19	21.75
Normalized earnings per share	**$ 0.87**	**$ 1.40**	**$ 0.60**

(1) 2009 results have been prepared in accordance with previous CGAAP

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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. 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) estimated number of facilities, total megawatts and capacity contracted by the year-ended 2014 and the sources of fuel for such facilities; (ii) expected commercial operation dates of new projects; (iii) estimated operating performance for the remainder of 2011; (iv) estimated megawatts for 2012, 2013 and 2014 and the impact of committed projects on contracted cash flows; (v) the impact of Keephills 3 and Capital Power's wind projects on cash flows; (vi) expectations with respect to industry trends and the implications thereof; (vii) expected capital cost, PPA terms and commercial operation dates of the Capital Energy Center, Sun Valley Energy Center and San Diego Energy Center; (viii) business development timeframes; (ix) expected commercial operation date of Port Dover & Nanticoke and expectations with respect to the unlevered returns from Port Dover & Nanticoke and that Port Dover & Nanticoke will be accretive to earnings; (x) expectations with respect to the timing of commencement of construction for the K2 Wind project and the expected capital cost and commercial operation date of such project; (xi) expectations with respect to EBITDA for 2012 and 2014 for Capital Power's NE U.S. assets and the projected unlevered returns from such assets; (xii) expectations with respect to unlevered returns generally; (xiii) estimated committed capital for 2012; (xiv) expectations that Capital Power's New England assets will recover by 2014 and deliver above target returns; (xv) expectations that Capital Power's wind developments will be significantly accretive and will add $0.15 per share on an earnings and cash flow basis during the first two years of operations, with associated EBITDA of $150 million to $160 million and expectations that construction and engineering work will result in lower capital costs and accelerated schedules for Capital Power's wind projects; (xvi) expectations with respect to timing for completion and capital costs of Capital Power's wind projects; (xvii) estimated normalized earnings per share, funds from operations, cash flow per share and dividend coverage ratios; (xviii) estimates with respect to TRIF, maintenance costs, plant availability and production for the remainder of 2011, 2012 and 2013; (xix) expectations with respect to timing and costs of planned major outages; (xx) expectations with respect to increased generation at Genesee 1; (xxii) estimated return to service date of Genesee 3 and costs of repairs; (xxi) expectations with respect to environmental regulations; (xxii) expectations with respect to supply and demand and energy prices in Capital Power's markets; (xxiii) estimated financial ratios for the remainder of 2011 and 2012; (xxiv) estimated CAGR and discretionary cash flow; (xxv) estimated capital expenditures for development projects; (xxvi) estimated maintenance capital expenditures; and (xxvii) estimated sources and uses of cash for the remainder of 2011 and 2012.

These statements are based on certain assumptions and analyses made by Capital Power 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

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Forward-looking information (cont'd)

assumptions used to develop these forward-looking statements include, but are not limited to: (i) the operation of Capital Power's facilities; (ii) power plant availability and dispatch; (iii) Capital Power's financial position and credit facilities and sources of funding; (iv) Capital Power's assessment of commodity and power markets; (v) Capital Power's assessment of the markets and regulatory environments in which it operates; (vi) Capital Power'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) Capital Power'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) current risk management strategies including hedges will be in place; and (xxiv) total cash requirements.

Whether actual results, performance or achievements will conform to Capital Power'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 Capital Power's expectations. Such risks and uncertainties include, but are not limited to, risks relating to: (i) operation of Capital Power'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 Capital Power, (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 tax attributes of and implications of any acquisitions; and (xix) ability to secure new contracts and terms of such contracts. See also the Business Risks section in Capital Power's annual and interim MD&A filed on SEDAR. If any such risks actually occur, they could materially adversely affect Capital Power's business, financial condition or results of operations. In that case the trading price of Capital Power'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. Capital Power 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 Capital Power'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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