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Brian Vaasjo, President & CEO
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Capital Power's strategy creates value throughout business cycle

Independent power producer (IPP) strategy consistent since IPO

- We develop, acquire and operate larger facilities, maintaining discipline on geography, technology and fuel type
- One of the dominant power producers in the Alberta power market

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Fleet aligned with business strategy in 2012

Commission 292 MW from two wind projects on time and under budgets

- Quality Wind - COD Nov/12 and ~10% under budget
- Halkirk - COD Dec/12 and ~3% under budget

Rationalized fleet and sharpened focus

- Divested small hydro facilities

Announced major expansion plans in Alberta

- Acquired a 50% interest (400 MW) in the Shepard Energy Centre with Enmax
  - Natural gas combined cycle facility located SE of Calgary
  - ~50% complete; expected COD early 2015
- Plan to develop the Capital Power Energy Centre; natural gas facility (up to 900 MW)

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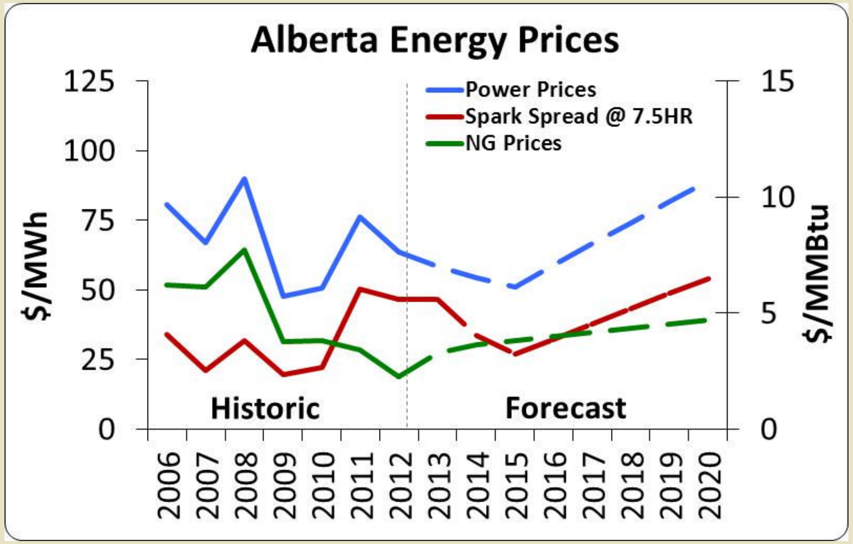
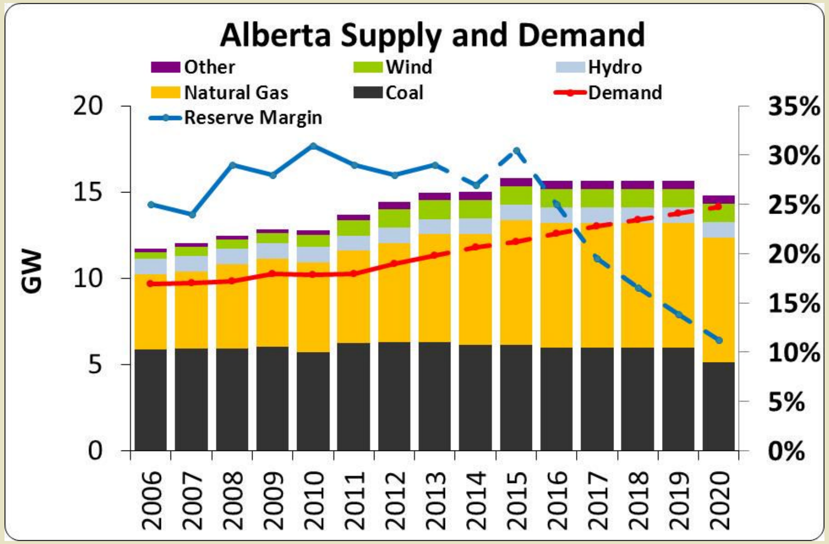
Alberta market

Positive long term supply dynamics

Forecast spark spreads above historical average



Projected reserve margin signals the need for new capacity in the 2017-2020 timeframe



AB market design expected to continue to provide timely pricing signals for the addition of new supply

Source: AESO and CPC Estimates

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Shepard Energy Centre

Excellent fit with our strategy and will strengthen our position in Alberta

Provides stable cash flows

- 20-year tolling agreement on 50% of owned capacity with ENMAX
- Additional 25% contracted for 2015-17 which increases cash flow certainty during an expected period of low pool prices in Alberta
- Additional cash flow certainty created by hedging Capital Power's existing portfolio by 100 MW in 2013, 300 MW in 2014 and 100 MW in 2015

Located in target region

- Adds to existing Alberta portfolio which will facilitate additional economies of scale and trading synergies

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Capital Power Energy Centre to be built to meet Alberta's power needs

Expands our market share in the attractive Alberta market

- Working with General Electric in the development of the project, and would utilize GE's latest gas turbine technology
  - Looking to partner with 3rd party in the development of the project
- Evaluating two attractive sites for the project; both sites have existing infrastructure, utilities and close proximity to gas pipelines and transmission
- Targeting COD in 2017-20 to meet additional supply projected to be required from the province's economic growth and retirements of existing coal-fired facilities

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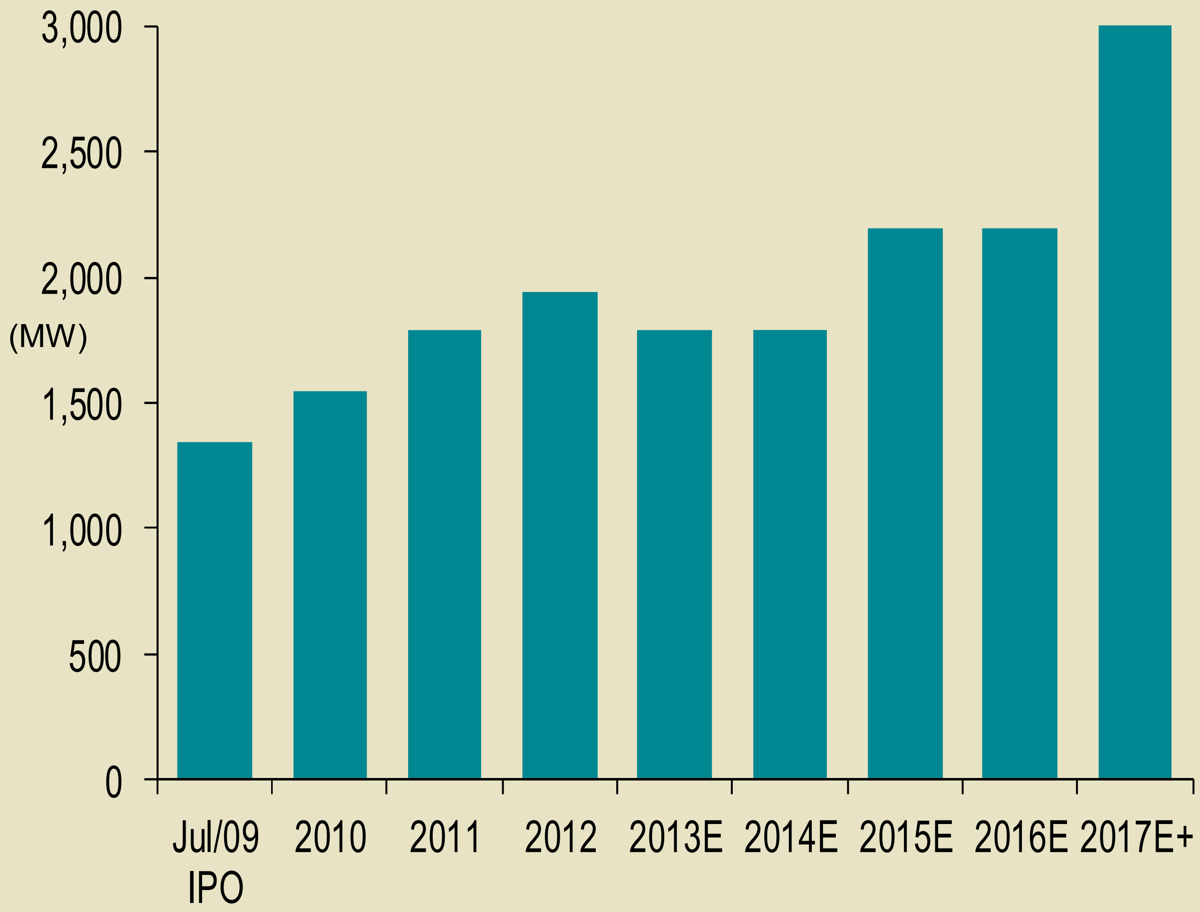
We will own the best fleet in the fastest growing power market in North America

Expansion plans will increase our Alberta portfolio to ~3,100 MW



- Best peaking responsiveness
- Best coal reliability
- Lowest environmental impact and lowest cost
- Most competitive natural gas combined cycle

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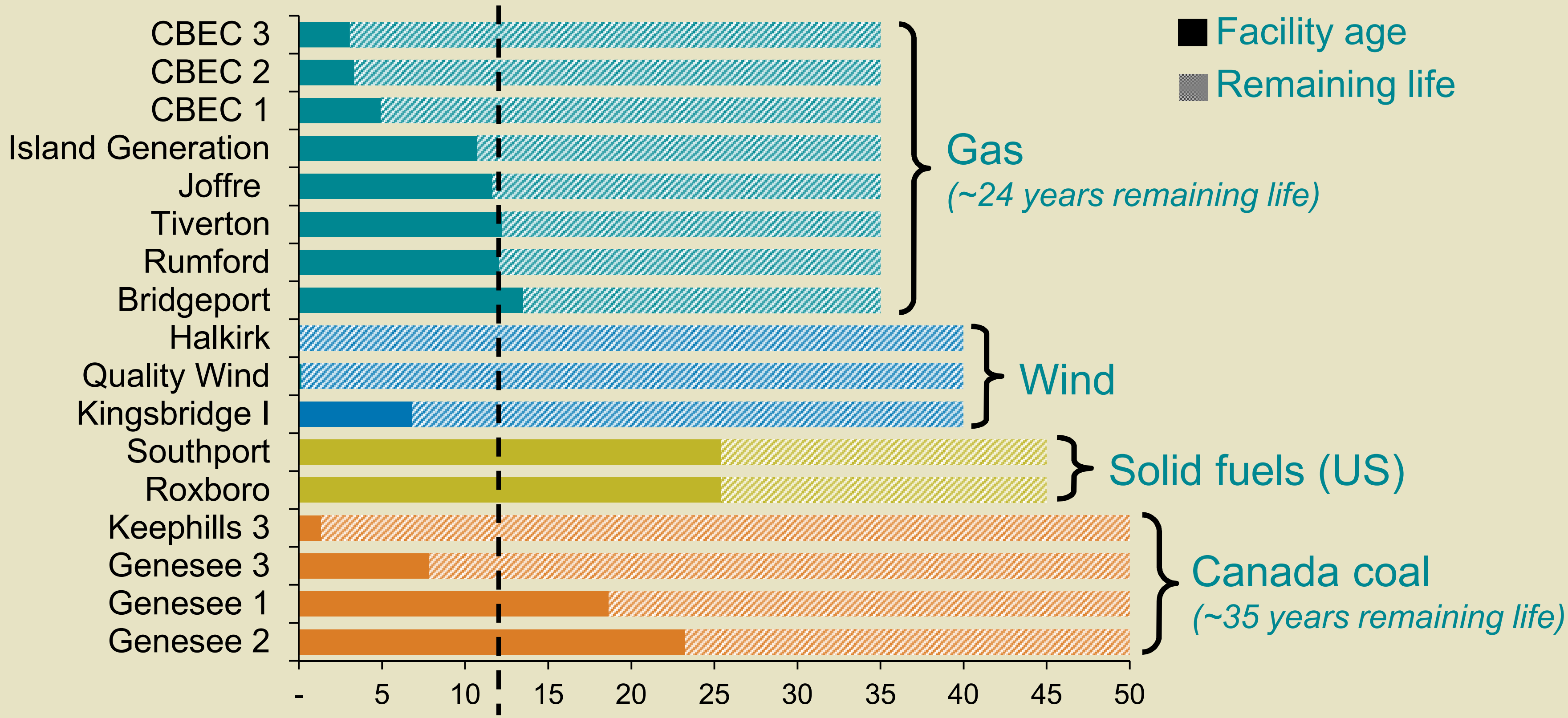
Modern fleet

Helps keep availability high and reduces risk of unplanned outages

- Average weighted facility age of the current fleet is 12.1 years[(1)]
- 2 new wind projects (195 MW) begin commercial operations in 2013 - 2014



(1) Average facility age and remaining life weighted by owned capacity as of Jan1/13.

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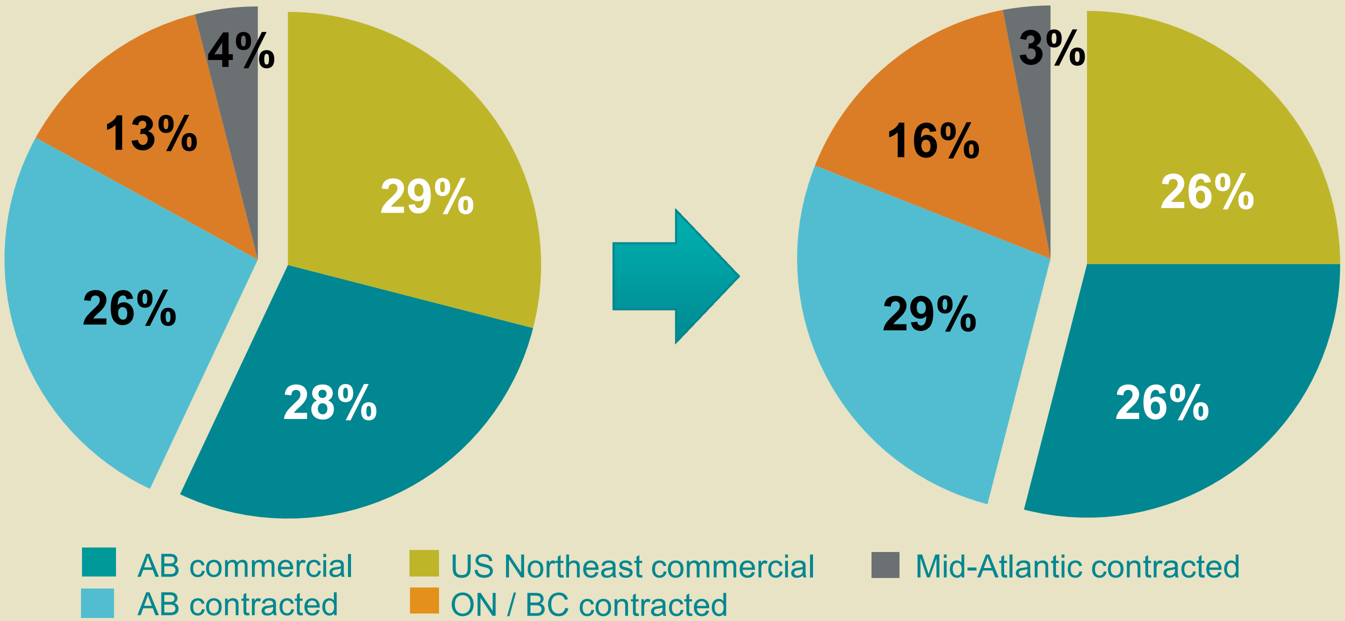
Balanced portfolio of merchant and contracted generation(1)

Today - 2012
15 facilities (3,603 MW)
• 43% capacity contracted

Year-end 2015E
17 facilities (4,048 MW(2))
• 48% capacity contracted



With the addition of the Shepard facility, contracted operating margin improves to 64% in 2015E compared to 37% in 2012E

(1) Based on MW owned capacity as of Jan 1/13; excludes Sundance PPA (371 MW) and Clover Bar Landfill Gas (4.8 MW).
(2) Based on existing plants plus committed development projects.

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